8th Grade New Deal Inquiry

Was the New Deal a Good Deal?

Supporting Questions

1. What conditions existed at the onset of the Great Depression?
2. What kinds of programs did the New Deal create?
3. What were positive effects of the New Deal?
4. What were negative effects of the New Deal?
# 8th Grade New Deal Inquiry

## Was the New Deal a Good Deal?

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<th>8.5 GREAT DEPRESSION: Economic and environmental disasters in the 1930s created hardships for many Americans. Amidst much debate about the appropriate role of government, President Franklin D. Roosevelt helped to create intensive government interventions in the United States economy and society.</th>
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<td>Featured Sources</td>
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## Taking Informed Action

**ASSESS** Determine which issues are most important to students in the debate over the extent to which government should take care of its people.

**ACT** Conduct a survey of public officials about the role of government in taking care of its people.

**ARGUMENT** Construct an argument (e.g., detailed outline, poster, essay) that addresses the compelling question using specific claims and relevant evidence from historical sources while acknowledging competing views.

**EXTENSION** Pursue arguments further by creating a campaign-style commercial putting forward a position on the role of government in the United States.
Inquiry Description

By asking the compelling question “Was the New Deal a good deal?” students take on a topic with a long history and plenty of relevance for today. The inquiry uses the New Deal and the expansion of federal government programs designed to stimulate the economy and support citizens in need as a context for considering the larger question about the proper role of government. Students examine a wide range of historical sources while focusing on questions concerning the extent to which government should take care of its people.

In addition to the Key Idea listed earlier, this inquiry highlights the following Conceptual Understanding:

- (8.5c) President Roosevelt issued the New Deal in an attempt to revive the economy and help Americans deal with the hardships of the Great Depression. These New Deal reforms had a long-lasting effect on the role of government in American society and its economic life, but did not resolve all of the hardships Americans faced.

NOTE: This inquiry is expected to take three to five 40-minute class periods. The inquiry time frame could expand if teachers think their students need additional instructional experiences (i.e., supporting questions, formative performance tasks, and featured sources). Teachers are encouraged to adapt the inquiries to meet the needs and interests of their particular students. Resources can also be modified as necessary to meet individualized education programs (IEPs) or Section 504 Plans for students with disabilities.

Structure of the Inquiry

In addressing the compelling question “Was the New Deal a good deal?” students work through a series of supporting questions, formative performance tasks, and featured sources in order to construct an argument supported by evidence while acknowledging competing perspectives.

Staging the Compelling Question

The compelling question may be staged by having students engage in a discussion about the extent to which government should play a role in taking care of its people. This discussion may also serve as an initial understanding step in the Taking Informed Action task for this inquiry.
Supporting Question 1

The first supporting question—“What conditions existed at the onset of the Great Depression?”—launches the inquiry by asking students to place the New Deal in a historical context. By examining the political and economic conditions preceding the New Deal, students should see how a range of circumstances shaped the New Deal policies. The formative performance task asks students to list conditions that existed at the onset of the Great Depression. Through the featured sources, students examine information from President Herbert Hoover’s “Rugged Individualism” speech, an excerpt from a newspaper article about the October 27, 1929, stock market crash, and a chart of consumer loan activity as one measure of economic activity at the onset of the Great Depression.

Supporting Question 2

The second supporting question—“What kinds of programs did the New Deal create?”—directs students to the specific details of the New Deal by enumerating the programs it enacted. The formative performance task calls on students to construct a graphic organizer depicting New Deal programs using the featured source—an excerpt from a speech by President Franklin Roosevelt. Given what students have learned about the conditions that existed on the onset of the Great Depression and the responses of presidents Hoover and Roosevelt, teachers may continue the Taking Informed Action task by extending the conversation begun in the Staging the Compelling Question task about the extent to which government should take care of its people.

