

Section 12

The Great Depression

STANDARD VII: The student will understand the Great Depression and World War II.

OBJECTIVE 1. Analyze the advent and impact of the Great Depression and the New Deal on American life.

- Political
- Economic
- Social

ELIGIBLE CONTENT (THIS IS THE STUFF YOU MUST KNOW!)

- Identify and analyze the causes of the Great Depression.
  - Disparity of income
  - Stock market speculation
  - Collapse of farm economy
- Identify and analyze the course of the Great Depression and its impact on American life.
  - Geographic (Note: maps included)
 

Examples: Dust bowl, Southern Appalachian region, Tennessee Valley, impact on Alabama economy
  - Hoover's administration
  - Political and economic  
FDR's New Deal program
 

Examples: Federal Deposit Insurance Corporation (FDIC), Social Security, National Labor Relations Board (NLRB), Works Progress Administration (WPA), Civilian Conservation Corps (CCC), Fair Labor Standards Act
  - Cultural
 

Examples: movies, radio, fireside chats, homelessness, malnutrition

## Important Terms for

### Section 12: The Great Depression

Bear Market	This is a prolonged period of time during which prices of stocks drop.
Boondoggles	This is a work projects that produce little true value.
Brain Trust	This was President Franklin Roosevelt's economic advisors who proposed solutions to the Depression's problems.
bull Market	This is a prolonged period of time during which stock prices rise.
Business Cycle	This is the tendency of the economy (as observed over the past decades) to expand into a boom economy, then contract into a recession or depression, and then begin to expand once again.
Collective Bargaining	This is the process whereby a union, which represents its members, bargains with company management for changes in wages and working conditions.
Commerce Clause	This is the clause in the U.S. Constitution (Article I, Section 8) which grants Congress the power to regulate interstate commerce.
Deficit Spending	This is the practice of spending more money than the government takes in.
Deflation	This is a rise in the value of money with a decrease in prices.
Demagogue	This is a person who by appealing to people's emotion and prejudice seeks to become their leader.
Dependent Children	This is related to the Social Security Act. These children would be children who are in need of assistance due to the death, incapacity, or unemployment of a parent.
Economic Depression	This is a period of marked decline in business activity with a sharp increase in unemployment.
Free-Market Economy	This is an economy with limited or no regulation by the government.
Interstate	This term means among or between states.
Intrastate	This term means within a state.
Keynesian Economics	This is an economic theory that government should stimulate the economy (with government spending)

	during times of economic slowdown.
Margin, Buying on	This is the practice of buying stock with a down-payment and borrowing the rest.
Mixed Economy	This is an economy where privately-owned businesses produce many goods and services, but where the government also regulates private businesses and provides some essential goods and services.
Pragmatist	This is a person who seeks practical solutions to problems.
Recession	This is a time of slow growth of the economy with moderate increases in unemployment.
Redistribution of Wealth	This is the practice of lessening the gap between the rich and poor with programs which take money from wealthier citizens and use that to benefit those in need.
Regulation, Government	This is the practice of placing government controls or guidelines on private business activities.
Relief	This is the granting of public money, food, or other necessities to those in need -similar to welfare assistance.
Subsidize	This means to give or contribute money (especially by the government) to a group or business because its work is considered important.
Wage-Price Spiral	This is the repeating cycle of increases in wages leading to increases in prices which in turn lead to demands for more increases in wages which leads to even higher prices, and so on.
Welfare State	This is a country where the government has an obligation to provide basic human services, such as medical care, to persons in need of such services.
Great Depression	This was a long period of high unemployment and increased poverty, it lasted from 1929 until 1941.
Dust Bowl	Between 1933 and 1936, the land between the Dakotas and Texas received little rain. Because farmers did not know about stopping soil erosion, wind pick up this dry, loosened soil and spread it across the nation. Huge dust storms blew the precious topsoil away. Farmers refer to this experience and this land as the Dust Bowl.
Herbert Hoover	This person was elected president during a time of economic prosperity and received all of the blame when

the economy was thrown into a depression

Hooverilles

These communities of tents and shacks were built outside the cities by people coming to cities to look for work. In all areas of life, the nation's people blamed Hoover for the economic depression.

