

# Did the new deal prolong the great depression?

[History](#)



- Did the New Deal Prolong the Great 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. If 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's money that 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- He then Repealed the "Wealth Tax" because it didn't work FDR's new deal was a great idea in theory (so is Marxism), but wasn't the best idea for the time.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.