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**FRANKLIN ROOSEVELT'S NEW DEAL REPRESENTED
A RADICAL DEPARTURE FROM PREVIOUS AMERICAN
APPROACHES IN GOVERNMENT AND THE ECONOMY.**

EVALUATE THIS STATEMENT

-FDR's "New Deal" was not necessarily a radical departure from previous approaches to government and the economy. It appears to be a fairly radical extension of the "regulated capitalism" during Wilson's time.

-Wilson's regulated capitalism 1912-1916 (New Freedom)

Reaction to the demands for reform during the "Gilded Age".

Lower tariffs.

Opposition to business consolidation (Monopolies)

Destruction of Trusts.

Federal Reserve Act- effective banking system

Federal Trade Commission- stop unfair business practices.

Clayton Anti-Trust Act- protection for Unions and Farm Co-ops.
put teeth in the Sherman Anti-Trust Act

FDR's Plan (New Deal)

1. Marked an end to laissez-faire gov't. "Rugged Individualism", ideas held since the Harding-Coolidge-Hoover administrations of the 1920's and early 1930's.

2. Examples:

-Agricultural Adjustment Act: AAA

-took farmers out of a free market

-federal gov't now determines price on crops grown.

-reduced supply by paying farmers not to plant.

-federal gov't controlled prices/surpluses by buying products then storing/slaughtering or burying them keeping prices higher.

-new idea, one group of society subsidized by the rest of society.

-Tennessee Valley Authority TVA

-Gov't ownership of the means of production. (power generation)

-Tennessee Valley completely remade, lives changed, jobs created.

-gov't sells power in direct competition with private industry.

-public comes to accept this as part of gov'ts role in society.

-Social Security

- revolutionary idea that it is the responsibility of the Federal Gov't. not the individual, family or church to provide for the needs of the aged, sick, widowed or orphaned.
- this legislation was a direct response to the fact that the demagogues were rising up during hard times to advocate an alternative to democracy. (Coughlin, Long, Townsend)
- Fed did not believe that the people would save for future planning

-Federal Deposit Insurance Corporation

- the Federal Gov't. takes on the responsibility for protecting A citizens bank deposits.

Each of these programs represented a radical extension of Wilson's previous Attempts at regulating gov't and economy. The depth of the damages by this depression allowed Roosevelt to get support for this new extension.

Thoughts to ponder: Do Pres. Trumans "Fair Deal" and Pres. Johnson's "Great Society" fit in here??

Both are extensions of FDR's New Deal programs.

Truman's Fair Deal

Attempted to see that FDR's New Deal programs did not die as Wilson's "New Freedom" had after WWI.

While many Fair Deal programs met with opposition in an unfriendly Congress, Truman nonetheless was able to accomplish:

- expansion of Social Security coverage and benefits
- raise the minimum wage
- provide funds for slum clearance and build low income housing
- maintain farm price supports.
- established the Atomic Energy Commission 1946
- desegregated the military
- appointed a "Committee on Civil Rights"-awakened the nation to a major prob.
- unified the armed forces into one Department of Defense. (National Security Act 1947)

Johnson's Great Society

A war on Poverty (share abundance) national embarrassment
-food stamps, project Head Start, Neighborhood Youth Corps.
-Job Corp, VISTA (volunteers in service to America)