

The Impact of the New Deal

New Deal Reforms Endure 15.5

The New Deal Ends

By 1937, economic improvement convinces many Depression is ending

Congress wants to cut back programs; by 1939, New Deal over



Supporters and Critics of the New Deal

**Conservatives think FDR made federal government too large
— stifled free enterprise, individual initiative**

Liberals: didn't do enough to socialize economy, end inequalities

Supporters: did help country recover from economic difficulties

New Deal Reforms Endure 15.5 *{continued}*

Expanding Government's Role in the Economy

FDR expands power of federal government, president

Federal Deposit Insurance Corporation (FDIC) regulates banking

Securities and Exchange Commission (SEC) regulates investment

New Deal does not end Depression; does reduce suffering, give hope

Federal government goes deeply into debt to create jobs, give aid

Massive spending on equipment, supplies for WW II end Depression



Protecting Workers' Rights

**New Deal laws set standards, ban child labor, permit unions
— establish policies followed today**

National Labor Relations Board (NLRB) still mediates labor disputes

Banking and Finance

**SEC still monitors stock market, enforces laws on stock, bond sales
FDIC still protects individual investors in case of bank failure**

Social Security

Federal government takes responsibility for citizens' welfare

Provides for aged, disabled, needy

The Rural Scene

Commodity Credit Corporation makes loans to farmers

— based on amount of farmer's surplus, parity price

Parity price—price intended to keep farmers' income steady

Agricultural price supports set precedent of federal aid to farmers

Social and Environmental Effects 15.5 {continued}

The Environment

CCC plants trees, builds hiking trails, fire lookout towers

Soil Conservation Service teaches methods to preserve soil

Taylor Grazing Act reduces grazing on public lands

Tennessee Valley Authority (TVA) creates electricity, prevents floods

Government adds national parks, wildlife refuges, wilderness areas

Government-sponsored stripmining, coal burning cause pollution