Supporting Question 3

This third supporting question—“What were positive effects of the New Deal?”—begins a two-part exploration of the positive and negative effects of the New Deal. As the formative performance task, students consider the question by creating the first half of a T-chart listing positive effects of the New Deal. Students use information from the four featured sources, which present unemployment figures in the 1930s, information about Public Works Administration projects created under the New Deal, information about the establishment of the Social Security program, and the perspective of an everyday American on the New Deal. Teachers may continue the Taking Informed Action discussion about the extent to which government should take care of its people.

Supporting Question 4

The fourth supporting question—“What were negative effects of the New Deal?”—shifts students’ focus to critiques of the New Deal. The formative performance task asks students to complete the T-chart by adding the negative
effects of the New Deal. To do so, they can draw on the featured sources, which present information from anti-New Deal editorial cartoons, a chart with information about the national debt as percentage of gross national product from 1929 to 1950, and the perspective of an everyday American on the New Deal. Teachers may continue the Taking Informed Action discussion about the extent to which government should take care of its people.

Summative Performance Task

At this point in the inquiry, students have examined the conditions that existed at the onset of the Great Depression, the New Deal programs created in response to the Great Depression, and positive and negative effects of the New Deal. Students should be expected to demonstrate the breadth of their understandings and abilities to use evidence from multiple sources to support their claims. In this task, students are asked to construct an evidence-based argument responding to the compelling question “Was the New Deal a good deal?” It is important to note that students’ arguments could take a variety of forms, including a detailed outline, poster, or essay.

Students’ arguments will likely vary, but could include any of the following:

- The New Deal was not a good deal because having a big federal government is ineffective at improving the economy.
- The New Deal was a good deal because having a big federal government leads to improvements in economy.
- The big-government response in the Great Depression was understandable given the problems that existed, but when the economy is in good shape government should be smaller and more contained.

Students could extend these arguments by creating a campaign-style commercial putting forward a position on the role of government in the United States.

Students have the opportunity to Take Informed Action by considering the extent to which government should take care of its people. Students understand issues related to the topic through an opening discussion in the Staging the Compelling Question task and continue their efforts in Formative Performance Tasks 2 through 4. Students then assess which issues are most important to them in the debate about the extent to which government should take care of its people. As a culminating task, students act by conducting a survey of public officials about the role of government in taking care of its people.
Supporting Question 1

**Featured Source**

**Source A:** Herbert Hoover, campaign speech, “Rugged Individualism” (excerpts), 1928

**NOTE:** Herbert Hoover was well prepared for the presidency. Recognized for his ability as a mining engineer and work as head of the United States Food Administration during World War I, Hoover had also served as secretary of commerce under presidents Warren G. Harding and Calvin Coolidge. In 1928, Hoover won the Republican Party’s presidential nomination and then won a landslide victory over his Democratic opponent, Al Smith. Hoover campaigned on a belief in “rugged individualism” and self-reliance. His strategy to combat the Great Depression largely relied on local volunteerism, although he did launch a wide-scale public works campaign. However, his efforts would be significantly trumped by the New Deal policies of his successor, Franklin D. Roosevelt.

I have witnessed not only at home but abroad the many failures of government in business. I have seen its tyrannies, its injustices, its destructions of self-government, its undermining of the very instincts which carry our people forward to progress. I have witnessed the lack of advance, the lowered standards of living, the depressed spirits of people working under such a system....

And what has been the result of the American system? Our country has become the land of opportunity to those born without inheritance, not merely because of the wealth of its resources and industry but because of this freedom of initiative and enterprise. Russia has natural resources equal to ours....But she has not had the blessings of one hundred and fifty years of our form of government and our social system.

By adherence to the principles of decentralized self-government, ordered liberty, equal opportunity, and freedom to the individual, our American experiment in human welfare has yielded a degree of well-being unparalleled in the world. It has come nearer to the abolition of poverty, to the abolition of fear of want, than humanity has ever reached before. Progress of the past seven years is proof of it...

