

49e. FDR's Alphabet Soup

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In addition to setting a minimum wage and the maximum hours a person could work in a week, the National Recovery Administration outlawed child labor.

In 1933, Roosevelt asked Congress to create "a corporation clothed with the power of government but possessed of the flexibility and initiative of a private enterprise." The Tennessee Valley Authority was born, and economic recovery came to eastern Tennessee.

To enlist the support of labor unions, the NRA outlawed child labor, set maximum hours, and required a minimum wage. The greatest victory for labor unions was the guarantee of the right to collective bargaining, which led to a dramatic upsurge in union membership. Unfortunately, the NRA did little to improve the economy. The increase in prices actually caused a slight slowdown in the recovery. Workers complained that participating industries found loopholes to violate minimum wage and child labor obligations. When the Supreme Court finally declared the NRA unconstitutional in 1936, many had taken to calling it the "National Run Around."

By displaying the Blue Eagle, businesses indicated that they had joined the National Recovery Administration. By 1933, over 2 million participants in the NRA were hanging Blue Eagle window signs, posters and flags.

The government blazed other new trails by creating the Tennessee Valley Authority in May 1933. The geography of the Tennessee River Valley had long been a problem for its residents. Centuries of resource exploitation contributed to soil erosion and massive, unpredictable floods that left parts of seven states impoverished and underutilized.

Funds were authorized to construct 20 new dams and to teach residents better soil management. The hydroelectric power generated by the TVA was sold to the public at low prices, prompting complaints from private power companies that the government was presenting unfair competition. Soon flood control ceased to be a problem and FDR considered other regional projects.

Securities and Exchange Commission (SEC) was created to serve as a watchdog on the stock market. The Federal Housing Authority (FHA) provided low interest loans for new home construction. The Home Owners Loan Corporation (HOLC) allowed homeowners to refinance mortgages to prevent foreclosure or to make home improvements. The United States Housing Authority (USHA) initiated the idea of government-owned low-income housing projects. The Public Works Administration (PWA) created thousands of jobs by authorizing the building of roads, bridges, and dams. The National Youth Administration (NYA) provided college students with work-study jobs. The National Labor Relations Board (NLRB) was designed to protect the right of collective bargaining and to serve as a liaison between deadlock industrial and labor organizations.

