Unit 11: Great Depression and the New Deal
Unit 12: World War II and the Post-War Era
Depression, 1929 -1933

Causes of the Crash

- Uneven distribution of income
- Stock market speculation
- Excessive use of credit
- Overproduction of consumer goods
- Weak farm economy
- Government policies
- Global economic problems
Wall Street Crash

- Stock prices kept going up after the war
- Black Tuesday – Oct. 29, 1929 – selling frenzy resumed – prices kept going down!
Depression economy

- US Gross National Product (GNP) – value of all goods and services provided by the nation in a year – dropped from $104 billion to $56 billion.
- Nation’s income declined by over 50%.
- 20% of banks closed.
- By 1933 25% of workforce unemployed (not including farmers).
Moods of despair

1. Agrarian unrest
   - Worldwide depression hurt trade
   - Hawley-Smoot Tariff – raised tariffs
   - Hoover’s Federal Farm Board – help farmers stabilize prices by temporarily holding grain in storage
   - Reconstruction Finance Corporation (RFC) – emergency loans to key business – banks, RR, life insurance with hope of “trickle down”

   TOO LITTLE TOO LATE
Bonus March

- WWI veterans demanded their bonuses earlier – marched on Washington
- Camped out – Hoover ordered army to break up – General Mac Arthur used tanks and tear gas
- Public saw as heartless
Hoover-Stimson diplomacy, Japan

- Japanese aggression in Manchuria, China – September, 1931 – set up puppet government
- Stimson Doctrine – refused to recognize puppet regime, supported by League of Nations
FDR and the New Deal

A. FDR

1. Background, ideas
   - Wealthy NY family
   - Cousin of TR
   - NY legislator and assistant Sec of Navy, Gov. of NY
   - Democrat
   - Crippled by polio in 1921
   - Eleanor – active first lady
Philosophy of the New Deal

“I pledge you, I pledge myself, to a new deal for the American people.”
Appealed to “Forgotten Man”
3 R’s – Relief, Recovery, and Reform
Brain Trust – university professors
Diverse administrative staff – record number of African Americans, Jews, and women
First female cabinet member – Sec. of Labor – Frances?
100 Days, “alphabet agencies”

- Bank holiday – targeted first
- Repeal of prohibition – needed tax money
  - 1933 21st Amendment passed, repealed?
- Fireside chats
Federal Recovery Programs

- Emergency Banking Relief Act
- Federal Deposit Insurance Corporation (FDIC) – guaranteed bank deposits up to $5,000
- Homeowners Loan Corporation (HOLC)
- Farm Credit Administration – loans to prevent foreclosures
Programs for relief of unemployed

- Federal Emergency Relief Act – Federal money to states and local gov’ts – soup kitchens and other relief
- PWA – building roads, bridges, dams…jobs
- CCC – young men on projects on federal lands
- TVA – revitalized region – dams and electric power, controlled flooding – criticized?
New Deal programs declared unconstitutional

- NRA – to guarantee profits for businesses and fair wages and hours for workers and allowed workers to organize and use collective bargaining – Schechter Poultry vs. US – unconstitutional

- AAA – encouraged farmers to reduce production to raise prices and gov’t pay subsidies
Other Programs of First New Deal

- CWA – Civil Works Administration – construction programs
- SEC – Securities and Exchange Commission – regulate stock market
- FHA – Federal Housing Administration – insured bank loans for building new houses and repairing old ones
Second New Deal - 1935

Relief programs

- WPA – building projects as well as artists, writers, and actors – paint murals, histories
- Wagner Act – worker’s right to join union, outlawed unfair business practices harmful to labor
- Increased income taxes of wealthy
- Social Security Act
Critics, left and right

Liberal critics – socialists and liberal dems felt New Deal did too much for businesses and too little for unemployed and minorities and elderly

Conservative critics – felt gave gov’t too much power, bordered on socialism and communism
Demagogues

Father Charles Coughlin – used radio to criticize FDR and New Deal – critiques became anti-Semitic and Fascist-fired

Dr. Frances E. Townsend – protect old people in town – over 60 guaranteed $200/month

Huey Long – The Kingfish from Louisiana – “Share our Wealth” program – Every man a king - $5,000 including home, car, radio, assassinated
Rise of CIO

- Gov’t favorable to unions during Depression
- CIO created as part of AFL at first – included automobile, steel, and southern textile workers, broke away from AFL – led by John L. Lewis
- GM strike – sit-down in factory – success
- Steel strike – ended in violence
- Fair Labor Standards Act – min. wage, max. 40 hr week, time and a half for overtime, child labor restrictions
Supreme Court Fight

- FDR and court packing scheme – additional justice for each over 70, he could have added up to 6 more
- Reaction?
- Result?
Recession, 1937 - 1938

- Causes – Social security tax reduced consumer spending and at same time relief programs cut to balance budget
- Keynesian economics – “prime the pump”, increase investment to create jobs, deficit spending OK
American people in the Depression

- women - added pressures, more seeking work, lower pay than men
- Dust Bowl farmers – Great Plains - Okies, Arkies, drought and overuse of land – many migrated to California as seen in John Steinbeck’s *Grapes of Wrath*
African-Americans