The greatness of America has grown out of a political and social system and a method of [a lack of governmental] control of economic forces distinctly its own our American system which has carried this great experiment in human welfare farther than ever before in history....And I again repeat that the departure from our American system...will jeopardize the very liberty and freedom of our people, and will destroy equality of opportunity not only to ourselves, but to our children.

**Public domain. Available from the Digital History website:**

Supporting Question 1

| Featured Source | Source B: Author unknown, newspaper article on Black Tuesday, “Stock Prices Slump $14,000,000,000 in Nation-Wide Stampede to Unload; Bankers to Support Market Today” (excerpt), New York Times, October 29, 1929 |

NOTE: This New York Times article reports on the massive drop in stock prices on all major exchanges that occurred the previous day, October 28, 1929. The full article includes information about what the reporters at the New York Times thought were the immediate causes of the crash and a blow-by-blow description of activity on the New York Stock Exchange as stock prices dropped from the opening of the exchange at 10:30 am to its close that afternoon.

The second hurricane of liquidation within four days hit the stock market yesterday. It came suddenly, and violently, after holders of stocks had been lulled into a sense of security by the rallies of Friday and Saturday. It was a country-wide collapse of open-market security values in which the declines established and the actual losses taken in dollars and cents were probably the most disastrous and far-reaching in the history of the Stock Exchange.

That the storm has now blown itself out, that there will be organized support to put an end to a reaction which has ripped billions of dollars from market values, appeared certain last night from statements by leading bankers.

Although total estimates of the losses on securities are difficult to make, because of the large number of them not listed on any exchange, it was calculated last night that the total shrinkage in American securities on all exchanges yesterday had aggregated some $14,000,000,000, with a decline of about $10,000,000,000 in New York Stock Exchange securities. The figure is necessarily a rough one, but nevertheless gives an idea of the dollars and cents recessions in one of the most extraordinary declines in the history of American markets.

It was not so much the little trader or speculator who was struck by yesterday's cyclone; it was the rich men of the country, the institutions which have purchased common stocks, the investment trusts and investors of all kinds. The little speculators were mostly blown out of their accounts by the long decline from early September. Thousands of them went headlong out of the market on Thursday. It was the big man, however, whose holdings were endangered yesterday and who threw his holdings into the Stock Exchange for just what they would bring, when hysteria finally seized him.

From the New York Times, October 29, 1929. © 1929 The New York Times. All Rights Reserved. Used by permission and protected by Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this content without express written permission is prohibited.
Supporting Question 1

**Featured Source**

**Source C:** National Bureau of Economic Research, Federal Reserve Bank of St. Louis, chart of loans extended to consumers in 101 cities, “All Other Loans, Reporting Member Banks, Federal Reserve System for United States,” 1920-1938

NOTE: This chart graphs the dollar value of all consumer loans by banks in the years leading up to the Great Depression. Loan activity is an important measure of economic health, and some economists think excessive loans contributed to the economic crisis that unfolded in the Great Depression.

Two months ago we were facing serious problems. The country was dying by inches....

A prompt program applied as quickly as possible seemed to me not only justified but imperative to our national security. The Congress, and when I say Congress I mean the members of both political parties, fully understood this and gave me generous and intelligent support. The members of Congress realized that the methods of normal times had to be replaced in the emergency by measures which were suited to the serious and pressing requirements of the moment....

The legislation which has been passed or in the process of enactment can properly be considered as part of a well-grounded plan.

First, we are giving opportunity of employment to one-quarter of a million of the unemployed, especially the young men who have dependents, to go into the forestry and flood prevention work. This is a big task because it means feeding, clothing and caring for nearly twice as many men as we have in the regular army itself. In creating this civilian conservation corps we are killing two birds with one stone. We are clearly enhancing the value of our natural resources and second, we are relieving an appreciable amount of actual distress....