Franklin D. Roosevelt

This man ran for president in 1932 emphasizing concern for "the forgotten man" and promising "a new deal for the American people." He was enthusiastically optimistic, and people believed in him; he won by a landslide.

New Deal

This was a series of federal policies and programs instituted by ED. Roosevelt with the help of Congress. These policies and programs were to boost the economy and put unemployed people to work. It was based on three R's which were relief, recovery, and reform.

Wagner Act

This piece of legislation created a board to monitor unfair management practices such as firing a worker who joined a union.

Works Progress Administration

This program was established by Congress to provide jobs for unskilled workers. At one time, the WPA employed one-third of the unemployed of the nation (3.2 million people). The WPA constructed many government buildings during the 1930's.

Gone With the Wind

This was the most expensive and profitable production of the 1930's. This movie let people forget their lives and follow the story of love and loss across the war ravaged South during the Civil War.

Fireside chats

These were Franklin D. Roosevelt's broadcasts in which he spoke directly to the nation in order to bypass the press.

## Timeleine for

### Section 12: The Great Depression

- 1873
- Lombard Street, by Walter Bagehot, published. The book goes on to become the bible for central bankers.
- 1882
- May 6th, Chinese Exclusion Act passed, suspending the immigration of Chinese Laborers for 10 years
- 1887
- Interstate Commerce Act passed, creating the Interstate Commerce Commission
- 1890
- Sherman Antitrust Act passed
- 1892
- Chinese Exclusion Act extended for an additional ten years
- 1894
- August 18th, Bureau of Immigration established
- 1897
- Countervailing Duty Law passed
- 1903
- Elkins Act passed, prohibiting the railroads from granting secret rebates and from establishing discriminatory rates
- 1904
- April 27th, Chinese Exclusion Act extended indefinitely
- 1906
- June 30, Meat Inspection Act passed
  - June 30, Pure Food and Drug Act passed
  - Hepburn Act passed, extending the jurisdiction of the federal government over interstate commerce to include express companies, companies operating pipelines transporting petroleum products, and companies operating sleeping cars on the railroads
  - The Jungle, by Upton Sinclair, published
- 1907
- May, a business contraction begins, starting one of the most severe depressions on record
- 1908
- January 27th, in Adair v. the United States, U.S. Supreme court rules that yellow dog contracts are legal
  - June, depression ends
  - ???, Federal Employers' Liability Act passed
- 1911
- Farm Loan Act passed, providing for the establishment of federal land banks under Treasury Department supervision.
- 1912
- The Theory of Money and Credit, by Ludwig von Mises, published

- First minimum wage law (for women only) enacted by Massachusetts
  - Lloyd-LaFollette Act passed, allowing unionization of postal workers
  - July 31, Milton Friedman born
  - Woodrow Wilson elected President
- 1913
- February 3rd, 16th Amendment ratified (income tax)
  - April 8, 17th Amendment ratified (direct election of Senators)
  - July 15th, Newlands Act passed, creates the U.S. Board of Mediation and Conciliation to adjust disputes between railroads and their operating employees.
  - December 23rd, Federal Reserve Act passed
  - Underwood Tariff Act passed, the first reduction in duties since the Civil War, also established a modest income tax
- 1914
- June 28, Archduke Franz Ferdinand and wife are murdered by a Serb terrorist in Sarajevo, Bosnia
  - August, World War I begins
  - August 15, Panama Canal opened to traffic
  - September 26th, Federal Trade Commission established
  - Clayton Act passed, restricting mergers between companies
  - December 17, Harrison Narcotics Act passed
- 1915
- May 7, nearly 1,200 people died when a German torpedo sank the British liner Lusitania off the Irish coast.
  - May 23rd, Italy declares war on Austria-Hungary.
- 1916
- Child Labor Act passed, setting a national minimum age of 14 in industries producing nonagricultural goods for interstate commerce or for export
  - Keating-Owen Act passed, forbidding the transportation among states of products of factories, shops or canneries employing children under 14 years of age, of mines employing children under 16 years of age, and the products of any of these employing children under 16 who worked at night or more than eight hours a day.
  - Antidumping Act passed
  - Federal Farm Loan Act passed, providing low interest credit to farmers
  - September, Adamson Act passed
  - Limits railroad workers to an eight-hour day
  - Mandates time and a half pay for overtime for railroad workers
  - November, Woodrow Wilson defeats Republican Charles Evans Hughes to win a second term as President
- 1917
- April 6, Congress declares war against Germany

