

READING CHECK

Name two New Deal policies that provided immediate relief to Americans.

VOCABULARY STRATEGY

What does the word *subsidies* mean in the underlined sentence? What context clues can you find in the surrounding words or phrases? Circle any words or phrases in the paragraph that help you figure out what *subsidies* means.

READING SKILL

Connect Ideas What parts of the U.S. economy were affected by FDR's New Deal policies?

In November 1932, **Franklin D. Roosevelt** won the presidency by more than 7 million votes. FDR had lost the use of his legs to polio in 1921. Because of his disability, he relied heavily on his wife, **Eleanor Roosevelt**. She served as his “eyes and ears” during his presidency.

In his first hundred days in office, FDR proposed and Congress passed 15 bills known as the First **New Deal**. These measures had three goals: relief, recovery, and reform. “Relief” referred to improving the immediate hardships of the depression; “recovery” was aimed at achieving a long-term economic recovery; and “reforms” were designed to prevent future depressions. One immediate relief effort involved the government paying farmers subsidies to reduce production, a move that would help raise farm prices.

Other relief efforts included establishment of the **Tennessee Valley Authority (TVA)** to build dams in the Tennessee River valley to control floods and generate electric power, and the creation of the **Civilian Conservation Corps (CCC)**. The CCC provided jobs for more than 2 million young men. They replanted forests, built trails, dug irrigation ditches, and fought fires. Recovery efforts included the **National Recovery Administration (NRA)** and the **Public Works Administration (PWA)**. The NRA developed industry codes that set minimum wages for workers and minimum prices for goods. The PWA created millions of new jobs constructing bridges, dams, power plants, and government buildings. Additionally, FDR sought to reform the nation’s financial institutions. The **Federal Deposit Insurance Corporation (FDIC)** insured bank deposits, and the Securities Exchange Commission (SEC) regulated the stock market.

Some Americans thought the New Deal made the government too powerful. Others thought that the New Deal did not provide enough help to citizens. The strongest criticism from this second group came from individuals with roots in the Populist movement. Father **Charles Coughlin** was a Roman Catholic priest who aired increasingly angry views on a weekly radio show. Roman Catholic officials eventually forced Coughlin to stop his broadcasts. Senator **Huey Long** of Louisiana proposed placing high taxes on wealthy Americans so that their income could be redistributed to the poor.

Review Questions

1. What were the three main goals of the New Deal?

2. How did critics respond to FDR's New Deal policies?
