The New Deal – Franklin D. Roosevelt Essay, Research Paper

The New Deal, Franklin D. Roosevelt, AND The Future

When the great depression hit America, the country was left in devastation. Due to the

Hoover Administration’s slow reaction in responding to the depression, many had lost their hope

for the future. Then Franklin Roosevelt came up during 1932 elections. During his campaign,

Roosevelt found his slogan: “The New Deal,” a name that would become a symbol of one of his

greatest achievements.

Many people had asked, what caused the Great Depression? Some blamed on the Great

Crash. Economists say that the Great Crash did damage the economic system in some ways, but

it did not necessarily cause the depression. It was the weak economic structure at the time that

may have triggered the tumbling down of the economy.

Other factors causing the Great Depression includes the over-expansion of businesses

to gain more profit. In fact, as businesses over-extended themselves, produced too much

products, customers could not keep up with the expansion, since their wages did not increase

much. Many desperate customers, wanting to buy “on-time” with their limits income, plunged

into the world of credit. Further, the whole economic system was dictated largely by jumbo

corporations, the government, most of the time, stayed out of the system.

Responding to the Great Depression, President Herbert, during 1931-32 believed that

private charities had run out of all funds. Some went bankrupt shortly afterwards. Also, many

major cities also went bankrupt. And what they are thinking did not work.

Hoover turned to businessmen for answers by promising that they will always maintain

full employment, wages, and prices. He then tried lowering the income taxes. Hoover’s

program to stabilize the agricultural industry, which prompted the sale of farm products

through cooperatives. Despite of these programs, however, the people protested against

Hoover. They argued that Hoover was too slow in response to the problems.

The country was in a total mess when Franklin Roosevelt stepped into office. The

new president took action quickly within the first Hundred Days. He created and have the

Congress passed over 15 major laws. These 15 legislation would later be the “foundation”

of the New Deal programs. The first step was to save the banks. On March 9, President

Roosevelt banks an emergency back legislation to repair the banking system: stable banks

would reopen immediately after the bank holiday with government support. Weak banks

would be closed and put into further investigations.

Roosevelt’s second step was to reduce the unemployment and helping the needy and

poor persons. To help people from having their homes foreclosed, FDR proposed the Home

Owner’s Loan Act, which refinanced their mortgages. Federal Emergency Relief

Administration (FERA) was next, to feed the poor. To employ the unemployed, Civil Works

Administration (CWA) was created, which reduced the number of the unemployed by 4 million

and his other programs like CCC, TVA, etc.

In June 1933, the Public Works Administration (PWA) and the National Recovery

Administration (NRA) came to light. The PWA was created to stimulate industry and create

employment in public works. The NRA worked to establish a closer an clearer relationship

between government and business. At the same time, the NRA controlled productivity and

competition while maintained prices, employment, and wages. For agriculture, the New

Deal created the Agricultural Administration (AAA). Interestingly, the AAA enforced

farmers not to plant crops, Further, farmers who did not farm and followed orders were

paid by the AAA.

Within just one year before the end of President Roosevelt’s first term, many new

programs were still, including the Social Security, Works Progress Administration (WPA),

National Labor Relations Act, and Public Utilities Holding Company Act. By the end of

President’s Roosevelt’s first term, the New Deal program had helped a dynamic range of

people who were struck by the depression and needed help, from the unemployed, elderly,

farmers, even business, just to name a few.

But critics came against the New Deal. First, it came from the Supreme Court then

businesses. They think NRA surpassed the federal powers to control the interstate commerce

and the New Deal sided too closely with workers and farmers. Despite of the problems that the

New Deal left for the future presidents to solve, the New Deal did brought many good things to

the American Society. Although not everybody will experience the American Dream, some did

have the chance after the New Deal era, especially during and after the economic boom of the

World War II. A continuation of the progressive tradition. Although, the New Deal failed to

save America out of the Depression. It sought to “clean up” and tried to improve the country for

that reason it has left a long lasting legacy for the future.

Suggested Readings,

A Narrative History by George B Tindall and David E Shih.

The New Deal and the problem of Monopoly by Ellis W Hawley (1966)

www.academic.marist.edu