- May 18, Selective Service Act passed
  - December 7, Congress declares war against Austria-Hungary
- 1918
  - Pittman Act passed, permitting the government to sell silver to Britain as a wartime measure
  - November, World War I ends
- 1919
  - January 16th, 18th Amendment ratified (prohibition)
  - June 28th, Treaty of Versailles signed
  - July, Blockade of German ports ends
  - The Economic Consequences of the Peace, by John Maynard Keynes, published
- 1920
  - January, economic expansion peaks; a severe recession begins
  - February 28th, Transportation Act passed
  - ICC empowered to prescribe intrastate rates when necessary to eliminate discrimination against carriers in interstate commerce
  - Railroad Labor Board created
  - April 15, Frederick A. Parmenter, paymaster for the Slater and Morrill Shoe Factories, and his guard, Alessandro Beradelli are murdered during a robbery
  - May, Treasury begins to buy silver at one dollar an ounce, as required by the Pittman Act of 1918
  - August 18th, 19th Amendment ratified (women's vote)
  - Jones Act passed, prohibits shipping merchandise between U.S. ports "in any other vessel than a vessel built in and documented under the laws of the United States and owned by persons who are citizens of the United States."
  - Warren G. Harding defeats Governor James M. Cox of Ohio to become the 29th President. Voter turnout is 49.2 percent, an all time low up to then.
- 1921
  - April, Allied Reparations Commission establishes 132 billion gold marks (\$33 billion) as the amount of reparations that Germany must pay
  - May 19th, Emergency Quota Act passed, establishing national quotas for immigrants
  - July, economic contraction ends; recovery begins
  - July 14th, immigrant anarchists, Nicola Sacco and Bartolomeo Vanzetti, convicted of murder
- 1922
  - September, Fordney-McCumber Tariff Act passed
  - Capper-Volstead Act passed
  - Hyperinflation begins in Germany
  - Socialism: An Economic and Sociological Analysis, by Ludwig von Mises, published
- 1923
  - January, Rosewood massacre
  - April 9th, Supreme Court decides Adkins v. Children's Hospital, finding that a Congressionally-mandated minimum wage for the District of Columbia is

unconstitutional

- May, economic expansion peaks, recession begins
- mid-year, silver purchase policy effectively ends

- August 2, Warren G. Harding dies in San Francisco, apparently from a heart attack

- Tract on Monetary Reform, by John Maynard Keynes, published

- Hyperinflation ends in Germany

1924

- February 3rd, Woodrow Wilson dies
- July, economic contraction ends, recovery begins
- July, Olympics held in Paris
- Congress passes an amendment to the constitution, empowering Congress to limit, regulate, and prohibit the labor of persons under 18 years of age. (The number of state legislatures that ratified the proposed amendment was 28, or 8 less than the 36 then required.)

- Keiss Act passed, allowing unionization of the Government Printing Office.

- Congress bans heroin completely

- Johnson-Reed Act passed, severely limiting immigration

- November, Calvin Coolidge elected president

- German Hyperinflation ends

- The French army evacuates the Ruhr region of Germany, allowing a major increase in coal production

- Coal operators in Britain engage in a lock out for seven months, in an effort to force down wages

1925

- April 28th, Britain announces return to a gold standard for its currency, setting the value of the pound back to its pre-World War I value of \$4.86/pound

- July 10-25, Scopes Monkey Trial

- The Great Gatsby, by F. Scott Fitzgerald, published

1926

- May 3rd, a nine day nationwide general strike begins in Britain

- May 20th, Railway Labor Act passed

- October, economic expansion peaks, recession begins

- Revenue Act of 1926 passed, cutting taxes of those earning \$1M or more by two-thirds

1927

- May 20, Charles Lindbergh takes off from Roosevelt Field in Long Island, N.Y., aboard the Spirit of St. Louis on his historic solo flight to France.

