

# [Did the new deal prolong the great depression?](https://assignbuster.com/did-the-new-deal-prolong-the-great-depression/)

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* Did the New Deal Prolong theGreat Depression? Yes: Burton W. Folsom, Jr.
* The Cabinet head had personal connections with the President. Made him bias towards FDR’s ideas
* Unemployment was higher in 1939 than in 1931 after hoover left office
* Govt went from running a surplus to a deficit
* Seven Years of trade deficits cursed American GDP over the p of the New Deal
* Welfare and Social Security kept lazy people lazy and made hard-working people take pay cuts
* The economy is self-regulating and self-healing; it would have fixed itself in time(not 12 years though)
* IT was “ Constraints School” The US economy was in a nose-dive for the first 6 years of FDR’s presidency, but he kept the Ether up and promised progress
* Roosevelt Raised taxes across the board… Sounds familiar to what is going on now… damn Obama
* If the war did not come about, FDR would not have lasted the 4 terms. NO: Roger Biles
* FDR believed Taking a method and trying it until it worked or didn’t. It it did, then keep doing it; if it didn’t admit that defeat and try something else. He used the Federal Gov’t to “ help” regulate the economy(kind of like genetically engineering which also doesn’t work 100% of the time)
* Unemployment decreased over the first 5 years of FDR’s presidency
* The FDIC insured everyone’smoneythat is in the bank which is something that the US needed in 1929
* FDR created hope for everyone with Social Security, Welfare and Section 8 housing
* He created the US postal service, rural electrification act, and rural mail act
* Roosevelt changed the form of Gov’t in a short 12 years
* He created “ Wealth Tax” (sounds familiar AGAIN! which “ affected Very few taxpayers”
* He then Repealed the “ Wealth Tax” because it didn’t work FDR’s new deal was a great idea in theory(so is Marxism), but wasn’t the best idea for the time. What he did is kind of what we are going through today: Promising change but not saying when, Increasing taxes, and hoping it will help your deficit and tried to intervene with the self-regulating the economy. The New Deal DID work, but only because WWII brought the need for production back to America; without that, the New Deal would have taken much much longer to work.