

# Research on the Influence of Roosevelt's New Deal on American Social Security System

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**Abstract:** *The social security system that ensures the most basic living needs of residents is very important for a country. The Roosevelt administration advocated the establishment of a government led social security system, taking different key and forms of unemployment relief, employment expansion, social security legislation and other measures to solve the problems of employment and poverty in American society, and achieve the goal of national intervention in the economy, regulating social production and easing political contradictions, which had a huge and far-reaching impact on the whole American society. On the basis of summarizing the relationship between Roosevelt's new deal and social security system, according to the applicable background and specific content of Roosevelt's new deal, this paper focuses on the impact of social security policy in the "New Deal" on American economy, society and politics, in order to provide useful reference for establishing and perfecting China's social security system.*

**Keywords:** *Roosevelt's New Deal; Social Security System*

## 1. Introduction

For the understanding of the social security system, the concept of most domestic scholars is: the social security system refers to giving material assistance to citizens in case of temporary or permanent loss of labor ability and difficulties due to various reasons under the management of the government, with the state as the main body, according to certain laws and regulations, through the redistribution of national income and relying on the social security fund, It is used to ensure the most basic living needs of residents [1]. The proposal and implementation of Roosevelt's new deal is the best interpretation of this core definition. Roosevelt's new deal refers to a series of economic policies adopted by Franklin Roosevelt to deal with various problems brought by the American economic crisis from 1929 to 1933. In the face of the depression caused by the economic crisis, after taking office as the 32nd president of the United States, Roosevelt, on the basis of conforming to the will of the people, combined with his previous ruling experience as governor of New York, decisively implemented a series of policies and measures against the crisis [2].

## 2. The Establishment of American Social Security System

In the economic crisis of the United States, the unemployed, organized workers and the elderly have become the objects to be solved. The proposal of Roosevelt's new deal has protected the rights of the above three to a great extent [3] and greatly improved their living difficulties.

### 2.1. Relief for the Unemployed

Congress established the federal economic relief agency in 1933 and allocated \$325 million to states for relief and work relief within one year. However, influenced by the independent culture of the United States, the vast majority of Americans hope to get the corresponding salary by giving trivial jobs such as non leaf sweeping and garbage transportation [4]. This demand prompted the government to speed up the pace of reform. In November of the same year, the civil engineering administration was established and began to implement work relief on a large scale. The number of employed workers increased day by day. While solving the problem of a large number of unemployed people, the construction of public utilities such as roads and bridges was completed to a certain extent, which alleviated the pressure of government relief, this measure has also become the most important measure in the process of promoting

Roosevelt's new deal.

## ***2.2. Establishment of Social Security Law***

Before the economic crisis, most people in the United States believed that through their planned savings, they could effectively take care of themselves and maintain a minimum livelihood in the process of old age or unemployment, but the economic crisis soon broke this idea. The Social Security Act was applied in this context [5]. It provides more reliable protection for the elderly, the blind, minors and other disabled children, and provides better health care conditions for women. At the same time, it also makes better arrangements for public health and unemployment benefits. The establishment of the act marks the birth of the American social security system to a certain extent.

## ***2.3. Settlement of Labor Problems***

In order to further protect the rights of workers and farmers, Roosevelt issued several laws, such as the Fair Labor Standards Act, the industrial Rehabilitation Act and the Wagner Act, which effectively solved the labor problems at that time.

## **3. Impact of Social Security System**

The social security policy adopted in Roosevelt's new deal not only laid a foundation for the formation of the American social security system, but also laid a solid foundation for the long-term stability and development of American society. Roosevelt's new deal is more considered to have an impact on the economic system [6]. This paper believes that it has also had a far-reaching impact in the social and political fields.

### ***3.1. Impact on the Economy***

(1) Increase the disposable income of citizens and promote the sound development of the American economy.

Roosevelt's new deal provided employment opportunities for a large number of unemployed people through government investment and construction of public works, made up for the lack of human demand in the current society by means of government spending, promoted the demand for production, increased people's income and increased people's purchasing power while building national public utilities. In this way, new social needs are formed again, so as to achieve the purpose of recycling the government economy. In other words, the government intervened and regulated the market economy in an "invisible hand" way to ensure the smooth reproduction of labor force [7].

(2) Promote the smooth reproduction of labor force and form the regulator of American economic and social stability.

The promulgation of several laws such as the Fair Labor Standards Law not only eliminates the worries of workers to a certain extent, but also provides corresponding social security for workers, promotes them to work more at ease, and in order to promote their positions, they will continue to learn, improve their skills, and virtually increase a certain degree of labor capital.

### ***3.2. Impact on Society***

(1) Ease social contradictions and promote the sound development of society.

After the adoption of Roosevelt's new deal, it has largely alleviated the negative impact caused by the American economic crisis. The social security act has formed a guarantee for the uncertain factors in people's life to a certain extent, that is, it has guaranteed the supply of their basic living standards, so that they are no longer forced into a desperate situation due to unexpected risks or economic deterioration, It alleviates social contradictions and promotes the benign development of society.