- August 23rd, immigrant anarchists, Nicola Sacco and Bartolomeo Vanzetti, were executed

- November, economic contraction ends, recovery begins

- December, the Ford Motor Company introduces the Model A

- Federal Reserve reduces the discount rate by

half a point and purchases \$230 million of government securities

1928

- June, France returns to a gold standard, establishing exchange rates of 124 francs per pound and 25.51 francs per dollar
- August 27th, Kellogg-Briand Pact signed, "outlawing" war
- October, Benjamin Strong, Governor of the Federal Reserve Bank of New York, dies.
- November, Herbert Hoover elected president

1929

- February 2nd, Federal Reserve announces a ban on bank loans for margin trades
- June 15th, Agricultural Marketing Act passed
- August, economic expansion peaks
- September 3rd, stock market prices peak, with New York Times index of industrial stocks at 452
- October 24th, "Black Thursday," recorded sales of shares hits 12,895,000
- October 25th, market rallies, briefly
- October 29th, "Black Tuesday," recorded sales of shares hits 16,410,000. New York Times index of industrial stocks drops nearly forty points, the worst drop in Wall Street history to that point.
- November 13th, stock market prices reach low for the year, with New York Times index of industrial stocks at 224

1930

- June, Smoot-Hawley Tariff Act passed
- October, Committee for Unemployment Relief formed
- Treatise on Money, by John Maynard Keynes, published
- By year's end, 1350 banks have suspended operations during 1930

1931

- January 7th, the Committee for Unemployment Relief releases a report on unemployment showing that 4 to 5 million Americans were out of work.
- January 19th, Hoover's Wickersham Commission reports that enforcement of Prohibition has become almost impossible.
- March 31st, Davis-Bacon Act becomes law, requiring "prevailing" (union) wages to be paid on federal construction contracts
- May, KreditAnstalt, Austria's largest bank, collapses
- May 1st, New York's 102-story Empire State Building dedicated
- June 5th, Chancellor Bruning announces that Germany was no longer going to pay reparations under the Young Plan
- July 23rd, Macmillan report on Britain's international finances released, pointing out that Britain's short-term liabilities to foreigners is several times the size of Britain's gold reserves.

1932

- September 21st, Britain goes off the gold standard, the first major power to do so.
  - September, Japan invades Manchuria
  - October 16th, New York Federal Reserve Bank's discount rate raised from 1.5 percent to 2.5 percent.
  - October 17th, mobster Al Capone was convicted of income tax evasion and sentenced to 11 years in prison. (He was released in 1939.)
  - October 23rd, New York Federal Reserve Bank's discount rate raised from 2.5 percent to 3.5 percent.
  - December, Japan leaves the gold standard
  - December 11th, New York Bank of the United States collapses
  - By year's end, 2,293 banks have suspended operations during 1931
- 
- January 22nd, Reconstruction Finance Corporation created
  - March 1st, Charles Lindbergh's 20-month-old son, Charles Augustus, Jr., is kidnapped from the family home in New Jersey.
  - April, Federal Reserve officials initiate an open market program to buy \$500 million worth of securities
  - May, Federal Reserve officials undertake another open market program, purchasing an additional \$500 million worth of securities
  - May 20th, Amelia Earhart took off from Newfoundland for Ireland to become the first woman to fly solo across the Atlantic.
  - June 6th, Revenue Act of 1932 passed, the largest peacetime tax increase in the nation's history to that date
    - raised top tax rates from 25% to 63%
    - reduced personal exemptions from \$1,500 to \$1,000 for single persons
    - reduced personal exemptions from \$3,500 to \$2,500 for married couples
  - July, Federal law updated to require that the names of banks borrowing from the Reconstruction Finance Corporation be made public.
  - July 21st, Emergency Relief and Construction Act passed
  - July 28th, Bonus Army Riot begins in Washington, D.C.
  - August 24th, Amelia Earhart becomes the first woman to fly nonstop across the United States, traveling from Los Angeles to Newark, N.J., in just over 19 hours
  - Norris-La Guardia Act passed, outlawing yellow-dog contracts and protecting unions from anti-trust actions, private damage suits and court injunctions
  - Glass-Steagall Act passed (liberalized the terms under which member banks could borrow from the Federal Reserve)
  - Tuskegee Syphilis Study begins
  - November 8th, Franklin D. Roosevelt defeats