Next, the Congress is about to pass legislation that will greatly ease the mortgage distress among the farmers and the home owners of the nation, by providing for the easing of the burden of debt now bearing so heavily upon millions of our people.

Our next step in seeking immediate relief is a grant of half a billion dollars to help the states, counties and municipalities in their duty to care for those who need direct and immediate relief....

We are planning to ask the Congress for legislation to enable the Government to undertake public works, thus stimulating directly and indirectly the employment of many others in well-considered projects.

Further legislation has been taken up which goes much more fundamentally into our economic problems. The Farm Relief Bill seeks by the use of several methods, alone or together, to bring about an increased return to farmers for their major farm products, seeking at the same time to prevent in the days to come disastrous over-production which so often in the past has kept farm commodity prices far below a reasonable return....

Our Railroad Bill falls into the same class because it seeks to provide and make certain definite planning by the railroads themselves, with the assistance of the Government, to eliminate the duplication and waste that is now resulting in railroad receiverships and continuing operating deficits....

It is wholly wrong to call the measure that we have taken Government control of farming, control of industry, and control of transportation. It is rather a partnership between Government and farming and industry and...
transportation, not partnership in profits, for the profits would still go to the citizens, but rather a partnership in planning and partnership to see that the plans are carried out. ...

We are working toward a definite goal, which is to prevent the return of conditions which came very close to destroying what we call modern civilization. The actual accomplishment of our purpose cannot be attained in a day. Our policies are wholly within purposes for which our American Constitutional Government was established 150 years ago....

To you, the people of this country, all of us, the Members of the Congress and the members of this Administration owe a profound debt of gratitude. Throughout the depression you have been patient. You have granted us wide powers, you have encouraged us with a wide-spread approval of our purposes. Every ounce of strength and every resource at our command we have devoted to the end of justifying your confidence. We are encouraged to believe that a wise and sensible beginning has been made. In the present spirit of mutual confidence and mutual encouragement we go forward.

Public domain. The full text is available at the American Studies of the University of Virginia website: [http://xroads.virginia.edu/~ma02/volpe/newdeal/outline_fireside_text.html](http://xroads.virginia.edu/~ma02/volpe/newdeal/outline_fireside_text.html).
Supporting Question 3

**Featured Source**

**Source A:** Chart showing unemployment rates, “Unemployment in the United States, 1910-1960”

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Unemployment in the United States, 1910-1960

![Graph showing unemployment rates from 1910 to 1960.](https://commons.wikimedia.org/wiki/File:US_Unemployment_1910-1960.gif)

**Supporting Question 3**

<table>
<thead>
<tr>
<th><strong>Featured Source</strong></th>
<th><strong>Source B</strong>: Image bank: New Deal Public Works Administration projects</th>
</tr>
</thead>
</table>

**Public Works Administration**

The Public Works Administration was created in response to the Great Depression and lasted from 1933 to 1943. It led to numerous construction projects throughout the country, culminating in hundreds of new dams, bridges, hospitals, and schools.


Civilian Conservation Corps

The Civilian Conservation Corps was created in response to the Great Depression and lasted from 1933 to 1942. It hired about 3 million young men as unskilled laborers working to conserve and develop natural resources. Projects included planting trees and building state parks.

Image 2: Photographer unknown, photograph of Company 2771 Civilian Conservation Corps camp on the east bank of the Little Missouri River just south of Jones Creek, which they occupied from 1939 to 1941, “Jones Creek CCC Camp,” no date.

Federal Writers’ Project

The Federal Writers’ Project was a New Deal project established in 1935 that employed more than 6,000 writers, artists, historians, researchers, and social scientists to create academic, cultural, and artistic projects for public use. One of those projects involved an effort to collect interviews and write narratives about the lives of formerly enslaved persons. This photograph depicts the efforts of government employees to record spirituals being sung by formerly enslaved persons in Petersburg, Virginia.


