

Two Presidents Respond



As a Young Historian, I will be able to...

- Evaluate Hoover's approaches to resolving the Great Depression and how Americans reacted to them.
- Contrast Hoover's approach to the economic crisis with Franklin D. Roosevelt's approach.
- Describe the programs that were part of the first New Deal and their immediate effect on Americans' lives.
- Identify the New Deal's opponents and their major criticisms.

Hoover's Response Fails

**Hoover did not create the Depression, but
was president during it so Americans
blamed him**

**He tried a “Hands-Off” policy at first
hoping the economy would stabilize
on its own**

**After that didn't work, he turned to
volunteerism & cooperation in
business & government**

**Goal was to keep pay scales the same,
lower taxes, & create work programs**

Cooperation Fails

Because it hinged on voluntary work, the plans failed & people worked on own self interest

Localism- Policy whereby problems could be solved at local or state levels

Towns didn't have the resources to fix problems & Hoover refused to use federal funding

Favored "Rugged Individualism" & thought people had to help themselves

Reverse Reverse!

Americans began to name things after Hoover such as campfires were “Hoover Heaters”

Hoover was losing the battle & decided to use federal funding

**Reconstruction Finance Corporation (RFC)-
Government loans to railroads & big
business**

**It also loaned money to banks in order to pay
people back**

Hoover Fixes Things?

Trickle-Down Economics- Belief that if you poured money into the top of the economic pyramid it would trickle down to the base

Often money was not being dispersed the way it was supposed to

Hoover did oversee the construction of the Hoover Dam on the Colorado bringing jobs to the region

Challenges to Economic Times

Americans began to question if communism was a better answer to Capitalism

Economic problems oversea saw the rise of powerful fascist dictators

WWI veterans, known as **The Bonus Army**, marches on Washington to demand compensation from the war.

Hoover sympathizes, but orders military to “surround the affected area & clear it without delay”

Bonus Army

General **Douglas MacArthur** & Colonels **Dwight Eisenhower** & **George Patton** use force to remove veterans.

Photos from the event shocked the nation & public reception for Hoover tanked

Having lost national support, Hoover loses 1932 election to **Franklin D. Roosevelt**

Americans Turn to Roosevelt

Roosevelt grew up in a wealthy family,
went to an elite school, & enjoyed
upper class nobility

He would grow up to believe that public
service was a noble cause

Married his distant cousin (5th) **Eleanor
Roosevelt**, who was the niece of Teddy
Roosevelt

Was diagnosed with Polio after a vacation
accident that would keep him confined to a
wheelchair

President & Brain Trust

Roosevelt would pledge to the nation to create a “**New Deal**” to combat the depression

He believed it was up to the Federal Government to help the American people

He organized a cabinet of diverse intellectuals to help him fix the nation, nicknamed “**The Brain Trust**”

Eleanor traveled the nation to calm them, including the Bonus Army

New Deal Begins

Roosevelt knew he had to restore the nations confidence in government

He first ordered a national “Bank Holiday” to give banks time to fix accounts

He began to speak directly to the American people over the radio known as **Fireside Chats**

Federal Deposit Insurance Corporation (FDIC)- Act that insured bank deposits

New Deal

FDR ordered people who owned gold worth more than \$100 to the Federal Reserve

Then money & gold ties were cut by Congress to go to a fiat system

Agricultural Adjustment Act (AAA)
sought to end over production & raise crop prices

Farms were ordered to destroy crops & livestock to raise farm prices

New Deal Continued

**Tennessee Valley Authority (TVA)- Goal
to bring power to the Tennessee area**

**Dams were constructed, forests replanted,
& sewage systems were improved**

**Civilian Conservation Corps (CCC)- Goal
to provide jobs for more than 2 million
Americans**

**National Recovery Administration (NRA)-
Developed codes of conduct for business
such as minimum wage & prices**

New Deal & Critics

Public Works Administration (PWA)- Built bridges, dams, power plants, government buildings to improve nation & provide jobs

Republicans worried about the price of programs & thought too radical, Democrats thought not radical enough

Main worry was that the New Deal made the federal government too powerful

Worried that it was destroying liberty & individualism in the United States

Critics

Charles Coughlin- Priest who challenged the New Deal as communist

Huey Long- Senator who thought nation should tax wealthy & redistribute wealth