Promises and Limits

Trace how New Deal programs responded to hardship and changed government.

8.5c "President Roosevelt issued the New Deal in an attempt to revive the economy and help Americans deal with the hardships of the Great Depression..."

NAME ______________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Underline each named New Deal program or agency. Circle one phrase that shows an intended benefit and one phrase that shows a hardship the New Deal did not solve.

Government Steps In

1 When Franklin D. Roosevelt became president in 1933, the Great Depression had closed businesses, cut wages, and left millions seeking work. Bank failures were especially frightening. When a bank collapsed, depositors could lose savings needed for food or rent. Roosevelt argued that the federal government should act more directly to restore confidence and put people back to work. His New Deal included relief for immediate needs, recovery efforts for the economy, and reforms meant to prevent future crises.

2 The New Deal created the Federal Deposit Insurance Corporation, or FDIC, which insured bank deposits up to a set limit. This protection made people more willing to keep money in banks. The Securities and Exchange Commission, or SEC, regulated stock markets and required companies to give investors truthful information. The Social Security Act established old-age benefits and unemployment insurance. Together, these reforms expanded the federal government's role in protecting savings, regulating business, and providing a basic safety net.

3 Still, the New Deal did not end every hardship. Unemployment remained high for years, and many families continued to face poverty or insecure jobs. Some programs treated groups unequally. For example, many farmworkers and domestic workers were initially excluded from Social Security's old-age insurance. Yet institutions such as the FDIC, SEC, and Social Security continued after the 1930s. The New Deal therefore changed expectations: Americans increasingly looked to the federal government for economic rules, assistance, and security.

2 ANSWER WITH EVIDENCE

Use the passage

1. What problem did bank failures cause for depositors, and how did the FDIC respond to that problem?

2. What did the SEC regulate, and what information did it require companies to provide?

3. Name two New Deal institutions that continued after the 1930s. What does their continuation show about the role of the federal government?

4. Give one example from the passage that shows the New Deal did not resolve all hardships Americans faced.

3 YOUR TURN

Your own words

Write exactly three sentences that judge the New Deal. Include one lasting change in the federal government's role, one program and its purpose, and one hardship or limit that remained.

PART 1 · READ AND MARK

Underline each named New Deal program or agency. Circle one phrase that shows an intended benefit and one phrase that shows a hardship the New Deal did not solve. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	What problem did bank failures cause for depositors, and how did the FDIC respond to that problem?	**Bank failures could cause depositors to lose savings needed for food or rent. The FDIC insured bank deposits up to a set limit.**
2	What did the SEC regulate, and what information did it require companies to provide?	**The SEC regulated stock markets and required companies to give investors truthful information.**
3	Name two New Deal institutions that continued after the 1930s. What does their continuation show about the role of the federal government?	**Answers may name the FDIC, SEC, or Social Security. Their continuation shows that the federal government took a longer-lasting role in economic rules, protection, assistance, and security.**
4	Give one example from the passage that shows the New Deal did not resolve all hardships Americans faced.	**Answers may state that unemployment remained high, families still faced poverty or insecure jobs, or many farmworkers and domestic workers were initially excluded from Social Security's old-age insurance.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

The New Deal expanded the federal government's long-term role in the economy and in Americans' lives. The FDIC protected bank deposits, helping people trust banks with their savings. However, unemployment and poverty remained, so the New Deal did not solve every hardship.

Accept equivalent descriptions supported by the passage. For the open response, check for exactly three sentences and all three required elements: lasting government role, a program with its purpose, and a remaining hardship or limit.