(2) Realize social fairness and maintain social stability.

The role of Roosevelt's new deal in regulating the economy is essentially the process of the distribution and redistribution of national income, rebuilding economic balance, realizing social equity and maintaining social stability.

### **3.3. Impact on Politics**

(1) Regained the trust of the people and consolidated the ruling position of the government.

By adopting the new deal, the Roosevelt administration expanded the powers of the president and the federal government to a certain extent and consolidated the ruling position of the federal government. At the same time, the measures it has taken to solve the impact of the economic crisis, especially the establishment of several laws such as the social security law, have solved the problems of the unemployed, labor and the elderly, improved relevant laws and regulations, eased social contradictions and regained the trust of the American people.

(2) Establish the formation of American social security system and improve the ruling level of the government.

During the new deal, Roosevelt promulgated laws and regulations on the protection of workers' rights and interests, which laid the foundation for the American social security system. It has improved the living conditions of the unemployed, working people and the elderly, eased class contradictions, and made the security project system and legislation complete; The social security act had the most far-reaching influence and laid a foundation in Roosevelt's new deal security policy, provided a legal basis for the American social security policy, and enabled the United States to form a social security system in line with its national conditions; The emergence of the new model of state intervention in economic development makes the government play a great role in people's social security.

## **4. Reference to China's Social Security System**

Although the measures of social security system in Roosevelt's new deal were carried out under the great environment of the great economic crisis of the United States, with the outstanding achievements of Rural Revitalization and the continuous development of socialist market economy, we can draw lessons from its essence and provide reference for the improvement and development of China's social security system in the contemporary society.

1) Improve the urban and rural social security system and stimulate the consumption potential of urban and rural residents.

According to the different development characteristics of cities and villages, we should implement a targeted social security system, strengthen the design of social security system, and promote the equalization of social security content. Clarify the audience scope and security conditions of urban and rural social security system, optimize rural basic public services, improve the deficiencies and deficiencies of urban social security system, and gradually coordinate and promote the establishment of inclusive urban and rural social security system. The population of registered residence in China still occupies the majority in our country. With the constant implementation of the strategy of Rural Revitalization and the continuous development of new rural economy, our country is experiencing hitherto unknown economic development and infrastructure improvement. It is effective to link rural social security system with rural revitalization, stimulate the consumption potential of rural residents, and effectively enhance their consumption ability. Provide more solid social security for farmers' happy life [8].

2) Improve the social security law and improve the basic living security of laid-off workers.

During the implementation of Roosevelt's new deal, a series of relatively complete laws and regulations such as the Social Security Act and the wage and working hours act were passed, and relevant measures were legislated to provide legal guarantee for the smooth implementation of the new deal. This is of great significance for China's rapid economic development, deepening the reform of state-owned enterprises and accelerating the emergence of a new economy. The government needs to improve the degree and scope of social security, fully guarantee the short-term living needs of the unemployed in the form of insurance and provide legal protection for them. At the same time, it needs to gradually explore and establish a multi-party participation and common security social insurance investment mechanism, optimize its benefit mechanism and effectively share the risks of social insurance among various subjects, while improving the basic living security of laid-off workers, it also reduces the corresponding pressure borne by various subjects due to the provision of social insurance.

3) Pay attention to spiritual care and improve the awareness of "Self-protection" of social members.

China's traditional social security system pays more attention to the scope of social security, and

ignores the subjective attitude of the insured's personal value contribution and whether they accept social security. By drawing lessons from Roosevelt's definition of equal rights and obligations in the social security mechanism, we can effectively strengthen citizens' independence and sense of responsibility, further optimize the social security system, and reduce the pressure of government expenditure to a certain extent. With the acceleration of the pace of life and the increasing pressure of contemporary workers, many unemployed people are easy to lose their previous courage and self-confidence in the process of reemployment, which requires the government to actively encourage the unemployed to start their own businesses and carry out self-help relying on the development of emerging economy. At the same time, we should strengthen the awareness of personal responsibility, abandon the idea of dependence, enhance the self-confidence of reemployment, and strengthen the national psychological basis of China's in-depth employment reform.

4) Carry out collaborative guarantee of third-party organizations to improve social security.

Through the introduction of the third sector, social groups and community organizations are added, and government organizations, public institutions, economic groups and other multi subjects are encouraged to participate in and jointly carry out social security work, so as to further improve China's social security system. Strengthen the front-line role of social groups and community organizations, improve their welfare service efficiency, and make them the main force of social services. While the government ensures residents' stable employment and stable life, the participation of social organizations makes the social security system more humane and humanized.

To sum up, the ideas and means proposed in Roosevelt's new deal, such as reviving industry, adjusting agriculture, establishing social security system and "work for relief", not only helped the United States out of the crisis, but also made it the first country in the world to form a systematic social security system. If we can observe the impact of Roosevelt's new deal on the social security system from the objective requirements of historical development and the overall trend of social development, set the plate, clarify the way and open the right prescription, it will make our country deepen and consolidate on the road of exploring the social security system.

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