

US History

The Great Depression & The New Deal

9. Franklin D. Roosevelt & The Second New Deal

The Second New Deal –

- Roosevelt's party, the Democrats, gained more congressional seats in 1934
- With more supporters in Congress Roosevelt initiated more New Deal programs
- Came to be called the Second New Deal

1. The Works Progress Administration (WPA) (1935) –

- Designed to help Americans find work
- Congress budgeted over \$5 billion for job creation programs
- Employed 8.5 million people over the next 8 years (2 million at any given time)

Types of Work Provided –

- Blue-collar workers built public buildings and roads
- White-collar workers received research and teaching jobs
- Artists were given work through Project Number One
- Developed to encourage pride in American culture

2. The Social Security Act (Aug. 1935) –

Contained three major provisions –

1. Unemployment Insurance
 - Provided to workers who lost their jobs
 - Funds came from a payroll tax on business
2. Pensions –
 - Provided to retired workers over 65
 - Funds came from a payroll tax on employers & a tax on employees' wages
3. Disability –
 - A shared federal-state program
 - Provided payments to people with disabilities, elderly, & wives and children of deceased male workers

3. Revenue Act of 1935 (Wealth Tax Act) –

- Developed to prevent an unjust concentration of wealth & economic power
- Sharply raised taxes on the nation's richest citizens