- some relief from New Deal with CCC and WPA and moral support from Eleanor Roosevelt, she made sure Marion Anderson (opera singer) sang in Washington DC at Lincoln Memorial after denied by Daughters of American Revolution at Constitution Hall
- appointed to middle level positions in fed gov’t including Mary McCloud Bethune
  - often last hired and first fired
Indian Reorganization Act 1934 — major change from Dawes Act — returned land to tribal control and supported preservation of culture

Mexican Americans — discrimination and competition for jobs forced many to move back to Mexico
Diplomacy in the 1930s

Good Neighbor Policy – toward other nations in Western Hemisphere

- Pan-American Conference – pledged to never interfere in the internal affairs of a Latin American country, mutual safety
- Cuba – nullified Platt Amendment, but kept base?
- London Economic Conference 1933 – proposals made to stabilize currency, FDR afraid hurt his own plans for recovery – conference ended
Isolationism: neutrality legislation

- Nye Committee
- Neutrality Act 1935 – prohibit all arms shipments and travel to belligerent nations
- Act of 1936 – forbade loans and credits
- Act of 1937 – forbade shipment of arms to opposing sides in Spanish civil war
- America First Committee and Charles Lindbergh
Aggressors

- Japan – invades China and SE Asia to ensure access to raw materials
- Italy – Mussolini and Fascism –
- Germany – Nazi Party and Hitler
Appeasement

1. Mussolini – Ethiopia 1935
2. Hitler – Rhineland 1936
3. Japan – China 1937
4. Hitler – Sudetenland (Czech) 1938

FDR – “Quarantine Speech” – negative public reaction, however did begin arms buildup
Rearmament; Blitzkrieg; Lend-Lease

- German Invasion of Poland and Blitzkrieg
  - lightning war – air and tanks

- US changes policy
  - “Cash and Carry” 1939
  - Selective Service Act 1940 – first peace time draft
  - Destroyers for bases deal 1940 – trade, not “out right” support which would have alarmed isolationists
Unit 12: Arsenal of Democracy to Atlantic Charter

- FDR and Four Freedoms – speech, religion, from want, from fear, support England
- Lend-Lease – March 1941
- Atlantic Charter – FDR and Churchill – peace objectives for end of war – self-determination and free trade
- Shoot-on-sight
Pearl Harbor

- US froze Japanese credit, prohibited export of steel, scrap, and oil
- December 7, 1941 “A date that will live in infamy”
The Second World War

Organizing for war

1. Mobilizing production
   - War Production Board – WPB – manage war industries
   - Office of Price Administration – froze prices, wages, and rents, regulated rationing of meat, sugar, gasoline, rubber tires
   - Financing – liberty bonds, increased income tax
Propaganda

- Office of War
- Information –
  controlled news about
  troops, upbeat and
  patriotic music,
  songs, and posters
Internment of Japanese Americans

- Executive Order 9066 - 100,000 on West Coast forced to move into internment camps, in other parts of country not forced to leave
- Korematzu vs. United States – internment policy upheld by Supreme Court
- 1988 – Federal gov’t apologized and financial compensation given
The War in Europe, Africa, and the Mediterranean; D-Day

- Defense at sea, attacks by air
- From North Africa to Italy
- June 6, 1944 – D-Day invasion of Normandy, France, Operation Overlord to push Germans out of France – success
The War in the Pacific: Hiroshima, and Nagasaki

- Turning point 1942 – Battle at Coral Sea and Battle at Midway
- Island Hopping
- Atomic Bombs – Did Truman make the right decision?
- Japan surrendered September 2, 1945 received by Gen. MacArthur aboard the battleship Missouri
Diplomacy

1. War aims

2. Wartime Conferences
   - Teheran – Big Three – agreement to liberate France, Soviets invade Germany, and eventually against Japan
   - Yalta – Big 3 again – post-war plans – divided Germany, elections, SU enter war against Japan, UN
   - Potsdam – unconditional surrender to Japan, hold war crimes trials of Nazi leaders
Postwar domestic adjustments

- Returning veterans
- Baby Boom
- GI Bill – education, loans for homes, businesses, and farms
- Suburban growth – Levittown on Long Island ☺, critics?
- Growth of Sunbelt – Florida to California
- Postwar politics – Truman attempted to continue New Deal tradition
Truman and Civil Rights

Civil Rights – Truman challenged racial discrimination

- desegregated the military and all branches of the federal government
- Urged passage of Fair Employment Practices Commission – blocked by Southern Democrats
Election of 1948

- Truman’s popularity at low point
- Liberal Democrats thought his aggressive foreign policy would end peace
- Southern Democrats upset with his position on civil rights (Dixie-crats)
- Republicans nominated Dewey – thought would win, didn’t.
- Truman – feisty campaign
Containment in Europe and the Middle East

- Cold War emerged because of the tense rivalry between the United States and the Soviet Union
- Truman Doctrine - Prevent the spread of communism!!!
  - response to Communist uprisings in Greece and Turkey
Marshall Plan – economic aid to help nations of Europe revive economies and strengthen democratic governments, Soviet Union and its satellite nations also offered aid, but refused – Why?

