Analyzing the New Deal
Chapter 12 Sect. 4

Was the New Deal Successful

- In ending the depression? **NO!**
- In providing relief and dignity? **YES!**
- Early **1930’s gains** in employment and factory gains were **wiped out in 1937 and 1938**.
- New reforms like **FDIC** and the **SEC** were very successful. FDIC restored people’s confidence in banking and the SEC restored confidence in the Stock Market.
- Social Security became part of this country.
- The WPA was **very successful** in building **Infrastructure**: road, buildings, bridges, and dams. 6,000 schools, 2,500 hospitals.

Philosophy in Government Shifts

- The New Deal brought a **new idea** of American government.
- No more **laissez-faire**
- In the twenties, business brought prosperity and government involvement hindered it.
- In the 1930’s government felt it could help spur government growth.
- People now looked **for government to help the people**
- Government got bigger
- Some hated it as anti-American, others saw it as a new era where people would not be left on the side.
Limits on New Deal Programs

- FDR never meant them to be permanent
- They could never provide enough jobs for all the jobless people
- Wages were meant to be low so that people always looked for non-governmental jobs.
- Some states paid less than others
- New Deal programs did not stop Discrimination and rarely helped minorities and women.

Essential Question

1. Was the New Deal successful in ending the Depression?
2. What was the New Deal successful at doing?
3. What change in Philosophy did the New deal bring to the Federal Government?
4. What did the New Deal do for minorities?

Why did the New Deal die in 1938?

- The “Court Packing” incident
- The second market crash of 1937 and 1938
- FDR’s plan to reorganize the executive branch
- Group of anti-New Deal congressmen got together: They wanted to cut taxes and balance the budget. They stopped all the New Deal laws of 1938
- But one law passed: Fair Labor Standards Act of 1938 would be last New Deal law: established a minimum wage and the 40 hour work week. Over 40 hours would be paid time and a half.
1938 Congressional Elections

• 1938 Midterm elections, FDR handpicked Democrats to run
• These Democrats lost, and Republicans and anti-New Deal Democrats made huge gains
• FDR no longer had enough votes in Congress for New Deal programs.
• Plus problems in Europe soon drew attention away from the New Deal
• Soon WWII would break out and Europe demanded goods once again.
• This, not the New Deal, would end the Great Depression.

Essential Questions
1. Why did the New Deal die in 1938?
2. What did the Anti-New Deal Congressmen want? What political Party were they from?
3. What did the Fair Labor Standards Act of 1938 do?
4. What effect did WWII have on the Depression?