

The new deal was not a complete success

[Psychology](#), [Success](#)



In the subsequent pages I will explain the failures and successes of the New Deal. I will show how statistics do not show the true accomplishment of the New Deal. I will look at the criticisms Roosevelt faced and how he had come to power when America was on her last leg. When Franklin D. Roosevelt came to power in March 1933 he had America dazzled by his magnetic personality and captivating charisma. He embraced America and held it closely to his heart. He loved it and could see that Herbert Hoover's reign over America had destroyed her. His New Deal was a fresh and exciting way of repairing the once great America.

His popularity was undeniable and showed the support he was getting for the New Deal among the Americans. He gave assurance and hope to those who lived in 'Hoovervilles' to those who queued up for 'Hoover Stew'. These nicknames were given to the food handouts and shanty towns to demonstrate what Hoover had done to them. Roosevelt's aims were simple and tackled all that was wrong with America; Get the unemployed back to work, protect their savings and property, provide aid for the sick, old and unemployed, get the industry and agriculture back to its norm and finally restore confidence in the banks.

He set up many Alphabet Agencies and passed many Acts to try and conquer the evil that was Hoover's pandemonium. First of all I shall explain the successes. Roosevelt stopped the depression getting any worse. When he came to power in 1933 America had a much greater confidence in her economy. His own poise helped development in Wall Street. The GDP increased by sixty percent between 1933 and 1939, in six years private investment in industry increased by five times and consumer products

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bought increased by forty percent. People queuing up for food was just another image of the past.

Millions of people got relief, food, clothes and shelter, and it was this emergency relief that prevented them from starving. Many ordinary people were helped with government social security and welfare schemes. This wasn't just for emergency either, it continued in the future. The most affected by the depression were farmers and Roosevelt made sure they were looked after in the New Deal. By the mid 1930s farmer's incomes were rising, especially those with larger farms. Farmers definitely benefited. The New Deal assisted in letting farmers and home owners to stay in their homes.

The HOLC was set up and low interest loans were given to home owners. This helped them to cope with mortgage repayments, that were previously out of control, when out of employment. For farmers they were given help through the Farm Credit Administration. For the old, sick and unemployed they had no security, financially or socially. In 1935 the Social Security Act set up a system of national insurance. The elderly were given old age pensions, the unemployed had benefits and the handicapped had financial support. The government, employers and workers paid contributions that funded it.

The unemployed were a priority so the Federal Emergency Relief Administration (FERA) gave grants to state and local governments to stabilise the jobless. The projects the New Deal provided helped to build the foundations for future affluence. The schools, roads, dams and many more buildings rekindled America. The Public Works Administration (PWA)

constructed many public buildings of the USA such as hospitals and city halls. The 'Dustbowl' regions were seriously affected by the depression and over-farming had led to the ruin of the land and serious lack of interest from business.

But the Tennessee Valley Authority (TVA) restored the valley in seven states. It built several major dams to generate cheap electricity for those ninety eight percent who hadn't got it. It also offered leisure activities on recently built lakes. The Tennessee river developed into being navigable and brought great business interest to the valley. The land was poor so the Civilian Conservation Corps (CCC) completed useful schemes like strengthening river banks, fighting forest fires and combating malaria by controlling the mosquitoes.

Mainly to help the land though they planted approximately two hundred million trees, which significantly reduced soil erosion and supplied the crops with shelter belts. Not only did it help the environment but the members benefited. For the three million men under twenty five, who were members of the CCC, it gave them a first involvement in work. Hoover's laissez-faire attitude had made people get used to the fact that federal government had no concern for singular states. But the TVA changed the relationship that was acknowledged by America.

State and federal government now were a lot closer and in some cases federal government cut through the powers of state governments. The weaker sections of American society needed central government to get them out of despair. The homeless, old and poor were most desperate and state

government couldn't give all the help that was required. The Tennessee Valley was in such a dire condition that one state could not deal with all the difficulties that the valley was suffering with and the seven states were finding it problematic to liaise with each other.

Consequently the TVA was made and did in some instances cut through the powers of the state governments. However it did help the area substantially - electricity and irrigation was provided through the building of the dams in addition to employment. Finally, and most importantly, it gave much appreciated and needed hope to America at her nadir and, in some opinions, saved American democracy. The 1930s were looking bleak at the end of the twenties but Roosevelt came in as a superhero, to save those who were despondent and long suffering.

Those, once omitted by the depression and unfair politics, black people and farmers, were now involved. Why certain people supported the New deal is apparent but others are uncertain. Farmers and white unemployed people obviously wanted to support the New Deal because they would prosper from the policies. They gained financial support and the economy boosted meaning that the 'Roaring Twenties' looked achievable once again. But what really stumps many historians is why so many black people supported Roosevelt and voted democratic (the largest number of black people to vote democratic since the American Civil war of 1861-65).

