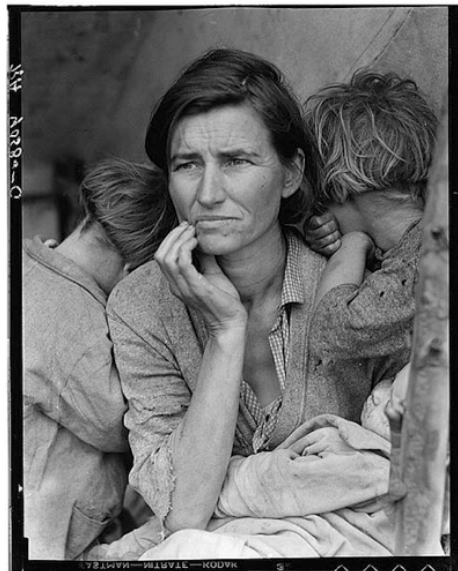


F.D.R. AND THE NEW DEAL

In the 1930's happened the Wall Street Crash, the situation of the United States went down because "the money changers had fled from their high seats", it was called the "Great Depression".

People were starving, lived outdoors and didn't have any work. According to the President Roosevelt "it was a very dark hour of the national life" and this is why he reacted to this with a solution he created called *The New Deal*.



I- The Crisis

Following the "Black Thursday" there was an economical crisis which was named « The Great Depression ». This crisis was caused by different reasons. Indeed, Americans spent money they didn't have. People thought that stock exchange only could go up. Americans were very greedy. Moreover, a lot of banks speculated on markets, they used depositors. The main cause of this financial crisis was speculation.

WALL STREET CRASH!

Black Thursday in America
Stocks Plunge and Eleven Commit Suicide

Here is why the New York Stock Market crashed this morning. It is the most disastrous crash in the history of the world. Millions of dollars and millions of lives are being lost. The crash is the result of a series of events that have been building up for months. The market is now in a state of panic. The crash is the result of a series of events that have been building up for months. The market is now in a state of panic. The crash is the result of a series of events that have been building up for months. The market is now in a state of panic.



This crisis was marked by the Black Thursday. October 24th of 1929, there was Wall Street's Crash. It led to the closing down of 2.000 banks in 1931 and 2 years later, 4.000 banks closed.

Banks lost their customers' savings so people that had prepared their retirement didn't have it anymore. Everybody wanted their money from the banks at the same time: it caused bankruptcy. That is the origin of the financial, economic and social crisis.

The social aspects of a social crisis were abundant. Unemployment increased by 20% in 1935. It remained at a high level during the whole 1930's, at about 15%, involving 15 million of people looking desperately for a job.

In the street, people were waiting to have something to eat at the "chicken soups" called bread lines as well.



The crisis had more impact on black people than on white people. It increased the social gap in the American society since it was a trauma for the whole American society.

II- Solutions : fighting the crisis

Franklin Delano Roosevelt had been elected on November 8, 1932. He was the 32nd President of the United States. He won a record four elections and served from March 1933 to his death in April 1945.



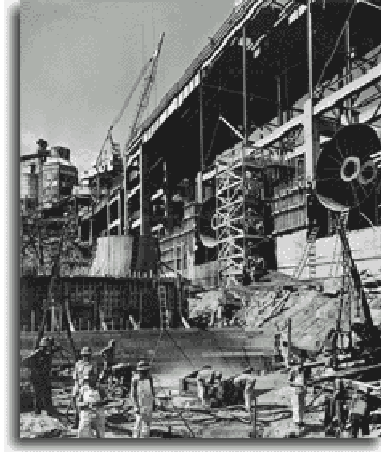
He was a central figure during the mid-20th century. He built the **New Deal** to fight the crisis. The programs were in response to the Great Depression. Roosevelt brought solutions. First, the government put people to work to fight against unemployment, the authorities could give work to unemployed people and they created public jobs. Then the government also wanted to modernize the country and developed the use of their natural resources.



Roosevelt set the policy of major works to help people to get jobs. Policy was characterized by a strong intervention of the State in the economic affairs. We call that a “welfare state”. This economic policy. It had been inspired by John Maynard Keynes who was a great economist and the major one of the 20th century.



Roosevelt started to close the banks on special days called “Bank Holidays”. He created more administration positions in order to shape jobs to put people to work, as an example the WPA (Work Progress Administration) found jobs for about more 8.5 million people. He invested 11 billion dollars to build new equipments, facilities for the country as for instance dams along the Tennessee to build water power plants. In agriculture, the Government set the price of some crops to maintain them at a good level and to balance the production so employment followed.



TWA construction

To conclude, Franklin Delano Roosevelt took steps forward by setting up the “New Deal” which was an economic stimulus plan. The aim of his government’s actions was to restore confidence to the American people because they trusted him. Indeed the unemployment rate decreased for some time but the real solution of the problem was World War II which created lots of jobs in factories and in the industrial sector.



**WE NEED
YOU!**