Two Paths to Recovery

Build an argument from evidence about economic policy

WG.P.2.4.B "Construct arguments using a combination of evidence regarding solutions used by nations to address historical or contemporary economic issues."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline two facts about each government response, circle a limit of each response, and number the facts in the order you would use them to support an argument.

Bank Panics and Public Jobs

1 In 1933, the United States faced a double economic emergency. The Great Depression had left millions without jobs, while frightened customers rushed to withdraw their savings. When many people demanded cash at once, even banks with good loans could run short. President Franklin D. Roosevelt declared a national bank holiday in March. Federal officials examined banks, and those judged sound reopened. Congress also created federal deposit insurance, which began protecting eligible bank deposits in 1934. This approach aimed to restore trust, since families were less likely to panic if they knew their insured savings were protected.

2 Restoring confidence could not, by itself, provide wages to people whose employers had closed. In 1935, the federal government launched the Works Progress Administration, or WPA, to hire unemployed workers for public projects. Crews built roads, repaired schools, and improved parks. From 1935 to 1943, the WPA employed more than eight million people. Their pay helped families buy necessities, and the projects created facilities communities could use later. Yet public jobs cost federal money, and they did not guarantee that private businesses would hire more workers once a project ended.

3 Bank reform and public employment worked on different time scales. Insurance offered continuing protection to eligible savers, but it did not create a paycheck for someone without work. WPA pay helped households immediately, but a public project could not by itself prevent customers from rushing a troubled bank. The federal government also had to pay for the projects. In 1937 and 1938, the economy weakened again, and unemployment remained high. The downturn showed that recovery was fragile even after the government had tried both approaches. Whether one response deserved priority depended on the particular danger a nation faced.

2 ANSWER WITH EVIDENCE

Use the passage

1. Argue why deposit insurance could protect savings differently from the bank holiday. Use one fact about each.

2. Make a case that the WPA could offer both immediate and lasting benefits. Use two details from the passage.

3. Argue for using bank protection and public jobs together rather than only one. Give one piece of evidence for each.

4. How would you challenge the claim that these programs fully solved the Depression? Use two facts from the passage.

3 YOUR TURN

Your own words

A nation now faces a banking panic and widespread job loss, but it can fund only one large program this year. Recommend which problem its government should tackle first and what it should do next year, using two distinct facts from the passage and addressing one weakness of your plan.

ANSWER KEY

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HIGH SCHOOL · WG.P.2.4.B

PART 1 · READ AND MARK

Underline two facts about each government response, circle a limit of each response, and number the facts in the order you would use them to support an argument. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Argue why deposit insurance could protect savings differently from the bank holiday. Use one fact about each.	**The bank holiday allowed officials to examine banks before sound ones reopened. Deposit insurance offered continuing protection for eligible savings, giving customers a reason not to panic.**
2	Make a case that the WPA could offer both immediate and lasting benefits. Use two details from the passage.	**WPA pay helped workers' families buy necessities right away. Its projects also built or improved roads, schools, and parks that communities could use later.**
3	Argue for using bank protection and public jobs together rather than only one. Give one piece of evidence for each.	**Deposit insurance protected eligible savings during bank panics but did not provide wages. The WPA employed more than eight million people, providing pay to workers who needed income.**
4	How would you challenge the claim that these programs fully solved the Depression? Use two facts from the passage.	**The economy weakened again in 1937 and 1938, and unemployment remained high even after the government had tried both approaches.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would protect bank deposits first because a bank panic can threaten even banks with good loans, and federal insurance began protecting eligible savings in 1934. Next year, I would fund public jobs because the WPA employed more than eight million people and gave workers pay. Waiting a year for jobs would leave some families without wages, so I would keep the first program focused on stabilizing savings.

Accept either priority in Part 3 if the proposed order is supported by two accurate, distinct passage facts and acknowledges a weakness. For question 4, students may also cite the limits of either policy as evidence against full recovery.