Supporting Question 3

**Featured Source**

| Source C: Source bank: Social Security programs |

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**Programs in the Social Security Act of 1935**

<table>
<thead>
<tr>
<th>Title</th>
<th>Program</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Old-Age Assistance</td>
<td>Federal financial support and oversight of state-based welfare programs for the elderly</td>
</tr>
<tr>
<td>II</td>
<td>Federal Old-Age Benefits</td>
<td>The Social Security program</td>
</tr>
<tr>
<td>III</td>
<td>Unemployment Insurance</td>
<td>National unemployment insurance, with federal funding and state administration</td>
</tr>
<tr>
<td>IV</td>
<td>Aid to Dependent Children</td>
<td>State-based welfare for needy children (what would come to be called AFDC)</td>
</tr>
<tr>
<td>V</td>
<td>Grants to States for Maternal and Child Welfare</td>
<td>Federal funding of state programs for expectant mothers and newborns</td>
</tr>
<tr>
<td>VI</td>
<td>Public Health Work</td>
<td>Federal funding of state public health programs</td>
</tr>
<tr>
<td>X</td>
<td>Aid to the Blind</td>
<td>Federal funding of state programs to aid the blind</td>
</tr>
</tbody>
</table>


Source 2: Posters advertising the Social Security program.
Growth of Social Security, Selected Years 1937–2008

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of beneficiaries a</th>
<th>Benefit payments b ($ in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1937</td>
<td>53,236 c</td>
<td>1,278</td>
</tr>
<tr>
<td>1938</td>
<td>213,670 c</td>
<td>10,478</td>
</tr>
<tr>
<td>1939</td>
<td>174,839 c</td>
<td>13,896</td>
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<tr>
<td>1940</td>
<td>222,488</td>
<td>35,000</td>
</tr>
<tr>
<td>1950</td>
<td>3,477,243</td>
<td>961,000</td>
</tr>
<tr>
<td>1960</td>
<td>14,844,589</td>
<td>11,245,000</td>
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<tr>
<td>1970</td>
<td>26,228,629</td>
<td>31,863,000</td>
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<tr>
<td>1980</td>
<td>35,584,955</td>
<td>120,511,000</td>
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<tr>
<td>1990</td>
<td>39,832,125</td>
<td>247,796,000</td>
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<tr>
<td>1995</td>
<td>43,387,259</td>
<td>332,553,000</td>
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<td>1996</td>
<td>43,736,836</td>
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<td>1997</td>
<td>43,971,086</td>
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<td>1998</td>
<td>44,245,731</td>
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<td>1999</td>
<td>44,595,624</td>
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<td>2000</td>
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<td>431,949,000</td>
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<td>2002</td>
<td>46,444,317</td>
<td>453,746,000</td>
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<td>2003</td>
<td>47,038,486</td>
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<td>2004</td>
<td>47,687,693</td>
<td>493,263,000</td>
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<td>2005</td>
<td>48,434,436</td>
<td>520,748,000</td>
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<td>2006</td>
<td>49,122,624</td>
<td>546,238,000</td>
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<td>2007</td>
<td>49,864,838</td>
<td>584,939,000</td>
</tr>
<tr>
<td>2008</td>
<td>50,898,244</td>
<td>615,344,000</td>
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</table>


c. Recipients of one-time, lump-sum payments.


NOTE: Charles Fusco was an Italian-born munitions worker. His critique of the Great Depression and New Deal Programs was recorded as part of the Federal Writers’ Project. The interview was conducted by Robert Guarino. 

Question marks in the document refer to text that is obscured in the original typescript.

Roosevelt Is a “Damned Good Man”

I was born in the old country—Italy—41 years ago and came over here when I was 3 months old. Things have certainly changed a lot in forty years ….