Many of the New Deal agencies and acts discriminated against black people, even resulting in the NRA being commonly renamed the 'Negro Removal Agency' as they were pushed out when levels of wage were regulated.

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Roosevelt did not take actions to get black people equal rights for fear of losing his majority of voters, white southerners. However he did sign an anti-lynching bill. Directly the president showed little concern for them but on the contrary did have people who worked for him that did care and even employed some black people. Even his wife Eleanor showed her care for their welfare.

Overall the New Deal mainly reduced employment from 1933 to 1937 (1933 - fifteen million unemployed, 1937 - under eight and a half million unemployed) and millions of jobs were created. Despite his critics few turned to extremism in the form of communism or fascism unlike his European counterparts. Nonetheless the New Deal did have some failures and it's own opposition. One of the problems was not with the New Deal but in fact Roosevelt himself, in that he was paradoxical and kept changing what he wanted to do. The laws he set were changed so quickly that the American people didn't know where they stood.

Some felt that he was dictator like and had too much control. Because of this his critics spoke out more confidently and made some reconsider their opinion of him. The Supreme Court was wholly against the New Deal and declared some acts like the PWA and AAA as unlawful. This caused parts of the New Deal to be overruled by Congress. Another problem was that big businesses still continued to be powerful and emasculated Roosevelt's policies. Hoover's laissez-faire attitude was appreciated by employers and because of this many begrudged the New Deal.

They didn't want government prying into business and economy and as a result larger companies hired thugs to assault union leaders and terrorize workers on strike for better working conditions and increased pay. In 1937 ten demonstrators were shot dead by police and ninety wounded during a steelworkers strike in Chicago. This discouraged employees to ask for pay and was potentially a threat to the economy. The New Deal helped the poor, sick and unemployed financially. But the very poorest were left out in the cold.

The Social Security Act came to power to help monetarily but it excluded twenty percent of the workforce as well as five million farm workers and domestics in anguish. There was no source for state-paid medical care. In 1941 the poorest twenty percent were earning only four percent of the national income while the richest twenty percent were contributing forty nine percent to it. There were many poor people who could barely afford food at the price it was but when the AAA helped rise prices to increase farmer's salaries this caused an even bigger problem for the millions of jobless Americans.

Farmers with big farms profited from the New Deal but the small time farmers felt it hindered them along with farm labourers and sharecroppers, who were mainly black. These sufferers tended to live in rural America where poverty was rife, specifically southern America. An enduring drought in 1934-5 hit these already destitute states and turned the soil to dust. There was no rain and desert was spreading like wild fire. Texas, Kansas, Oklahoma

and Colorado were known as 'Dustbowl'. The 'Okies' set off to find work in California but instead experienced adversity.

Another huge group who suffered at the hands of the New Deal were black people. There was attempts in the New Deal to tackle their civil rights but they did not go far enough. Unfortunately Roosevelt put his ego first and knew that by giving black people rights he would lose his support from the southern democratic who were deadly against giving black people equality. The emergency relief was essential for the thirty percent of black people who depended on it but there was no specific laws to combat their own distress from the depression.

The 1920s were the high point of American history and industry. Everyone was confident and had no worries. Spending was high and investment was soaring. But when the crash hit everyone became disheartened. The Americans put up with Hoover's pathetic excuse for a presidency and there seemed to be no future. When Roosevelt came there was hope again that the 'Roaring Twenties' would be resurrected but America was far from it. Despite Roosevelt's best efforts by 1937 Americans were only spending and investing about seventy five percent of what they had in 1929.

The most considerable and, in my opinion, the most reputation ruining encumbrance of the New Deal was that unemployment remained high for a majority of Roosevelt's years as President. Up to 1937 the figures were decreasing from a 1933 figure of fifteen million to eight million, three hundred thousand in 1937. But because of the rising national debt of two

hundred and fifty million dollars (big compared to the Hoover debt of nineteen billion dollars) Roosevelt had to cut back on government spending.

This was calamitous and accordingly the economy plunged. Unemployment rose to ten and a half million as a direct result of industrial production falling by a third. By 1938 Roosevelt saw his faux pas and increased government spending in the hope to recover from this fiasco but by 1940 the 1937 level was still not met. Agencies like the CCC and PWA were labelled as forced labour because of the low pay and creating work for the sake of it. The government money funded all this so in effect by lowering the money spent by government you stopped all the jobs.

