

Name: \_\_\_\_\_

Period: \_\_\_\_\_

### **Structured Academic Controversy: Franklin D. Roosevelt's New Deal**

When Franklin Delano Roosevelt (FDR) accepted the Presidential nomination in 1932, he said: "I pledge you, I pledge myself, to a new deal for the American people." FDR was coming into office after two years of the Great Depression, and the people were looking for a solution. When FDR entered office, he had no single plan for dealing with the depression. He was willing to try anything, and the first "New Deal" was proposed to the people in 1933.

The New Deal had three goals: direct relief, economic recovery, and financial reform. Direct relief was the immediate effort to help one-third of the population that was hardest hit by the depression. Before the Great Depression, the federal government was not involved in the welfare of the people. The New Deal was a big change. Before, the federal government was not involved in the welfare of the people, but people were becoming agitated and wanted radical solutions to their hard times. Relief policies restored the people's confidence in the government and stopped the agitation. Economic Recovery was the effort to restore the economy to normal health, since the unemployment was high and wages were at a record low. Unlike the relief agencies, these concerned themselves with the longer-term goal of stabilizing and improving agriculture, business, and employment. The belief was that the Great Depression was caused by an unstable economy, so government intervention would prevent further crises.

To Roosevelt's admirers, the New Deal signified the most creative burst of legislative domestic policies in U.S. history. To his critics, however, the New Deal is simply the creation of "alphabet agencies": many agencies and acronyms designed to solve all the problems, such as the CCC, the AAA (Agricultural Adjustment Administration), CAA (Civilian Aeronautics Authority), CCC (Civilian Conservation Corps), CWA (Civil Works Administration), FAP (Federal Art Project), and FCA (Farm Credit Administration), to name a few.

**The controversy still stands: Was the New Deal successful during the Great Depression? Today, YOU will decide.**

### **Rules for the Controversy**

1. I am critical of ideas, not people.
2. I focus on making the best decision possible, not on “winning.”
3. I use a respectful tone when making comments.
4. I encourage everyone to participate and master all relevant information.
5. I listen to everyone’s ideas, even if I do not agree.
6. I restate what someone has said if it is not clear.
7. I first bring out all the ideas and facts supporting both sides and then try to put them together in a way that makes sense.
8. I try to understand both sides of the issue.
9. I change my mind when the evidence indicates that I should do so.

### **Format of the Controversy**

1. You will have five minutes to read through your data set and look at the historical evidence associated with that data set. During these five minutes you should come up with at least four main arguments for your position. Remember, each member of the team must make two arguments. Write those arguments down on the “Let’s Recap” page.
2. The team with the “YES!” data set will go first. They will have two minutes to present their position to the other side. Each person on your team must present at least two arguments.
3. There will be one minute for clarification questions from the listening side.
4. This will be repeated with the “NO!” team.
5. New Data Sets and historical evidence will be handed out and your team will be given three minutes to look at these resources. During those three minutes, you should come up with at least four main arguments for your new position. Remember, each person on the team must make two arguments. Write those arguments down on the “Let’s Recap” page.
6. The process (steps 2-4) will be repeated! Now you must argue the opposite side!
7. Debrief time!

## Was the New Deal a success during the Great Depression?

YES! The New Deal was a success!

- The voters were obviously happy with the progress and the New Deal. When FDR ran for re-election in 1936, he campaigned on the New Deal programs, and was re-elected by a 61% majority and carried all states except for Maine and Vermont.
- Between 1933 and early 1937, the economy made gains. The unemployment declined from 25% to 14%, and the average wage rose from \$.52 to \$.56.
- The New Deal programs provided much needed facilities and created a sense of community around the country. For example, one of the largest relief agencies of the New Deal was the Works Progress Administration (WPA), which was created in 1935. During the next eight years it built or improved more than 2,500 hospitals, 5,900 school buildings, and nearly 13,000 playgrounds. It provided funds for federal theater, arts, and writers projects that enriched the nation's cultural life. Most of the WPA's money, some \$11 billion in all by 1943, went for short-term, make-work projects to assist the unemployed. At peak periods, the WPA helped more than three million people.
- The New Deal improved labor conditions and listened to the needs of workers. FDR, as part of the New Deal, passed the Fair Labor Standards Act in 1938. This set minimum wages and maximum hours for certain types of work and abolished child labor involved in interstate commerce. Though not all workers were protected through the act, it was a first step towards federal supervision of labor conditions.
- Another lasting accomplishment of the New Deal was the Social Security Act of 1935. This law involved the federal government in programs of old-age pensions, unemployment insurance, and assistance to needy blind and disabled persons, and to dependent children.
- The New Deal made important reforms to prevent economic depressions as sharp as the Great Depression, and many of those reforms are still around today. The Federal Deposit Insurance Corporation (FDIC) helped prevent banking panics and is still used today. Another agency was the Securities and Exchange Commission (SEC), which was the first time the stock exchange had been regulated by the government.
- Some New Deal agencies helped raise prices and increase revenue for business owners. For example, the Agricultural Adjust Act (AAA) created a program that encouraged commercial farmers to cut production of basic crops and livestock. Because the supply would be less, the demand and prices of the produce were supposed to go up. The AAA was able to limit supply and raise farm prices by 50% in Roosevelt's first term, which aided large commercial farmers.