1933

Herbert Hoover to become the 32nd President (electoral vote count of 472 to 59)

- By year's end, 1,493 banks have suspended operations during 1932
  
- January 5th, Construction begins on San Francisco's Golden Gate Bridge
- January 23rd, 20th Amendment ratified
- January 31st, Adolf Hitler named Chancellor of Germany
- February 15th, Chicago mayor Anton Cermak is killed during an assassination attempt in Miami, Florida on President-elect Roosevelt.
- March, economic contraction ends; economy starts to recover
- March 4th, FDR is inaugurated as president
- March 6th, FDR declares a bank holiday
- March 9th, bank holiday ends
- March 9th, Emergency Banking Relief Act passed, providing for federal bank inspections
- March 12th, FDR's first Fireside Chat is broadcast over the radio.
- March 20th, FDR signs Economy Act.
- March 20th, Credit Act passed, indentifying those veterans and dependents of veterans who were entitled to a pension
- March 31st, Reforestation Relief Act passed, creating the Civilian Conservation Corps
- April, New York becomes the first to pass a state law regulating minimum producer, wholesale, and retail milk prices (25 other states will take similar action by the end of the 1930s)
- April 19th, America goes off the gold standard
- May 12th, Agricultural Adjustment Act passed, authorizing paying farmers not to grow crops
- May 12th, Federal Emergency Relief Administration created
- May 12th, Farm Relief Act passed, creating the Farm Credit Administration and the Agricultural Adjustment Administration
- May 18th, Tennessee Valley Authority created
- May 27th, Federal Securities Act passed
- June 6th, National Cooperative Employment Service Act passed
- June 13th, Home Owners' Loan Act passed
- June 16th, Farm Credit Act passed
- June 16th, Glass-Steagall Act passed
- Federal Deposit Insurance Corporation established
- Federal Reserve empowered to set maximum allowable interest rates on savings and time deposits accounts
- Payment of interest on demand deposits (checking accounts) outlawed
- Commercial banks were no longer allowed to engage in investment banking (underwriting securities)
- Federal Open Market Committee established

1934

- June 16th, National Industrial Recovery Act passed
- June 16th, Emergency Railroad Transportation Act passed
- October 17th, Albert Einstein arrived in the United States as a refugee from Nazi Germany.
- November 8th, Civil Works Administration (CWA ) created by executive order
- December 5th, 21st Amendment ratified (repeals 18th amendment, ending alcohol prohibition)
- By year's end, approximately 4,000 banks have suspended operations in 1933
  
- January 30th, Gold Reserve Act passed
- Establishes Exchange Stabilization Fund
- Allows the U. S. Treasury to seize all gold held by Federal Reserve banks
- Private possession of gold made illegal except for "legitimate" purposes (jewelry, artwork, and industrial and scientific uses)
- January 31st, FDR issues an executive decree, changing the price of gold from \$20.67 an ounce to \$35 an ounce
- January 31st, Congress creates Federal Farm Mortgage Corporation.
- February 2nd, Export-Import Bank of Washington created, established under DC charter by Executive Order 6581, to assist in financing U.S. trade with the Soviet Union.
- February 23rd, Crop Loan Act passed
- February 15th, Civil Works Emergency Relief Act passed.
- April 7th, Jones-Connally Farm Relief Act passed, bill effectively placing an expanded roster of farm products under the control of the Agricultural Adjustment Administration (AAA).
- May 23rd, bank robbers Bonnie Parker and Clyde Barrow were shot to death in a police ambush in Bienville Parish, Louisiana
- June 6th, Securities Exchange Commission established
- June 19th, Federal Communications Commission created
- June 19th, Silver Purchase Act passed, empowering FDR to increase the Treasury's silver holdings to 1/3 the value of gold, nationalizing silver stocks and purchases (victory for Free Silverites)
- June, Taylor Grazing Act passed
- July 22nd, John Dillinger, Public Enemy Number One, shot by the FBI near a Chicago Theatre
- August 2nd, German President Paul von Hindenburg dies, paving the way for Adolf Hitler's complete takeover.
- August 13th, the satirical comic strip "Li'l Abner," created by Al Capp, makes its debut
- November 6th, Democrats gain 9 seats in the

