



The Depression and the New Deal

Lesson 4 Effects of the New Deal

ESSENTIAL QUESTION

How do new ideas change the way people live?

GUIDING QUESTIONS

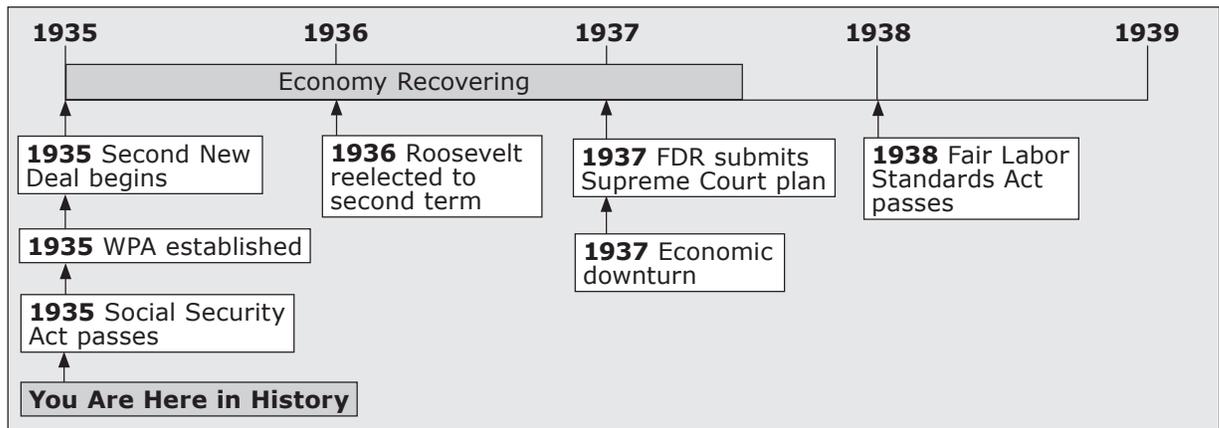
1. *Why did Roosevelt's New Deal programs face growing opposition?*
2. *What did the Second New Deal introduce to America?*
3. *Why was the Second New Deal challenged by the Supreme Court?*

Terms to Know

pension a sum paid regularly to a person, usually after retirement

unemployment insurance payments by the government for a limited period of time to people who have lost their jobs

When did it happen?



What do you know?

In the first column, answer the questions based on what you know before you study. After this lesson, complete the last column.

Now...		Later...
	Why did some people object to Roosevelt's New Deal?	
	What was the purpose of the Second New Deal?	
	Why did Roosevelt try to "pack" the Supreme Court?	

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Lesson 4 Effects of the New Deal, *Continued*

The New Deal Draws Fire

The New Deal had many critics. Business leaders felt FDR was spending too much money. Some people felt that government had too much power, which they thought was a threat to people’s freedoms. However, other critics felt that Roosevelt’s New Deal did not go far enough.

Important New Deal Critics

- **Father Charles Coughlin** was a priest from Detroit, Michigan. He wanted rich people to pay higher taxes. He wanted government to take over all banks. Coughlin had a radio program, during which he stated his ideas. His extreme views about minorities and other groups caused him to lose support.
- **Francis Townsend** wanted retired people to get a **pension**. A pension is a monthly payment. Congress did not support the idea, but Townsend made Americans think of older, poor people.
- Senator **Huey Long** of Louisiana was the biggest threat to FDR. He had been governor of Louisiana. His plan was called, "Share the Wealth." He wanted rich people to pay high taxes.

As a senator, Long had a lot of influence. Many people liked his ideas and he planned to run for president. Of course, people who would have to pay for this plan did not like it. Long was popular with many voters, but was killed by an assassin in 1935.

Roosevelt’s Second New Deal

The economy was improving by 1935, but recovery was slow. To help speed it up, Roosevelt proposed several reforms that are known as the Second New Deal. It changed American life even more than the laws that were passed in his first Hundred Days.

One of every five workers still did not have a job in 1935. From 1935-1941, the Works Progress Administration (WPA) put 2 million people to work. Under the WPA, people built airports, public buildings, bridges, and roads. The WPA hired artists, writers, and musicians. Some WPA workers created paintings on the walls of buildings. Authors wrote books. Some books were about American folktales and songs. They preserved African American stories and Native American traditions.



