

The Second New Deal

Big Idea

As you read through this document, complete this graphic organizer by filling in **Roosevelt's main legislative successes of the Second New Deal and their provisions.**

Legislation	Provisions
1	
2	
3	

Launching the Second New Deal

Analyzing Information

Why do you think Roosevelt asked Congress to fund the Second New Deal?

By 1935, the New Deal was facing criticism from the right and the left. The right opposed Roosevelt's deficit spending. He borrowed money to finance programs. Other challenges came from the left. Three opponents threatened to draw enough votes to stop Roosevelt's reelection in 1936.

Roosevelt soon began a series of programs called the Second New Deal. He asked Congress for funds to provide work relief and jobs. One such program created a new federal agency called the Works Progress Administration (WPA). Its workers built highways, roads, public buildings, and parks. A program called Federal Program Number One gave jobs to artists, musicians, and writers. They created murals and sculptures and gave concerts. Writers recorded oral history and stories.

In May 1935, the Supreme Court struck down the National Recovery Administration, finding the NRA codes unconstitutional. Roosevelt called upon Congress to pass his new programs to keep the voters' support.

Reforms for Workers and the Elderly

Identifying the Main Idea & Synthesizing Information

Identifying the Main Idea:

Complete the sentences to identify the main idea.

1. The Wagner Act protected workers' rights to

2. One result of its passage was

Synthesizing Information:

Complete the statement.

The Social Security Act was meant to help

The Supreme Court ruling against the NRA also struck down the part of the NIRA that protected the right to form unions. The President and Congress knew the labor vote would be important in the 1936 election. They also believed higher union wages gave workers more money to spend to help the economy. Opponents argued that high wages meant higher costs and less money to hire workers.

In July 1935, Congress passed the National Labor Relations Act, or the Wagner Act. It guaranteed workers' rights to form unions and bargain collectively. It set up the National Labor Relations Board (NLRB), which organized secret ballots to form unions. The Wagner Act provided for binding arbitration. This meant that both sides to an argument could be heard by a third party who would decide the issue.

The Wagner Act stimulated more union activity. The United Mine Workers worked with other unions to organize other industrial workers. They formed the Committee for Industrial Organizations (CIO) in 1935. The CIO organized the automotive and steel workers.

Union organizers started using new tactics such as the sit-down strike. In this strike, workers stopped work inside the factory and refused to leave. Companies could not send in replacement workers. The United Auto Workers (UAW) union organized many successful sit-down strikes.

Roosevelt and his advisors spent months preparing the Social Security Act. They viewed it as an insurance measure. This law provided some security for older Americans and unemployed workers.

In the Social Security system, workers pay premiums. These premiums are a tax paid to the federal government. The government then distributes this money. Retired workers over the age of 65 could collect a monthly retirement benefit. Unemployed workers looking for jobs could receive temporary income. Poor mothers with children and the disabled could receive welfare payments.

The Social Security Act helped many people, but not all. It did not cover farmers and domestic workers. About 65 percent of African Americans fell into those two groups. Security Act established the idea that government should take care of those who were unable to work.

Roosevelt's Second Term

Analyzing Information

Based on the passage, explain how government spending relates to recessions.

1.

2.

The New Deal caused shifts in party loyalties. People in the South had been the core of the Democratic Party. New supporters of the Democratic Party included farmers, industrial workers, immigrants, African Americans, women, and ethnic minorities. Roosevelt won the 1936 election against Alf Landon.

In 1936, the Supreme Court struck down the Agricultural Adjustment Act as unconstitutional. Other New Deal programs seemed threatened. Roosevelt proposed changing the balance of the Court by adding more justices. This **court-packing** plan was a political mistake. Roosevelt appeared to be threatening the Court's independence. Many people opposed the idea, and the court-packing bill never passed.

In 1937 the economy seemed on the verge of recovery. Roosevelt decided to balance the budget. Then unemployment surged again. This recession led to a debate in his cabinet. Treasury Secretary Morgenthau favored cutting spending. Others wanted to spend heavily to jump-start the economy. Roosevelt was reluctant to start deficit spending but decided to ask for more funds in 1938.

The New Deal Ends

Analyzing Information

Answer the following questions:

Why did the New Deal end?

What was the biggest change brought about by the New Deal?

In Roosevelt's second term, Congress passed laws to build low-cost housing, give loans to tenant farmers, abolish child labor, and set a 44-hour workweek.

The New Deal had only limited success in ending the Depression. Unemployment remained high until after World War II. The New Deal did give Americans a stronger sense of security. The Roosevelt recession enabled more Republicans to win seats in the 1938 elections. With some conservative Democrats, they began blocking New Deal legislation. By 1939, the New Deal had ended.

The New Deal worked by balancing competing interests. As a result, business leaders, farmers, workers, and consumers expected the government to protect their interests. Two Supreme Court rulings encouraged the government to take on this role. One was the 1937 case of *NLRB v. Jones and Laughlin Steel*. In it, the Court held that the interstate commerce clause gave the federal government authority to regulate production in states. Another case was *Wickard v. Filburn* in 1942. This time the Court allowed the government to regulate consumption. These decisions increased federal power over the economy and gave the government a mediator role. The New Deal set up this role of broker state. This means the government brokers, or works out, conflicts between different interest groups.

The biggest change brought about by the New Deal is Americans' view of government. New Deal programs created a safety net for average Americans. Safeguards and relief programs protected them against economic disaster. People wanted the government to keep this safety net in place. Some critics thought the New Deal gave the government too much power. People still debate today whether the government should intervene in the economy. Another issue still debated today is how much the government should support disadvantaged people.

Section Wrap-Up

Answer these questions to check your understanding of the entire section.

1. What challenges did Roosevelt face in the mid-1930s?

2. Why is the Social Security Act considered one of the most important laws passed by the New Deal?

3. What were the achievements and defeats of Roosevelt's second term?

4. What new role did the federal government take on during the New Deal era?