1935

#### House of Representatives

- Anti-Rackateering Act passed
  - Commodity Credit Corporation created
  - Federal Farm Bankruptcy Act passed
  - Federal Surplus Relief Corporation created
  - National Firearms Act passed
  - Reciprocal Trade Agreements Act passed
  - Bankhead Cotton Control Act passed
- 
- January 11th, Amelia Earhart becomes the first person to fly solo from Hawaii to California.
  - January 16th, Fred and "Ma" Barker killed outside Ocklawaha, Florida.
  - April 8th, Emergency Appropriations Relief Act passed, creating the Works Progress Administration
  - May 27th, Supreme Court unanimously declares Section 3 of the National Recovery Act to be unconstitutional, in Schechter Poultry Corporation v. United States. Section 3 empowered the President to implement industrial codes to regulate weekly employment hours, wages, and minimum ages of employees.
  - June, National Youth Administration created by executive order
  - June 3, Farm Credit Act passed
  - July 5th, National Labor Relations Act (Wagner Act) passed
  - August 14th, Social Security Act passed
  - August 23rd, Banking Act passed
  - August 28th, Public Utility Holding Company Act passed
  - August 30th, Bituminous Coal Conservation Act passed
  - August 30th, Revenue Act (Wealth Tax Act ) passed.
  - Increased the surtax rate on individual incomes over \$50,000, the estate tax on individual estates over \$40,000 and graduated steeply taxes on individual incomes over \$1 million until the rate was 75% in excess of \$5 million.
  - Decreased the small corporation tax rate to 12% while increasing the corporate tax, on incomes above \$15,000 to 15%.
  - Some excess profits over 10% were taxed at a 6% rate and in excess of 15% at a 12% rate.
  - August, Neutrality Act passed
  - September 2nd, a Category 5 hurricane, the most intense ever recorded in U.S. History, hits the Florida Keys, killing over 400 people.
  - September 8th, Huey Long assassinated
  - November 5th, Parker Brothers releases board game, "Monopoly".
  - Davis-Bacon Act amended, lowering contract threshold to \$2,000
  - Federal Power Act passed
  - Motor Carrier Act passed, extending federal regulatory authority to motor carriers engaged in

interstate commerce

- Rural Electrification Administration established
- Soil Conservation Act passed

1936

- January 23rd, Adjusted Compensation Act passes, over Roosevelt's veto. The Act provides for the immediate payment of veterans' bonuses.
- February 17th Supreme Court upholds constitutionality of TVA in *Ashwander v. Tennessee Valley Authority*
- February 29th, Soil Conservation and Allotment Act is passed
- May 18th, Supreme Court declares (6 to 3) the Bituminous Coal Conservation Act (1935) to be unconstitutional in *Carter vs. Carter Coal Co.*
- August 1st, Olympics open in Berlin
- General Theory of Employment, Interest, and Money, by John Maynard Keynes, published
- Robinson-Patman Act passed, effectively outlawing price cutting by permitting price discrimination (charging different prices in different markets) only if it can be justified by differential costs of serving different markets, or if a price reduction is made "in good faith" to meet the price reduction of a competitor.
- Rural Electrification Act passed, authorizing loans to qualified borrowers, with preference given to nonprofit and cooperative associations and public bodies, to construct and operate electric systems and generating plants
- Domestic Allotment Act passed
- November 3rd, FDR defeats Alfred M. Landon, Governor of Kansas, to win second term as President (electoral count 523 to 8)

