

Responses to the Great Depression

Hoover's Responses

- Smoot-Hawley Tariff Act
- Federal Home Loan Bank
- National Credit Corporation
- Reconstruction Finance Corporation
- Emergency Relief and Construction Act

FDR's Responses

First New Deal 1933-1934

Relief

- Emergency Banking Act
- Economy Act
- Federal Emergency Relief Administration
Harry Hopkins

Recovery

- Agricultural Adjustment Act
- National Recovery Administration
Hugh Johnson
- National Industrial Recovery Act
- Home Owners Loan Corporation
- Farm Credit Administration
- Civilian Conservation Corps
- Civil Works Administration
- Tennessee Valley Authority
- Public Works Administration

Reform

- Abandoning of Gold Standard
- Securities Act
- Federal Deposit and Insurance Corporation

Second New Deal 1935-1937

Relief

Recovery

- Works Progress Administration
Harry Hopkins
- Rural Electrification Administration
- Resettlement Act
- United States Housing Authority
- Second Agricultural Adjustment Act

Reform

- Public Utility Holding Act
- National Labor Relations Board (Wager Act)
- Social Security Act
- Indian Reorganization Act
- Fair Labor and Standards Act

Hoover's Responses

Smoot-Hawley Tariff Act – raised tariffs on goods to the second highest level in the history of the US

Federal Home loan Bank – gave loans for new home construction and stop foreclosures

National Credit Corporation – a privately managed pool of \$500 million that member banks could use to meet banks runs

Reconstruction Finance Corporation – provided government loans to railroads, banks and businesses; used by FDR for the New Deal and WW II

Emergency Relief and Construction Act – provided funds for public works programs (Hoover Dam)

FDR's Responses

First New Deal

Emergency Banking Act - closed all banks until they became certified by federal reviewers

Economy Act - balance the federal budget by cutting the salaries of government employees and reducing pensions to veterans by as much as 15%

Federal Emergency Relief Administration - provided breadlines, money and other aid to the unemployed

Agricultural Adjustment Act - paid farmers to not grow crops and slaughter millions of animals

National Recovery Act - created fair standards in favor of labor unions

National Industrial Recovery Act - provided temporary jobs to millions of unemployed

Home Owners Loan Corporation – refinanced home mortgages that were in default or were close to default to prevent foreclosure

Farm Credit Administration – refinanced farmers mortgages with local banks to prevent foreclosure

Civilian Conservation Corps - employed young adults to perform unskilled work for the federal government

Civil Works Administration – created temporary, manual labor jobs constructing buildings and bridges during the winter of '34

Tennessee Valley Authority - a government program that ran a series of dams built on the Tennessee River

Public Works Administration - employed middle-aged skilled workers to work on public projects

Securities Act - codified standards for sale and purchase of stock, required risk of investments to be accurately disclosed; created the SEC or Securities and Exchange Commission

Federal Deposit and Insurance Corporation (Glass-Steagall Act) - insures deposits in banks in order to restore public confidence in banks

Abandoning of Gold Standard – more money could be pumped into the economy without the gold standard; using the gold standard limited the amount of gold that could be used in the US economy – people needed money to spend to jump start the economy

Second New Deal

Works Progress Administration - a reiteration of the PWA, created useful work for skilled workers

Rural Electrification Administration – provided federal money to bring electricity to rural areas; 90% of rural areas did not have electricity

United States Housing Authority – provided federal loans to build low income housing and communities

Second Agricultural Act – paid farmers to grow crops in an environmentally friendly way; another way to pay farmers not to grow crops (field rotation)

Resettlement Act – bought substandard or unproductive land, used it for more appropriate use and resettled the displaced families in greenbelt towns or public housing

Public Utility Holding Act – reformed the structure of public utilities and regulated their debt and dividend payments

National Labor Relations Board (Wager Act) - granted right of labor unions to exist

Social Security Act - provided financial assistance to: elderly, handicapped, delinquent, unemployed; paid for by employee and employer payroll contributions

Indian Reorganization Act – reversed the Dawes Act and provided for communal ownership of land and government for Indians

Fair Labor and Standards Act - established a maximum normal work week of 40 hours, and a minimum pay of 40 cents/hour