

There's More Online!

- ✓ **BIOGRAPHY** Mary McLeod Bethune
- ✓ **CHART/GRAPH** Monthly Unemployment Rate
- ✓ **GRAPHIC ORGANIZER** New Deal Coalition
- ✓ **GRAPHIC ORGANIZER** Relief, Reform, Recovery
- ✓ **IMAGE** Court Packing Reaction
- ✓ **VIDEO** The New Deal Coalition
- ✓ **INTERACTIVE SELF-CHECK QUIZ**

**LESSON 3****The New Deal Coalition**

ESSENTIAL QUESTIONS • *Can government fix the economy?*
 • *Is government responsible for the economic well-being of its citizens?*

Reading **HELPDESK****Academic Vocabulary**

- **recovery** • **mediate**

Content Vocabulary

- **court-packing**
- **broker state**
- **safety net**

TAKING NOTES:**Key Ideas and Details**

Outlining As you read, create an outline similar to the one below.

- | |
|---|
| <p>The New Deal Coalition</p> <p>I. Roosevelt's Second Term</p> <p style="margin-left: 20px;">A.</p> <p style="margin-left: 20px;">B.</p> <p style="margin-left: 20px;">C.</p> <p>II.</p> <p style="margin-left: 20px;">A.</p> <p style="margin-left: 20px;">B.</p> |
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IT MATTERS BECAUSE

President Roosevelt was reelected in a landslide in 1936. Early in his second term, however, his court-packing plan and a new recession hurt him politically. The Fair Labor Standards Act, the last significant piece of New Deal legislation, provided new protections for workers.

Roosevelt's Second Term

GUIDING QUESTION *Why do you think Roosevelt easily won reelection?*

In 1936 millions of voters owed their jobs, mortgages, and bank accounts to the New Deal. Many African Americans, who had reliably voted Republican since Reconstruction, switched their allegiance to the Democratic Party. Women and African Americans had made modest gains, thanks to the support of Eleanor Roosevelt, who toured the country and recounted her experiences to her husband. She persuaded him to address some of their problems in his New Deal programs. A Democratic Party coalition emerged, including not just the white South but also African Americans, farmers, workers, immigrants, women, progressives, and intellectuals.

The Election of 1936

The Republicans nominated Kansas governor Alfred Landon as their presidential challenger. He wanted to “free the spirit of American enterprise,” but could not convince most voters change was needed. Roosevelt won more than 60 percent of the popular vote.

The Court-Packing Plan

Although the New Deal was popular, the Supreme Court saw things differently. In January 1936, it declared the Agricultural Adjustment Act unconstitutional. Cases pending on Social Security and the Wagner Act meant that the Court might strike down other New Deal programs.

Roosevelt was furious. After his reelection, he tried to change the Court's political balance. He sent Congress a bill that would increase the number of justices and allow the president to appoint an additional

court-packing the act of a leader to change the political balance of power in a nation's judiciary system by appointing judges who will rule in favor of his or her policies

recovery an economic upturn, as after a depression

Mary McLeod Bethune, shown with Eleanor Roosevelt, became the first African American woman to head a federal agency.

► **CRITICAL THINKING**

Comparing and Contrasting What mood does the photograph convey?



justice if a sitting justice who had served 10 years did not retire within six months of reaching age 70. The bill, if passed, would have allowed Roosevelt to appoint up to six new justices.

The **court-packing** plan, as it was called, was a major political mistake. Many Southern Democrats feared new justices would overturn segregation. African American leaders worried future justices might oppose civil rights. Many Americans thought the plan gave the president too much power. The Court appeared to back down, narrowly upholding the constitutionality of both the Wagner Act and the Social Security Act. Soon after, a conservative justice's resignation allowed Roosevelt to appoint a justice who supported the New Deal.

Although the bill was quietly killed and Roosevelt achieved his goal of changing the Court's view of the New Deal, the court-packing plan hurt his reputation. Moreover, it caused conservative Democrats to work with Republicans to block any further New Deal proposals.

The Recession of 1937

Roosevelt's problems continued. In early 1937, the economy seemed to be on the verge of **recovery**. Industrial output was almost back to pre-Depression levels, and many people believed the worst was over. Concerned about rising debt, Roosevelt ordered the WPA and the PWA to be cut significantly. Unfortunately, he cut spending just as the first Social Security payroll taxes took \$2 billion out of the economy. By the end of 1937, about 2 million people were out of work.

