The New Deal

In July of 1932, in the midst of the greatest economic crisis in U.S. history, Franklin D. Roosevelt accepted the Democratic Party’s presidential nomination, promising “a new deal for the American people.” That promise became a series of relief, recovery, and reform programs designed to provide assistance to the unemployed and poor, revive the economy, and change the financial system to prevent another depression.

Historical Background

The timeline below shows some major events related to the New Deal, beginning with its antecedents in the four years before Roosevelt’s inauguration:

1929
In October, the stock market crashes, marking the beginning of the Great Depression.

1930
Unemployment grows from almost 4 million in January to 7 million in December.
President Herbert Hoover appoints the President’s Emergency Committee for Employment to stimulate state and local relief (no funding for relief was provided by the committee).

1932
Congress authorizes release of government surplus wheat and cotton for relief purposes.
Emergency Relief and Construction Act is passed. The Act provides funding to help state and local governments with their relief efforts.
Franklin D. Roosevelt is elected president in November.

1933
In the first two months of 1933, 4,004 banks fail. Unemployment reaches approximately 14 million (about 25 percent). FDR is inaugurated on March 4. The following day, he proclaims a four-day bank holiday. He calls a special session of Congress to begin March 9.
On the first day of its special session, Congress passes the Emergency Banking Act, which gives the president power over the banks. Within a few days, many banks reopen, lifting national spirits. Over the next 100 days, Congress enacts a number of laws creating New Deal programs. These include:

- The Reforestation Relief Act, establishing jobs for 250,000 young men in the Civilian Conservation Corps (CCC). By the program’s end in 1941, 2 million people will have worked on CCC projects.

- The Federal Emergency Relief Act, which provides funds to states for relief.

- The Agricultural Adjustment Act, establishing prices for farm products and paying subsidies to farmers, and the Farm Credit Act, providing agricultural loans.

- Tennessee Valley Authority Act, which creates the TVA to build dams and power plants.

- Federal Securities Act, which gives the executive branch the authority to regulate stocks and bonds.

- Home Owners Refinancing Act, providing aid to homeowners in danger of losing their homes.

- National Industrial Recovery Act (NIRA), which establishes the Public Works Administration (PWA) and the National Recovery Administration (NRA). The PWA provides employment in the building of roads and public buildings. The NRA regulates trade to stimulate competition.

- Banking Act of 1933, creating the Federal Deposit Insurance Corporation to protect depositors’ funds.

- Roosevelt establishes the National Labor Board (NLB) to protect workers’ rights to join unions to bargain collectively with employers.

1934
Congress continues to pass relief and reform legislation, including the Securities Exchange Act, which establishes the Securities and Exchange Commission (SEC) to regulate sale of securities, and the National Housing Act, which establishes the Federal Housing Administration (FHA) to provide insurance for loans needed to build or repair homes.

1935
Congress passes the Emergency Relief Appropriation Act, which funds the Works Progress Administration (WPA) to provide employment on “useful projects.” Through June 1943, when the WPA ends, the program will provide...
jobs for 8.5 million Americans with 30 million dependents.
The Supreme Court rules the NIRA unconstitutional.
Congress passes National Labor Relations Act, Social Security Act, Bank Act, Public Utilities Act, and Revenue Act. These acts provide a safety net for the elderly and disabled, authorize greater government regulation of banks and utility companies, and increase taxes on wealthier Americans.

1936
Supreme Court rules the Agricultural Adjustment Act unconstitutional.
Roosevelt is reelected.

1937
Roosevelt is inaugurated in January.
Thwarted by Supreme Court decisions, Roosevelt develops a plan to change the Court’s composition. His proposal would add a judge for every justice who does not retire at age 70. The plan is not well received, even among Roosevelt supporters.
Supreme Court upholds National Labor Relations Act and Social Security Act.

1938
Congress passes the Fair Labor Standards Act, which sets a minimum wage for workers and a maximum number of work hours. This is the last significant New Deal legislation.

Historians still debate whether the New Deal succeeded. Those who say it succeeded point out that economic indicators, while they did not return to pre-Depression levels, did bounce back significantly, and also point to the infrastructure created by WPA workers as a long-term benefit.

Critics point out that, while unemployment fell after 1933, it remained high. They argue that the New Deal did not provide long-term solutions and only the war ended the Depression. Furthermore, many critics feel the New Deal made changes in the government’s role that were not a benefit to the nation.
This primary source set features a variety of documents produced by several New Deal agencies. The documents illustrate a variety of kinds of work funded by the agencies, as well as the types of social and economic problems that the programs either addressed or documented.

- Divide students into five groups. Ask each group to analyze three of the documents in this primary source set. What can they infer from the items and accompanying bibliographic information about the problem(s) facing the country during the Great Depression? What can they infer about the work of the New Deal agencies represented by these items? Ask each group to share what they learned, either orally or by adding to a list of agencies displayed in the classroom.

- Explore the relationship between New Deal programs and some of the individuals that the programs were created to assist. Identify specific individuals who are supported through New Deal programs in the primary source set. Look for evidence of how successful the New Deal program was to that individual. How was a program likely perceived by that individual in the primary source?

- The colorful posters created by WPA artists provide insight into many aspects of American life in the 1930s. Ask each student to choose one of the posters in the primary source set and analyze it in detail, and then identify its purpose, its audience, and any problem and proposed solution addressed. Extend the activity by asking students to write a headline that gets across the message they think the poster provides. Optionally, students can design a poster that addresses a similar issue today, employing a graphic element from the original WPA poster.

- Students may not be familiar with the way the word relief was used in the 1930s. Without defining the term, explain to students that relief was one goal of the New Deal. Assign students to use the documents in the primary source set to find out what relief meant in the 1930s, what forms it took, and how people responded to it.
**Additional Resources**

**American Life Histories: Manuscripts from the Federal Writers’ Project, 1936 to 1940**
http://www.loc.gov/collection/federal-writers-project/about-this-collection/

**Farm Security Administration/Office of War Information Black and White Negatives**

**Posters: WPA Posters**
http://www.loc.gov/collections/works-progress-administration-posters/about-this-collection/

**Florida Folklife from the WPA Collections, 1937 to 1942**
http://www.loc.gov/collections/florida-folklife-from-the-works-progress-administration/about-this-collection/
Primary Sources with Citations


http://www.loc.gov/item/98516812/

http://loc.gov/item/93511155

http://www.loc.gov/item/toddbib000398/

http://memory.loc.gov/cgi-bin/ampage?collId=ftp&fileName=fprpb/1095/10950010/ftp10950010page.db&recNum=0

http://www.loc.gov/item/wpalh002746/

http://www.loc.gov/item/wpalh002092

http://www.loc.gov/item/wpalh001373

