

# Summary: The New Deal

## The Election of 1932

Herbert Hoover was President when the Great Depression began. Hoover believed the economy would get better by itself. But the economy did not get better. It got worse. More people lost their homes and jobs.

Americans wanted the government to help. Congress passed laws that loaned money to banks and railroads, but these laws did not improve the whole economy.

In 1933, Franklin D. Roosevelt became President. Roosevelt thought the federal government should help end the Depression. He promised to give the people a “new deal” by creating programs to help them.

## The New Deal

President Roosevelt soon started government programs to give food and shelter to the needy. These programs were known as the New Deal. The Civilian Conservation Corps, or CCC, gave people jobs that conserved, or protected, the natural environment. CCC workers planted trees and cleared hiking trails.

The Tennessee Valley Authority, or TVA, gave people jobs building dams on the Tennessee River. These dams created hydroelectricity for rural areas. The dams also prevented floods. The Works Progress Administration, or WPA, gave people jobs building streets, parks, libraries, and schools.

These New Deal programs helped all Americans and gave jobs to millions of people. Many New Deal programs continue today. The Social Security Act provides money to people who are over 65 years old or who have disabilities.

The New Deal made regulations to try to prevent another depression. Federal bank regulations protect people’s savings accounts. Another regulation protects workers by setting a national minimum wage.

By 1939, many Americans still did not have jobs, but the economy was improving. Since Roosevelt’s presidency, the federal government has been a bigger part of Americans’ lives.



### Before You Read

Find and underline each vocabulary word.

**hydroelectricity** *noun*, electricity produced by moving water

**Social Security** *noun*, a program that provides money to Americans over the age of 65 or who have disabilities and cannot work

**regulation** *noun*, a rule or a law

**minimum wage** *noun*, the lowest amount of money most workers can be paid per hour



### After You Read

**REVIEW** How were Hoover’s and Roosevelt’s views about the federal government different? Circle the sentence that tells Hoover’s view. Draw a box around the sentence that tells Roosevelt’s view.

**REVIEW** What does the Social Security Act do? Highlight the sentence that tells you the answer.