



## Chapter 12 – Section 5

### The Election of 1932

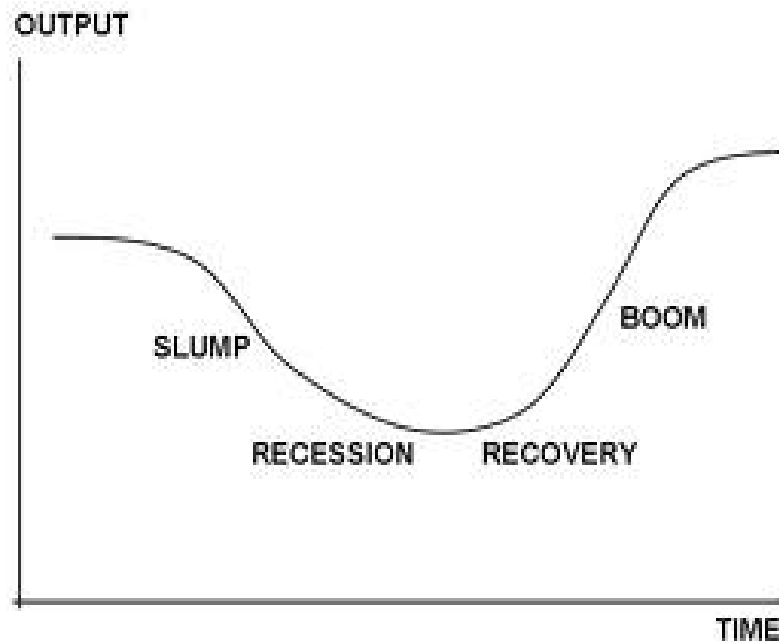
# + Hoover's Excuse

- **Blamed the Depression on “world-wide economic problems beyond our control”** rather than on problems within the US economy



# + Why didn't he do anything?

- He believed **we just had to remain confident and things would improve themselves soon** (business cycle)



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What did the government finally do to help create jobs?

- Spent more on projects like buildings, roads and parks
- Built the Hoover Dam
- Too little, too late



# + Hawley-Smoot tariff

- The **highest import tax in history to protect industries at home**
- Backfired because Europeans raised their tariffs which almost stopped international trade and hurt the economy even more



# + Reconstruction Finance Corporation (RFC)

- Gave govt. money to bankers so that they could give loans
- Theory was that prosperity at the top would help the economy as a whole (**trickle down economics**)
- Hoover viewed by many as **only helping the rich**



# + Why not give direct help to the poor?

- Hoover said it would destroy people's self-respect and create a large bureaucracy (a complex disorganized system)
- People started to see Hoover as cold-hearted



# + John Maynard Keynes

- British economist who said that **massive govt. spending could help a collapsing economy** and encourage more private spending





# + Why weren't his ideas popular at first?

- **Went against the “American way”**
- **Philosophy of capitalism says govt. should stay out of business and let it fix itself (laissez faire)**



# + The Bonus Army

- In summer of 1932, **20,000 unemployed WWI vets** marched to Washington, set up camps, and **demanding the pension bonus now** that they had been promised they would get in 1945



## + Hoover's response?



- After they were denied their money most went home, but a few thousand refused to leave and set up camps
- **Sent in our own military to clear them out** using guns, tanks, and tear gas against the bricks and stones of the war vets
- **Made Hoover look even worse**

# + FDR – Franklin Delano Roosevelt

- Governor of NY who ran for President in 1932
- **Promised the American people a “New Deal”**



# + Eleanor Roosevelt

- **FDR's wife** (and niece of Teddy Roosevelt)
- **An outspoken person on behalf of women and the poor**



## + In touch with the “ordinary man”

- Even though **FDR was rich**, he wanted to help those less fortunate and didn't like the gap between the rich and the poor
- Was **paralyzed by polio** in the 1920's - **made him more like those he wanted to help** (even though no one ever saw this)



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# What was the election of 1932 “really about”?

- **Could and should the govt. try to fix people’s problems or not**
- **Democrats and FDR said YES -**  
Republicans said NO
- **Landslide victory for FDR**  
(anyone probably could have defeated Hoover that year)



# + FDR changes the role of the President and the Govt. forever

- **Government took on more responsibility for taking care of those who couldn't make it on their own**
- **Government became their only hope**





# + FDR's Inaugural address

- FDR's famous line... **"The only thing we have to fear is fear itself"**





**Notebook Check Tomorrow!**