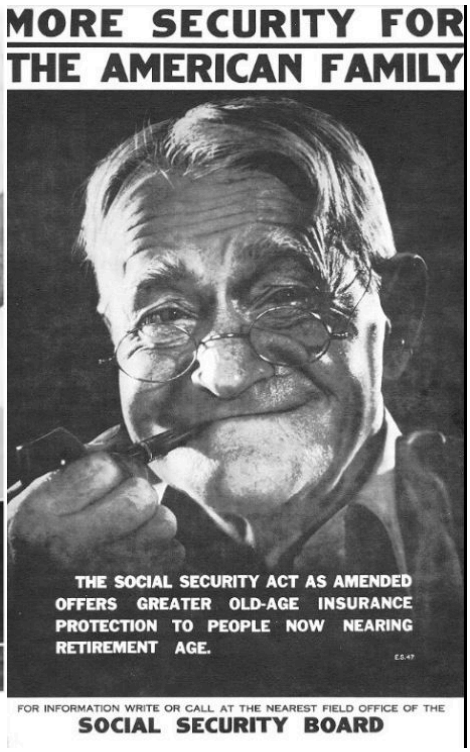
Impacts of New Deal Agencies

Background: At the heart of FDR's New Deal was his "alphabet soup" of programs that would provide jobs and relief to Americans. Among some of the most well known were his public works* jobs programs, such as the WPA and CCC, and his relief programs such as Social Security, which still exists today.
(*public works are things the government builds or provides for public use, such as schools and roads)

Document 1: Programs in the Social Security Act, 1935

- **Old-Age Assistance**: financial support for the elderly
- **Federal Old-Age Benefits** (Social Security): retirement funds (pensions) for workers
- **Unemployment Insurance**: financial support for people who are injured on the job
- **Aid to Dependent Children**: financial support for dependent mothers and children
- **Grantsto States for Maternal and Child Welfare**: Funds for programs for pregnant women
- **Aid to the Blind and Disabled**: financial support and programs for the blind and disabled
- **Public Health Work**: funds to provide family health programs
- **Vocational Training**: Funds to provide programs for job training







Document 2: Statistics on the Social Security Act, 1935

- Social security, as passed and signed by President Roosevelt in August 1935, produced a stark outcome." About 65% of African-Americans nationally are excluded, and 70-80% in the South. About 40% of whites are left out as well (it took new laws to fix these exclusions)
- 69 million people receive Social Security benefits each year
- 20% of Social Security benefits go to disabled workers or dependent children
- 6 millions children receive Social Security benefits each year (or live in families that receive benefits)
- 1.7 million children are kept out of poverty by receiving Social Security benefits
- 15 million elderly Americans are kept out of poverty by Social Security
- Since it began in 1935, Social Security has paid out $19 trillion in benefits
- The federal budget for Social Security was $1.041 billion in 2019 (paid for by taxes on income)

Document 3: Statistics on the Works Progress Administration

In 1935 FDR created the WPA, which provided millions of jobs carrying out public works projects such as building roads and public buildings. Below is a summary:

- Employed 8.5 million
- Over 621,371 miles of roads were paved (many of which allowed farmers to transport their crops)
- Over 29,000 bridges
- 5,900 schools
- 1,000 airport fields
- 85,000 buildings
- Planted 24 million trees
- 1,686 parks
- 13,000 playgrounds
- 9,000 miles of sewer and water systems (reduced disease by providing clean water and sanitation)
- Employed over 5,300 artists to write books and plays, create murals and artwork, and record the history of slaves
- Provided hot lunches to over 80 million children each year in 10,000 schools
- Added $11 billion to the economy through job creation and wages
- Cost the government an average of $1.5 billion per year ($17 billion today)



Midway Airport in Chicago, built by the WPA

Document 4: The Agricultural Adjustment Act

To try to fix the farming crisis, FDR signed the Agricultural Adjustment Act. Farmers were producing too many agricultural goods, so the AAA was a voluntary system between the government and farmers. Farmers would be given