Explaining

1. Why did many people oppose the New Deal?



Critical Thinking

2. Why was Father Coughlin able to influence so many people?



Reading Check

3. What group was Townsend’s pension plan designed to help?



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Lesson 4 Effects of the New Deal, *Continued*

? Identifying

4. Who might have objected to the Revenue Act?

? Assessing

5. Why was the Social Security Act such an important piece of legislation?

? Evaluating

6. Do you think President Hoover would have supported the Social Security Act? Why or why not?

? Contrasting

7. How does a sit-down strike differ from other strikes?

Important Programs of the Second New Deal

- **The Revenue Act** (1935) raised taxes on wealthy people and corporations.
- The **Works Progress Administration** (1935) provided government jobs to the unemployed.
- The **Social Security Act** (1935) provided government pensions for retired workers and payments to persons who were unemployed.
- The **National Labor Relations Act** (1935) gave workers the right to join labor unions.
- The **Fair Labor Standards Act** (1938) banned child labor and established a minimum hourly wage.

The Social Security Act created pensions. Tax money paid for the pensions. Both workers and employers paid the tax. The act also had employers pay tax that would go to **unemployment insurance**. Unemployment insurance made payments to people who had lost their jobs.

Social Security also helped people with disabilities. It helped the elderly poor and children whose parents could not support them, too. With this law the federal government took responsibility for the welfare of all citizens.

The National Labor Relations Act (NLRA) is also known as the Wagner Act. Its passage allowed labor unions to grow stronger. In 1936, autoworkers used a new technique, called a "sit-down strike," against General Motors in Flint, Michigan. Instead of going out on strike, they remained inside the plant and refused to leave. This kept the company from hiring workers to replace them. After 44 days, the company gave in to their main demand—the right to have the United Auto Workers union represent them.

The United Auto Workers was an industrial union. This means that all workers in the industry belonged to the same union, whatever their job. It was part of a new labor organization formed around that time called the Congress of Industrial Organizations (CIO).

Unlike the American Federation of Labor (AFL), which organized workers by their craft or skill, the CIO organized workers by industry. CIO members were both skilled and unskilled. Many women and African Americans joined the CIO. By 1938, the CIO represented 4 million workers.

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Roosevelt and the Supreme Court

Starting in 1935, the Supreme Court began to declare parts of the New Deal unconstitutional. Roosevelt felt that the 1936 election for president would show if Americans were behind his New Deal. Roosevelt won. He had 61 percent of the vote.

After his reelection, Roosevelt tried to stop the Supreme Court’s attack on the New Deal. He asked Congress to increase the number of justices on the Court from nine to fifteen. He hoped to add justices who supported his New Deal programs.

Many people accused the president of trying to “pack” the Court. Roosevelt’s idea might have upset the system of checks and balances. Checks and balances between branches of government make sure no one branch is more powerful than the others.

The Court ruled in favor of the Wagner Act and the Social Security Act. Then the Court “packing” issue died. The Supreme Court stayed at nine members, but Roosevelt lost some of his support.

The economy improved for a few years. Then in 1937 it started to get worse again. Critics called this the Roosevelt recession. President Roosevelt tried to fix the problem by spending more on public works.

Even with all the New Deal programs, the economy did not fully recover from the Great Depression. The 1930s came to an end. However, something new began to catch the attention of concerned Americans. Dangerous things were going on in Asia and Europe.

//////////////////// Glue Foldable here //////////////////////

Check for Understanding

Tell how the first New Deal and the Second New Deal were similar.

Tell how the first New Deal and the Second New Deal were different.

 **Reading Check**

8. Why was FDR’s Supreme Court Plan criticized?

FOLDABLES®

9. Use a two-tab Foldable and cut the tabs in half to make four tabs. Place it along the dotted line to cover Check for Understanding. Write *Second New Deal* on the anchor tab. Label the tabs *Revenue Act, WPA, Security Act of 1935, and Labor Laws*. On the front and back of the tabs, record what you remember about each. Use your Foldable to help complete Check for Understanding.