A debate over the value of government spending arose within the administration. The leaders of the WPA and the PWA cited a new economic theory called Keynesianism (KAYN • zee • uh • nih • zuhm), which held that government should spend heavily in a recession to jump-start the economy.

PRIMARY SOURCE

“But this *long run* is a misleading guide to current affairs. *In the long run* we are all dead. Economists set themselves too easy, too useless a task if in tempestuous seasons they can only tell us that when the storm is long past the ocean is flat again.”

—John Maynard Keynes, from *A Tract on Monetary Reform*, 1923

At first, Roosevelt was reluctant to begin deficit spending again. Some critics believed the recession proved the public was becoming too dependent on government spending. But in early 1938, with no recovery in sight, Roosevelt asked Congress for \$3.75 billion for the PWA, the WPA, and other programs.

✓ **READING PROGRESS CHECK**

Determining Cause and Effect What factors helped Roosevelt win a landslide victory in 1936?

The New Deal Ends

GUIDING QUESTION *What impact has New Deal legislation had on federal and state governments?*

In his second Inaugural Address, Roosevelt had pointed out that despite the nation's progress in climbing out of the Depression, many Americans were still poor:

PRIMARY SOURCE

“I see one-third of a nation ill-housed, ill-clad, ill-nourished. . . . The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.”

—from *The Public Papers and Addresses of Franklin D. Roosevelt: The Constitution Prevails*, 1937

The Last New Deal Reforms

One of the president's goals for his second term was to provide better housing for the nation's poor. Eleanor Roosevelt, who had toured poverty-stricken Appalachia and the rural South, strongly urged the president to do something. Roosevelt responded with the passage of the National Housing Act, which established the United States Housing Authority. This organization received \$500 million to subsidize loans to builders willing to construct low-cost housing.

Roosevelt also sought to help the nation's tenant farmers. About 150,000 white and 195,000 African American tenant farmers were expelled from farms when landlords took their land out of production under the AAA. To stop this trend, Congress created the Farm Security Administration to give loans to tenants so they could purchase farms.

The last major piece of New Deal reform was the Fair Labor Standards Act, which abolished child labor, limited the workweek to 44 hours for most workers, and set the first federal minimum wage at 25 cents an hour. The recession of 1937 enabled Republicans to win seats in Congress in the midterm elections of 1938. Together with conservative Southern Democrats, they began blocking further New Deal legislation. By 1939, the New Deal era had come to an end.

The New Deal's Legacy

The New Deal did not end the Depression, but it did give many Americans a stronger sense of security and stability. As a whole, the New Deal tended to balance competing economic interests. Supreme Court decisions in 1937 and 1942 further increased federal power over the economy and allowed it to **mediate** between competing groups.

In taking on this mediating role, the New Deal established what some have called the **broker state**, in which the government works out conflicts among different interests. This broker role has continued under the administrations of both parties ever since. The New Deal also brought about a new public attitude toward government. Roosevelt's programs had succeeded in creating a **safety net**—safeguards and relief programs that protected people against economic disaster. Throughout the hard times of the Depression, most Americans maintained a surprising degree of confidence in the American system.

Another legacy of the New Deal is a continuing debate over how much government should intervene in the economy. Critics have argued that the New Deal made the federal government too powerful.

mediate to attempt to resolve conflict between hostile people and groups

broker state role of government to work out conflicts among competing interest groups

safety net something that provides security against misfortune; specifically, government relief programs intended to protect against economic disaster

READING PROGRESS CHECK

Evaluating How did the New Deal change how government worked?

LESSON 3 REVIEW



Reviewing Vocabulary

- 1. Stating** What was Roosevelt's court-packing plan?
- 2. Defining** What is a broker state?
- 3. Explaining** How does a safety net work?

Using Your Notes

- 4. Summarizing** Review the notes that you completed during the lesson. What were the key events of the final years of the New Deal?

Answering the Guiding Questions

- 5. Synthesizing** Why do you think Roosevelt easily won reelection?
- 6. Evaluating** What impact has New Deal legislation had on federal and state governments?

Writing Activity

- 7. ARGUMENT** Do you think that Roosevelt's solution to the 1937 recession was the best one? Write a short essay in which you give your opinions about Roosevelt's actions and describe your own ideas about ways that could have eased the crisis.