1937

- January 20th, FDR delivers his second inaugural address: "I see one-third of a nation ill-housed, ill-clad, ill-nourished."
- February 5th, FDR introduces the Judiciary Reorganization Bill (FDR's infamous court packing scheme):
  - It proposed to add judges at all levels of the federal courts, assign judges to the more congested courts and adopt procedures to expedite the appeals process by sending lower court cases on constitutional matters directly to the Supreme Court
  - Justices of the Supreme Court who reached age 70 could retire
  - When a Supreme Court justice, age 70, did not retire, FDR could add an additional judge up to 6, potentially increasing the court to 15 members.
  - March 1st, Supreme Court Retirement Act passed, permitting Supreme Court Justices to retire at age 70 with full pay, after 10 years of service
  - March 29th, in *West Coast Hotel v. Parrish*, Supreme Court upholds (5 to 4) a state minimum wage

law for women.

- April 12th, Supreme Court declares (5 to 4) provisions of NLRA (1935) that guaranteed worker rights to unionize to be constitutional in National Labor Relations Board v. Jones & Laughlin Steel Corporation
  - May, economic recovery stops; economy enters a second depression
  - May 6th, Hindenburg disaster
  - May 24th, Supreme Court declares (5 to 4) that the unemployment compensation provision of the SSA is constitutional in Steward Machine Co vs Davis
  - May 24th, Supreme Court declares (7 to 2) that the old age benefits provisions of the SSA are constitutional in Helvering vs Davis
  - July 22nd, Bankhead-Jones Farm Tenant Act passed, creating the Farm Security Agency (FSA). The FSA established camps for migrant farm workers, provided medical care for those workers and their families, and helped in finding jobs.
  - September 1st, United States Housing (Wagner-Steagall) Act passed, creating the US Housing Authority (USHA) to administer low-interest 60-year loans to small communities for slum clearance and construction projects and to grant subsidies for setting rent geared to low-income levels in areas where local agencies provided 25% of the federal grant.
- 1938
- January 2nd, President Roosevelt establishes the March of Dimes.
  - February 16th, 2nd Agricultural Adjustment Act passed
  - June, economic contraction ends, economy begins to recover
  - June 23rd, Civil Aeronautics Authority established
  - June 25th, Food, Drug and Cosmetic Act signed into law
  - June 25th, Fair Labor Standards Act passed, enacting first national minimum wage law
  - September 30th, British and French prime ministers Neville Chamberlain and Édouard Daladier sign the Munich Pact with Nazi leader Adolf Hitler
  - October 30th, Orson Welles' broadcast of "War of the Worlds" persuades thousands of Americans that the United States is being invaded by Martians
  - November 1st, with 40 million radio listeners tuned in across the country, a long-anticipated match race between two champion race horses, Seabiscuit and War Admiral is run. Seabiscuit beats War Admiral by four lengths in just over a minute fifty-six for the mile and three-sixteenths, a new track record.
  - Supreme Court decides NLRB v. Mackay Radio & Telegraph, finding that employers have an undisputed right to hire permanent replacement workers for striking workers in an economic strike.

1939

- Democrats lose 71 Congressional seats during November elections

- January 7th, Labor leader Tom Mooney freed by California Governor Olson after 22 years imprisonment.
- February 27th, in NLRB v. Fansteel Metallurgical Corp, Supreme Court rules sit-down strikes illegal.
- April 30th, New York Worlds Fair opens in Flushing Meadows
- August 2nd, Albert Einstein signed a letter to President Franklin Roosevelt urging creation of an atomic weapons research program.
- September 1st, Germany invades Poland
- The Grapes of Wrath, by John Steinbeck, published
- (??? Act), an all-risk crop insurance program was initiated for interested farmers to prevent economic distress in case of crop failure for hail, floods, and other natural disasters.

1940

- September 16th, Selective Training and Service Act passed, requiring men between the ages of 21 and 35 to register for military training
- November 7th, FDR defeats Wendell Willkie (449 to 82 Electoral College vote totals) to win third term as President
- How to Pay for the War, by John Maynard Keynes, published
- Investment Advisers Act passed, allowing SEC to supervise the activities of investment advisors
- Investment Company Act passed, allowing SEC to supervises the activities of mutual funds and other investment companies
- Transportation Act passed, giving ICC authority to regulate common carriers operating in interstate commerce in the coastal, intercoastal, and inland waters of the U.S.