*incentives such as payments (subsidies) to **not plant crops,** reducing supply so prices would increase. The government also bought and killed surplus livestock that were keeping meat prices high.*

- From 1933-1936, farm incomes doubled
- AAA payments went to landowners, who were supposed to share payments with their sharecroppers or tenant farmers. Instead, many forced these farmers off the land. As a result, at least 3 million small farmers were forced off land.
    - For example, one Mississippi planter bought 22 tractors with his payments and, subsequently, evicted 160 tenant families
- In 1933 when the AAA started, cotton had already been planted, so the AAA paid farmers over $100 million to plow under (destroy) 10 million acres of cotton
- The AAA purchased and slaughtered over 6 million pigs, canning one million pounds of pig as meet for the needy
- In 1935, the AAA was declared unconstitutional by the Supreme Court because regulation of agriculture was deemed a state power.



AAA agents destroying crops, 1933

Document 5: The Farm Security Administration (replaced the earlier Resettlement Admin)
The Farm Security Administration was created in 1937 to take over the work of the Resettlement Administration,

specifically combating rural poverty and the devastating effects of the Dust Bowl, during which 2.5 million "Okies" and "Arkies" were forced to abandon their farms due to the Dust Bowl.

- Provided $750 million in loans at low interest rates to 950,000 tenant farmers to help them purchase small farms and equipment or pay off debt
- educational aid to 455,000 farm families, including adult classes on managing finances
- Purchased farms that were not economically viable & resettled farmers onto viable land
- Created 34 subsistence homestead communities in which farmers lived together and worked a common area
- set up a health insurance program for farm families
- Created & maintained migrant camps for families displaced by the Dust Bowl

The Tygart Valley Homestead in West Virginia, one of the FSA Homestead Communities



Document 6: The Rural Electrification Administration (REA) and Tennessee Valley Authority (TVA)
The REA and TVA focused on bringing better infrastructure to rural areas, mainly farms in the South and West. These projects included building and improving roads, bridges, dams, and perhaps most importantly, providing

electricity. Both of these administrations still exist today as the largest electrical providers in the nation. Below are some statistics on them:

- In 1930, 10% of farms and rural homes had electricity. By 1939 25% had electricity and by 1945, 90% had electricity
- 381,000 miles of power lines installed, serving over 1 million farms
- Employed over 10,000 people
- Built 16 hydroelectric dams to provide less expensive electricity
- Provided running water to thousands of homes throughout the South and West
- Provided electricity to schools
- The building of TVA dams forced 15,000 families to relocate

Below: The Pickwick Dam on the Tennessee River



Document 7: Public Works Administration/Works Progress Administration Project Map

A map published by the Public Works Administration in 1935 depicts some of the numerous infrastructure projects funded by the New Deal. Among the most famous public-works projects are the Triborough Bridge in New York City, the Key West Highway in Florida, and the Grand Coulee Dam in Washington. Overall, the New Deal spent

$250 billion (in 2019 dollars) to construct 40,000 public buildings, 72,000 schools, 80,000 bridges, and 8,000 parks as well as…

- 212 dams and canals
- 894 sewage disposal plants
- 384 airports
- 698 college buildings
- 406 post offices



Document 8: The Works Progress Administration Projects
Below are some of the most famous WPA programs and accomplishments

- 572,353 miles of work on rural roads, including farm-to-market roads
- 77,965 new bridges

- 325 new firehouses
- 16,000 miles of new water lines
- 23,607 miles of new sidewalks

