

One we see in third
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One of the most traumatic situations this country has ever experienced was the Great Depression. It was an extraordinary event for the people of this country because, unlike the previous events such as wars this country has experienced, it directly affected whole families, including women and children.

Many families were living in conditions similar to what we see in third world countries today. These extraordinary times required an extraordinary leader. Franklin D. Roosevelt was such a leader.

While his New Deal policies were not the sole solution to the multitude of problems that this country faced, the first hundred days of his administration set in place the foundation that ultimately restored the economy, and more importantly, the faith of the people in the Federal Government. Roosevelt inherited the situation from President Herbert Hoover. While it is hard to pinpoint the exact date that the depression started, the stock market crash of 1929 is the major signpost. In October of 1929, the New York Stock Exchange lost fifty billion dollars and the leading industrial stocks in the United States had lost forty percent of their value (Watkins 40).

The ten years following the crash constitute the span of the Great Depression. While it is certain that it hit the poor and working class the hardest, its reach was felt throughout society and reached into all economic levels. Between the years of 1929 and 1932, the year Roosevelt was elected, the situation went from bad to worse.

Signs of collapse were everywhere. National unemployment approached 20 percent. Joblessness among black Americans was close to 50 percent. By

1932 overall manufacturing stood at a paltry 54 percent of what it had been in 1929. More specifically-and depressingly-the automobile industry was operating at only 20 percent of capacity in 1932, and steel at 12 percent. Nor did banks escape the economic blows they had helped deliver to others.

Although more than seven thousand financial institutions had gone under between 1920 and 1929 (providing evidence of underlying economic weakness well before the fateful October 1929 crash), more than nine thousand additional bank failures occurred in the three years between the stock market crash and the end of Hoover's term as president in 1933. (Chalberg 21) Reacting to the ineffectiveness of Hoover's administration to deal with the state of affairs, Roosevelt was elected to office in 1932 on his "New Deal" platform. During his campaign, however, it was hard to tell exactly what Roosevelt's New Deal policy was. He lashed out against the Hoover administration for high tariff policies, but by the end of the campaign, no real difference separated the candidates on the tariff issue.

In his speeches he said he would increase aid to the unemployed, but he would slash federal spending (Leuchtenburg 10). One of the New Deal administrators reflected subsequently: " Given later developments, the campaign speeches often read like a giant misprint, in which Roosevelt and Hoover speak each other's lines" (qtd. in Leuchtenburg 11). However, Hoover's handling of the economic crisis and many other issues virtually assured Roosevelt of the Presidency. In his inaugural speech, Roosevelt said " This nation asks for action, and action now.... We must act and act quickly" (qtd.

in Schlesinger 1). This address was also where his famous quote “ The only thing we have to fear is fear itself” was uttered (qtd. in Freidel 93) The first part of the New Deal happened in the first three months of his presidency, which became know as the hundred days. The first objective of the new administration was to get the banks on a more firm footing. On his very first night in office, Roosevelt directed his Secretary of the Treasury to draft an emergency banking bill, and gave him only five days to get it ready.

On March fifth he proclaimed a national bank holiday to close the banks. On March ninth the Emergency Banking Act was passed by both houses of the Legislature with little debate and was signed by the President that night. The emergency measure extended government assistance to private bankers to reopen banks, gave the President complete control over gold movements, penalized hoarding, authorized the issue of new Federal Reserve bank