I can get a job today even if we got a depression. I don’t mean that I wasn’t on relief when things got tough because there was a time when everything was shut down and I had to get on relief for a job. It isn’t so long ago I was working on WPA. Believe me it was a big help. But it wasn’t the kind of a job I should have had because this town is Republican and I am a Republican and I was a good worker for the party—making voters and helping a lot of people out—getting their taxes rebated (abated). Getting jobs for them. When it came my turn that I needed help the politicians told me that I had to go on relief—well, when I did I was handed a shovel and pick…. Roosevelt is a damn good man—you take all these young fellows and you can’t talk to them like in the old days to swing them over. Today all these kids are satisfied on WPA and the NYA. My son works there and gets 44 cents an hour….

You know sometimes I wonder what way we are drifting—some of the laws that was passed in the last few years were very good for the people and I guess you know what happened. You take the N.R.A. I think that was very good—it gave everybody a chance except those who are misers and are never satisfied if they make 100 dollars a week. This other law the Social Security I believe is the best. The only fault I find is that a man has to reach the age of 65 before he can collect. Well how many do? [?] They tell you nowadays that a person lives longer— well they used to before this depression but[?] hell[?] today you worry your god damn head off on how to meet both ends and that makes your life much shorter. You see what I mean that this government wants to do something good for the people and does but damn it they put strings to it. Tell me how many reach the age of 65? Very few. Why the hell don’t they give a person a break and say at 56 years old you should retire from work and enjoy life instead of waiting until he is almost dead they give him a few dollars a month. I think the whole shooting match is wrong. And unless we get the crooks and chislers out of Washington we’ll remain the same.
Supporting Question 4

Featured Source: Source A: Image bank: Anti–New Deal political cartoons


Image 2: Author unknown, political cartoon showing Roosevelt canceling the Constitution, “Constitution of the United States Canceled F. D. R.,” Mudd Manuscript Library, Political Cartoon Collection

Supporting Question 4

**Featured Source**  
**Source B:** Chart showing rising national debt, “National Debt as Percentage of GNP, 1929–1950”

![Graph showing national debt as % of GNP, 1929-1950](http://commons.wikimedia.org/wiki/File:Debt1929-50.jpg)  

Supporting Question 4

**Featured Source**

**Source C:** M. Santos, Federal Writers’ Project interview in which he critiques the New Deal, “The New Deal Was a Failure” (excerpts), no date

**NOTE:** Dr. M. Santos was a Cuban-born optometrist living in Florida. His feelings about the New Deal and President Roosevelt were recorded as part of the Federal Writers’ Project and translated by F. Valdex.

The New Deal Was a Failure

As to the New Deal, I believe that it has been a failure as it has protected the trusts more than the American people. Today, the poor are poorer, and the trusts are richer. Another reason: this is a country that is controlled by the trusts. When one stands on the street, and closes his eyes for a moment, and then opens them and looks; everything, absolutely all that one sees is made by the trusts. The automobile that passes by, the street car, the trucks, everything that one wears: shoes, clothes, etc. When one enters a restaurant, he sees the plates, the tables, the spoons, all is made by the trusts. 95% of what one eats is controlled by the trusts. The trusts for more than 200 years have been controlling all the industries, and killing the small business men. We have reached a state in which the trusts dominate all, as they are the owners of the money, or nearly all the money that there is in the United States....

I do not believe that Roosevelt will solve this crisis, for if he had wanted to, as he promised to the American people, he would have solved it, as the Legislature and the Senate have given Roosevelt more power than any other president of the United States....

I must state in making these declarations that I was one of so many fools that believing in the so much “cackled” New Deal, and that I went to deposit my vote for the one who is today President of the United States, Franklin D. Roosevelt, who has deceived my most pure illusions with the respect to the solution of this great crisis....

I wish to state also that I will not vote again for any candidate for President of the United States, who belongs to the Democratic or Republican party, as I believe that anyone of these presidents has not an ideology really democratic and just, for those of us who work, and produce, and are respectful of the law.