Below: San Francisco's Golden Gate Bridge



Below: Griffith Observatory in Los Angeles, WPA project



Below: Riverwalk in San Antonio, WPA project



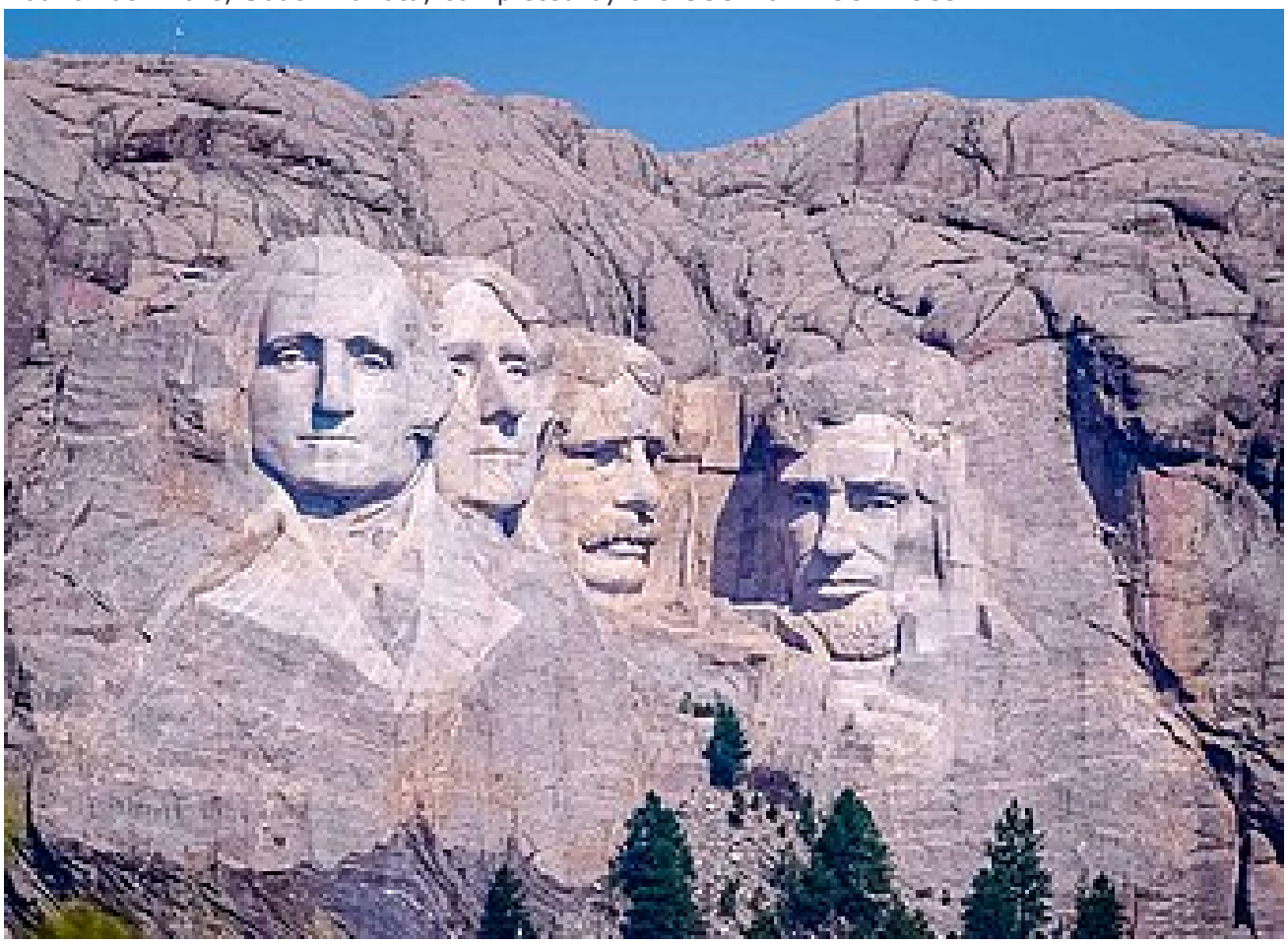
Document 9: Civilian Conservation Corp

One of the New Deal's most famous jobs programs was the Civilian Conservation Corps (CCC). By mid-1933, some 300,000 jobless young men between the ages of 18 and 25 were hired to work in the nation's parks and forests. For $30 a month, CCC workers planted saplings, built fire towers, restocked depleted streams, and restored historic battlefields. By 1942, when the program ended, 2.5 million men had

served in Roosevelt's "Tree Army." However, it excluded women and would only hire a certain number of blacks so that more jobs went to whites.

