



**CALIFORNIA CONTENT
STANDARD 11.8.4**

Postwar Changes in Government Spending

Specific Objective: Analyze new federal spending on defense, welfare, interest on the national debt, and federal and state spending on education, including the California Master Plan.

Read the summary to answer questions on the next page.

Eisenhower, the New Frontier, and the Great Society
<ul style="list-style-type: none"> • From about 1950 to 1980, government programs took responsibility for improving people’s lives in many ways. • President Dwight Eisenhower (1952–1960) helped enact programs to raise the minimum wage, extend Social Security and unemployment benefits, support public housing, and build interstate highways. He also created a Department of Health, Education, and Welfare. • President John F. Kennedy’s “New Frontier” (1960–1963) was an ambitious plan to expand social programs for health care and education and improve urban areas. The program did not get support from Congress. Kennedy did increase spending for the space program and defense as well as for foreign aid. • President Lyndon Johnson’s “Great Society” (1963–1968) was the greatest expansion of federal involvement in social welfare in U.S. history. Programs included the “War on Poverty,” national health care for the elderly and the poor, support for public and private housing, and aid for public and private schools.

Increases in Government Spending		
<p>Defense</p> <ul style="list-style-type: none"> • The Cold War spurred defense spending. • The percentage for defense in national budget rose from about 18 percent in 1940 to 32 percent in 1950 and 52 percent in 1960. • The desire to match Soviet space achievements involved billions in spending. Much went to private companies. 	<p>Social Welfare</p> <ul style="list-style-type: none"> • Social Security and unemployment benefits continued. • The “War on Poverty” included public jobs programs for adults and youth. • Medicare and Medicaid provided health care for the elderly and the poor. • Support was provided for low-income housing and for poor urban areas. 	<p>Education</p> <ul style="list-style-type: none"> • Education acts in the 1960s were among the first to provide federal aid for education. • The California Master Plan begun in 1960 made the state the national leader in higher education. It established three levels of colleges and universities to provide public higher education to all residents.



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Directions: Choose the letter of the *best* answer.

1 Which president expanded the role of the federal government in social welfare programs the *most*?

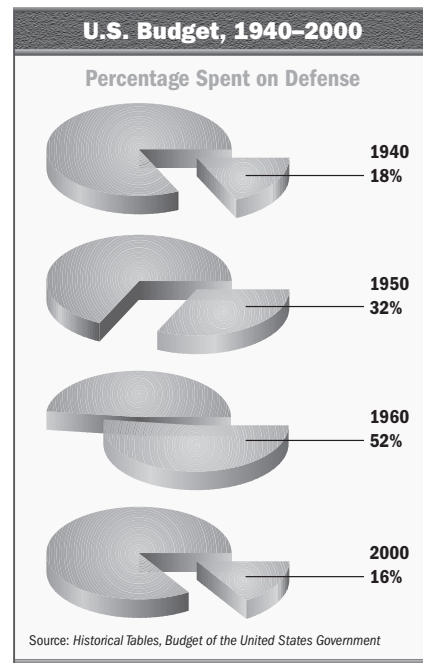
- A Eisenhower
- B Johnson
- C Kennedy
- D Reagan

2 The “New Frontier” is associated with

- A increased spending on defense and the space program.
- B establishing Social Security benefits for the elderly.
- C cutting taxes and spending on social welfare programs.
- D the creation of the Department of Health, Education, and Welfare.

3 Medicare and Medicaid were intended to provide

- A money for medical research.
- B a health care plan for government workers.
- C funding for doctors in poorer countries.
- D health care for the elderly and the poor.



4 According to the chart, the period when defense spending was the greatest percentage of the U.S. budget was

- A just before World War II.
- B just after World War II.
- C during the Cold War.
- D after the Vietnam War.

5 The California Master Plan of 1960 established

- A a system of bilingual education for all children who need it.
- B state support for public and private elementary schools.
- C state achievement standards for high school students.
- D a state system of public college education for residents.