1941

- January 6th, President Roosevelt delivers his State of the Union address, saying "we look forward to a world founded upon four essential human freedoms."
- January 7th, Office of Price Administration is created.
- Davis-Bacon Act amended to include military construction
- March, Lend-Lease Act passed, giving the president the authority to aid any nation whose defense he believed vital to the United States and to accept repayment "in kind or property, or any other direct or indirect benefit which the President deems satisfactory."
- May 1st, the Orson Welles motion picture "Citizen Kane" premiered in New York
- December 7th, Japanese attack Pearl Harbor
- December 8th, U.S. declares war on Japan
- December 11th, Germany and Italy declare war on U.S.

1942

- February 19th, FDR signs executive Order 9066, calling for the internment of over 100,000 Japanese-Americans.
- November 9th, Supreme Court decides Wickard v. Filburn, finding that the interstate commerce clause allows Congress to regulate wheat production, even if the wheat is never sold and used only by the grower
- Emergency Rubber Production Act passed

1943

- January 15th, construction of the Pentagon completed.
- April 19th, Warsaw Ghetto uprising begins.
- December 17th, Chinese Exclusion Repeal Act passed

1944

- January 22nd, Allied troops begin assault on Rome.
- June 6th, D-Day
- July 1st-22nd, Bretton Woods Conference held, establishing the basis of the postwar international monetary system and creating the International Monetary Fund
- November 7th, FDR defeats Thomas E. Dewey (432 to 99 Electoral College Votes) to win fourth term as President
- Individual Income Tax Act passed, raises the individual maximum rate to 94 percent.
- The Road to Serfdom, by F. A. Hayek, published

1945

- January 9th, U.S. forces under Gen. MacArthur invade Philippines.
- January 26th, Auschwitz is liberated by Soviet troops.
- February, economic expansion ends, economy enters recession
- February 13th, British bombers attack Dresden, killing over 100,000.
- March 9th, U.S. bombers attack Tokyo, killing over 100,000.
- April 12th, FDR dies while at Warm Springs, Georgia
- April 28th, Italian dictator Benito Mussolini and his mistress, Clara Petacci, are executed by Italian partisans as they attempt to flee the country.
- April 30th, Adolph Hitler and Eva Braun commit suicide
- May 7th, Germany signed an unconditional surrender at Allied headquarters in Rheims, France.
- June 26th, United Nations charter signed by 50 countries in San Francisco.
- July 16th, the United States exploded its first experimental atomic bomb, in the desert of Alamogordo, New Mexico
- July 31st, Export-Import Bank Act passed, making the Export-Import Bank an independent agency

- August 2nd, President Truman, Soviet leader Josef Stalin and British Prime Minister Clement Attlee concluded the Potsdam conference.
  - August 6th, atomic bomb dropped on Hiroshima
  - August 9th, atomic bomb dropped on Nagasaki
  - September 2nd, Japan surrenders
  - October, economic contraction ends
- 1946
- July 3rd, Hobbs Act passed, eliminating loop holes in 1934 Anti-Rackateering Act
  - Employment Act passed
  - October 16th, President Truman lifts price controls on meat
- 1947
- Labor-Management Relations Act (Taft-Hartley Act) passed
- 1948
- November 2nd, Harry S. Truman defeats Thomas E. Dewey (303 to 189 electoral votes) in the presidential election
  - November, economic expansion ends, economy enters recession
- 1949
- October, recession ends, economy begins to expand
- 1951
- February 21st, 22nd amendment to the constitution ratified (prohibits Presidents from serving more than two terms)
- 1953
- July 30th, RFC Liquidation Act passed, terminating the lending powers of the Reconstruction Finance Corporation
  - July, economic expansion peaks, recession begins
- 1956
- Agricultural Act passed, otherwise known as the soil-bank program, authorized federal payments to farmers if they reduced production of certain crops
- 1957
- June, Reconstruction Finance Corporation abolished
- 1959
- Labor-Management Reporting and Disclosure Act (Landrum-Griffin Act) passed