- 2.3 billion trees planted
- 2,500 cabins built in state & national parks & forests
- 6.4 million man-days fighting forest fires
- 68,000 miles of new firebreaks constructed
- 1 billion fish stocked in lakes, ponds, rivers, and streams

Mount Rushmore, South Dakota, completed by the CCC from 1934-1939



Document 10: The National Labor Relations Act (AKA Wagner Act)
July 5, 1935

RIGHTS OF EMPLOYEES Sec. 7. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all of such activities except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of employment as authorized in section 8.

UNFAIR LABOR PRACTICES Sec. 8. It shall be an unfair labor practice for an employer--
(1) to interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 7
(2) to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it.
(3) by discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization…
(4) to discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this Act
(5) to refuse to bargain collectively with the representatives of his employees…

Document 11: The Wagner Act and the Flint Sit Down Strike
The first major test of the Wagner Act came in 1936, when auto workers for GM in Flint, Michigan went on strike for safer working conditions and better pay. Previous strike attempts by the United Auto Workers (UAW) had been ended

by GM security and Flint police. However, the Wagner Act encouraged the UAW to gain recognition for their union, and in December, 1936 they began a 44 day sit-in. Armed police attempted to end the strike, at which point President Roosevelt, rejecting advice to use federal intervention to end the strike, urged GM to negotiate. The UAW transformed into a major, national union rather than a collection of local unions with little bargaining power.

1936 The Flint Sit-Down Strike



Walter P. Reuther Library, Wayne State University, 3098_vmc

The sit-down strike was different than other strikes because workers refused to leave the plant instead of picketing outside. The goal was to keep management out and prevent employees from coming to work. In previous strikes companies could hire scab workers to work while employees picketed but this new method prevented all production, costing the company money.

1936 The Flint Sit-Down Strike



Walter P. Reuther Library, Wayne State University, ID 3977

After strikers occupied Chevrolet Plant #4 GM agreed to negotiate and on February 11, 1937, General Motors and the UAW reached an agreement. The UAW had won the recognition from General Motors but their fight was far from over. They would battle another five years to gain recognition from Henry Ford.

Document 12: The Grand Coulee Dam (Washington)
In 1933, FDR appropriated $63 million to help fund the Grand Coulee Dam on the Columbia River in Washington state.

- *Provided thousands of jobs*

- *Brought hydroelectricity and irrigation to the Pacific Northwest*
- *Forced the relocation of over 3,000 people*
- *Partially flooded Native American lands*



Document 13: The Federal Housing Administration (called HUD today)
The Federal Housing Administration (FHA) insured millions of long-term mortgages issued by private banks and built thousands of units of low-rent housing. New Deal housing policy helped make home ownership possible for tens of millions of families who could now afford to buy houses.

Colonial Village in Arlington, Virginia, was the first large-scale, rental housing project erected in the United States that was Federal Housing Administration-insured. It contained 1,055 apartments and is still in use today as converted condominiums.





Document 14: The National Youth Administration

The National Youth Administration *(NYA) was a New Deal agency focused on providing work and education for Americans between the ages of 16 and 25.* ***College youth were paid from $306 to $400 a month for "work study" projects at their schools. Another 155,000 boys and girls from relief families were paid $10 to $25 a month for part-time work that included job training. It's annual budget was approximately $580 million.***

- 1,337,185 items of school furniture
- 407 new swimming pools
- 2,354 tree and plant nurseries
- 9,074 tennis courts built, repaired, or improved
- 88 new golf courses