Berlin Crisis – June, 1948 – Soviets cut off access to German city, Truman did not want to use force and instead ordered?

- lasted 11 months
NATO – North Atlantic Treaty Organization
– military defense alliance to protect Western Europe

- Name of Soviet Union’s alliance?
- National Security Act (1947) – created a Department of Defense to coordinate operations of Army, Navy, and Air force, National Security Council, and CIA to employ spies
- Atomic weapons and arms race
Revolution in China

- US supported Chiang Kai-shek’s Nationalist government
- Chinese Civil War – Communist victory led by Mao Zedong – Republicans blamed Democrats
- Two Chinas – Mainland China communist (US would not recognize until 1979), Chiang and Nationalist resided in Taiwan
- Stalin and Mao signed Sino-Soviet Pact
Limited war: Korea, MacArthur

- Former colony of Japan
- Divided at 38th Parallel
  - Soviet occupied _______ and US occupied _________
- North Korea invaded South,
- UN forces led by US
- Defended the South, MacArthur
- Directed amphibious assault
- Behind N. Korean lines, pushed
- Back to China, China aided
- N Korea
- MacArthur wanted to expand war to
  China, recalled by Truman
- War ended with armistice in 1953
- When Eisenhower became President
- Remained divided at 38th Parallel
A. Domestic frustrations: McCarthyism
- The Second Red Scare
- House of Un-American Activities Committee (HUAC) – find Communists, investigated gov’t officials, boy scouts, Hollywood
- Criticized by ACLU and other defenders of the First Amendment
- Hiss Case – official in State Dept. accused of leaking documents to Communists, convicted
- Rosenberg Case – married couple, leaked secrets to Soviets about Manhattan Project, executed in 1953
McCarthyism = Witch Hunts

- Joseph McCarthy – Senator from Wisconsin – unsupported accusations – Communists in the State Dept. (205) and military
  - Exposed on TV
Brown vs. Board of Education – overturned Plessy vs. Ferguson – NAACP lawyers argued separate is inherently unequal and violated the 14th Amendment – desegregated schools!

- Resistance – Governor Orval Faubus and Little Rock 9, federal troops sent in
Montgomery bus boycott - 1955

- Rosa Parks
- Boycott lasted 13 months, highly organized
- Martin Luther King Jr., minister of Baptist Church emerged as leader of nonviolent Civil Rights movement
Greensboro sit-in – lunch counters

Student Nonviolent Coordinating Committee (SNCC) – used sit-in tactic to integrate restaurants, hotels, buildings, libraries, pools… throughout South

Turning point, but progress was slow…1960s, growing impatience – violent confrontations – Black Panthers and Malcolm X
John Foster Dulles’ Foreign Policy

Ike’s Sec. of State – felt containment was too passive, proposed “brinkmanship” – if US pushed Communist powers to brink of war they would back down

Crisis in Southeast Asia

- Korean armistice
- Fall of Indochina
- Division of Vietnam
- SEATO – South East Asia Treaty Organization
  – Dulles put together to prevent “fall” to communism
Massive Retaliation

- Greater reliance on nuclear weapons and air power and spending less on conventional forces of army and navy
- Theory “save money”
- Could not prevent “brushfire wars”
- Growing use of covert action, rise of CIA
- Ironically in Ike in farewell address warned against the “military-industrial complex”
Nationalism in Middle East

Conflict over creation of Israel – US had to balance support with ties with oil-rich Arab nations

Suez crisis – conflict over canal, US defended Egypt against Eng/French

Eisenhower Doctrine – pledged US aid to any Middle Eastern nation threatened by communism

OPEC – Organization of Petroleum Exporting countries
Krushchev and Berlin

- Spirit of Geneva – seemed Cold War was thawing – Krushchev denounced crimes of Stalin and supported “peaceful coexistence”
- Hungarian revolt – crushed by Soviets, ended first thaw
- Sputnik shock
- Second Berlin Crisis – wanted all Berlin (1959), Ike diffused crisis
- U-2 incident – American spy plane shot down
American people: homogenized society

1. Prosperity: economic consolidation – Conglomerates dominated industries like food processing, hotels, transportation, insurance

- For first time, more Americans had white collar jobs, many hoped to work for Fortune 500 company – conformity – suits, corporate team, Organization Man
Consumer Culture

- Television – “vast wasteland”, common language
- Advertising – common material wants, franchises (McDonald’s golden arches)
- Paperbacks and records - Elvis and rock and roll
Consensus of values

- Organized religions expanded
- Women’s roles – happy homemaker, Spock’s self-help book, Baby and Child Care
  - also dissatisfaction – Betty Friedan and *Feminine Mystique*
Social Critics

Rejected materialism and conformity

Novels – JD Salinger’s *Catcher in The Rye* (phoniness) and Heller’s *Catch-22* (satirized military life)

Beatniks – Jack Kerouac’s *On the Road* and Allen Ginsberg’s poem “Howl”