## Was the New Deal a success during the Great Depression?

NO! The New Deal was not a success!

- Many parts of the New Deal were unconstitutional! FDR created many agencies and legislations, such as the Agricultural Adjustment Act and the National Relief Agency. However, only congress has the power to legislate and allocate money, which meant FDR was overstepping his Presidential powers. The Supreme Court declared parts of the New Deal unconstitutional, but FDR ignored these rulings.
- The New Deal was hardest on the poor, who needed the help the most. The most important source of New Deal revenue was from excise taxes, taxes on specific actions. These included taxes on alcohol, cigarettes, matches, candy, chewing gum, margarine, fruit juice, soft drinks, cars, tires (including tires on wheelchairs), telephone calls, movie tickets, playing cards, electricity, and radios. The middle class and poor people bought those things most often. A Treasury Department report said excise taxes “often fell disproportionately on the less affluent.”
- The New Deal programs channeled money away from the South, the poorest region of the United States. The largest share of spending and loan programs was in “swing” states in the West and East, where incomes were at least sixty percent higher than in the South. Those that needed the money in the South weren’t getting as much!
- Some New Deal programs cut jobs and hurt workers in an attempt to help big business owners. The Agricultural Adjustment Act (1933) cut back farm production in order to encourage the price of the produce to go up. This would help the large farm owners and businessmen, because when there is less produced, there is a greater demand and higher price for what is made. However, many people were starving. Also, less production means there are fewer jobs for tenant farmers, who reside on and farm land owned by landowners.
- The New Deal programs didn’t reach everyone. The Works Progress Administration (WPA) was in charge of providing jobs for the unemployed, but at any point in time during its existence, over seven million unemployed persons and their families were not receiving assistance in finding work. The wages of those employed by the WPA were very low. Also, those that cannot be employed – the sick, the crippled, the aged, dependent children – were left dependent on the state governments, which were unable or unwilling to help.
- The New Deal did not fix the economy. While the unemployment rate did go down after 1933, it did not return to pre-Great Depression levels through the New Deal. Also, there was another economic recession in 1937 because FDR spent less in order to reduce the national deficit. Unemployment stayed high until the country had to spend money on national defense in 1939 and 1940 due to World War II. The War re-invigorated the American economy, returning unemployment and wages to pre-Great Depression levels.

## Was the New Deal a success during the Great Depression?

### While reading "Franklin Delano Roosevelt's New Deal":

What were the three goals of the New Deal and what did they mean?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Why was the name "Alphabet Soup" used to describe the New Deal?

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### While reading the first set of arguments:

What do you think are the two strongest arguments for this position?

1. \_\_\_\_\_  
\_\_\_\_\_
2. \_\_\_\_\_  
\_\_\_\_\_

### While reading the second set of arguments:

What do you think are the two strongest arguments for this position?

1. \_\_\_\_\_  
\_\_\_\_\_
2. \_\_\_\_\_  
\_\_\_\_\_

**During the discussion:**

While the other side is making their points, listen and write down their points on this chart.

Reasons the New Deal <b>WAS A SUCCESS</b> during the Great Depression.	Reasons the New Deal <b>WAS NOT A SUCCESS</b> during the Great Depression.
1.	1.
2.	2.
3.	3.
4.	4.