Others critics said that yes America gained from the schools, hospitals and courthouses courtesy of the PWA and WPA but it was pointless work created to make Roosevelt look good. The New Deal was viciously attacked by economists who complained that the New Deal policies were short term affairs and the future of America was still dubious. They believed that those who counted on the New Deal were being conned as all the evidence clearly showed that in the near future their jobs would be gone. Also the government could reduce unemployment but could never stop it fully.

They endeavoured to contain it but it was not enough. William Leuchtenburg thought that World War two got America out of the depression. Finally the last failure was that the cost was too great and a lot was wasted. For the WPA millions of dollars were spent on wages and money was given out like sweets. There was all the loans to banks, money for farmers, money to soup kitchens for necessities like blankets. All of this was seen as vital but some

felt that money was being literally thrown away because Roosevelt couldn't hope to spend the real amount needed on solving unemployment.

The rich and Republicans were bitter because of the taxes increasing. They felt that government should maintain a laissez faire attitude and stop controlling their traditional freedoms. They had liked Hoover's way of thinking. They liked his idea that people should be individually strong, help themselves and that the wealthy should be left alone to make money and not reprimanded for it. Their opinion differed greatly from the average American and so Roosevelt could not oblige everyone. These rich republicans tried to say that Roosevelt, the saviour of America, was setting up a dictatorship.

Their evidence was when in 1936 he had tried to fill the Supreme Court with his loyal democrats so that his policies and ideas would not be overruled. They also said he had socialist ideas as all his policies were aimed at working class, the unemployed and the poor. My opinion is this. Franklin D. Roosevelt was a great man who defended those who were in inexplicable poverty. At some points he did change his mind but I think that he thought he didn't need a plan b or something to resort to.

When he set up the New Deal agencies and acts he thought he could appeal to America as someone who takes action. When some acts were declared unlawful I think he was shocked. After the depression everybody was like zombies, dead to their surroundings because there was no one to help. Yet here is someone who is trying to help and he is criticised and made out to be a dictator. Personally I find this shameful. Repairing the broken situation was

the clear way forward. But Herbert Hoover had chosen to leave America to lick her own wounds and only took action when it was too late.

Hoover had given big businesses the foot up they needed and they were more powerful than the government itself. Roosevelt cannot be blamed for larger companies' power. Money equalled power and the wealthy were always going to come out on top. He set up all these acts and agencies and successfully saved many farmers from inevitable mountains of debt and stopped starvation for millions. There were some who were left out of this but these were the people that every society has, even today. They are the ones who are destined to fail, never seize an opportunity and lack a killer instinct.

There is no desire to get out of their situation and therefore Roosevelt could not help these people. Black people did suffer and those who lived in rural areas and Roosevelt did neglect the rights of black people but he did show his support in subtle mannerisms. For instance his wife cared deeply for their wellbeing, he employed black people to work on major projects like Mary McLeod Bethune who was in charge of the National Youth Administration and he also signed an anti-lynching bill. If he was to declare his undying support for them he would be outcast himself and lose his voters.

He did put his own self-importance above them but Hoover did far worse and Roosevelt had done so much good he could be forgiven for being restrained in his approach to black people. To help the rural areas he greatly increased business through the TVA and dams. His ideas were fresh and the valley took advantage of the waterways. Unemployment was the biggest issue but there

is an explanation. Using the 1928 figures as a comparison Roosevelt didn't get the figures back but after such a profitable economical peak and then an immense misfortune it would be absurd to expect him to get them back, in fact impossible.

But the main issue I have is that the critics were usually the people who were not affected by the crash. The wealthy had a small dent in their bank accounts and nothing that couldn't be fixed with some expensive wine and caviar. The Americans that really suffered valued his unexplainable care for them. He himself was from a wealthy background and could easily have just ignored the poor and get on with helping himself to profits in big companies. But something was so charismatic that it was hard to hate someone who spoke such sense, such vision and concern.

Care was like a swear word to Hoover who had no regard for his country's opinion of him. " I ask you to judge me by the enemies I have made. " Wise words from Roosevelt, and true. Wealthy economists disliked him because he cared. They wanted a laissez-faire, stone-hearted President who didn't give a damn. But Roosevelt took a stand against the Republicans and thank God he did. Regarding the statement I agree to the extent that nothing can be perfect as things have to go back to the drawing board. But I think that considering the circumstances in which Roosevelt was handed America, he did extremely well.

He completed his aims. Unemployment was it's lowest since 1933 by 1940, with fluctuations obviously, property was saved thanks to low interest loans and savings were protected, industry and agriculture bounced back,

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pensions were provided for the old and benefits given to the unemployed and handicapped. Finally America was confident again. The great country America was back and the world was beckoning her to call out her glory once more. And so she did, with Roosevelt firmly behind her all the way.