This Date In 1933: FDR's First Fireside Chat Unleashes The Federal Reserve To Muscle Aside The Bank Panic

Author : michaelbloomer

Franklin D. Roosevelt took office in March 1933. Bank panics had occurred since 1929, and by 1933 than 9,000 banks had closed, with $2.5 billion in lost deposits. Millions of Americans lost their money. To stop the run on banks, many states simply closed their banks. Roosevelt himself declared a four-day “bank holiday” upon taking office. In addition, FDR took the country off the domestic gold standard, and forcefully used the Federal Reserve system to rebuild currency and restore public confidence that deposits were safe.

The President made a national radio address on Sunday, March 12, 1933, to explain the banking problem. The following audio excerpt can be supplemented with the entire transcript.