

LESSON 7: VETERANS' BENEFITS

Student Handout 2

OUTCOMES

In 1944, Congress passed the Servicemen's Readjustment Act, popularly known as the GI Bill. It included all four of the proposals suggested in Handout 1 (education, job training, housing loans, and unemployment benefits) and proved one of the most successful, forward-thinking bills ever passed by Congress. Almost all of the consequences of the bill were positive—many of them unforeseen and unintended.



FDR signs the GI Bill

Effects on education:

- New schools were founded and colleges expanded to meet the demand caused by the high numbers of people now able to afford higher education.
- Colleges, which had previously been mostly reserved for the rich and privileged, became more democratic. Now, ordinary people could afford to go to college.
- Married people went to college in large numbers for the first time.
- The returning soldiers were older on average than typical college students, and more serious. They were more likely to focus on their education than go to parties and join fraternities.
- A very high percentage of veterans majored in engineering and science. With their advanced degrees, many of these veterans went on to make major contributions in these fields. Inventions created by veterans had revolutionary effects on American society and the economy, leading to an increase in GDP.
- Higher education, along with job training, moved many people who would have been laborers into white-collar jobs. Many credit the GI Bill with expanding the middle class.

Effects of housing loans:

- Home ownership increased from 33% to 67%.
- The demand for homes helped spur the creation of many suburbs; over time, the rise of “suburbia” came to have a significant number of positive and negative effects on American politics, culture, and society.