1. FDR's New Deal: *The Domestic Program That Remade America*

It was a cold, bleak day in the nation's capital when Franklin D. Roosevelt placed his left hand on a three-hundred-year-old family Bible and, after closing the oath of office with the words "so help me God," gripped the podium and prepared to address the American people for the first time as their president.

Many of the faces looking back at FDR wore a "terrorstricken look," as incoming secretary of labor Frances Perkins would recall. On March 4, 1933, the Great Depression was at its appalling nadir.

But as FDR promised "action and action now," people in the crowd began to stomp their feet in enthusiastic assent. When he proclaimed that "our greatest primary task is to put people to work" and assured the audience his administration would treat the economic crisis "as we would treat the emergency of a war," some onlookers wept with relief. After the speech, nearly half a million Americans wrote FDR to wish him success in the great effort ahead.

The New Deal was first and foremost a response to the calamity of the Depression. But over the course of a decade, it came to encompass a multifaceted domestic policy that transformed the role of the federal government, improved the lives of countless Americans immediately and for generations to come, and marked the American landscape with an array of new public features, from swimming pools to hydroelectric dams.

The first one hundred days

In the first hundred days of his administration, FDR had the political winds at his back; a hopeful nation and Democratically controlled Congress pledged their support. In turn, FDR and his team brought enormous vigor and drive to these first days in the White House. They worked day and night forging solutions that were muscular, pragmatic, myriad, and largely untried.

The day after his inauguration, FDR closed the nation's banks to halt a disastrous bank panic, and he set advisors working on a bill to reopen solvent institutions. Three days after inauguration, he had dozens of farmers boarding late-

Right: A political cartoon in the *Kansas City Star*, March 7, 1933, just days after Franklin D. Roosevelt's March 4 inauguration. FDR had come bolting out of the gates with emergency legislation to halt the disastrous collapse of America's banking system. The pace would continue for months. The New Deal responded to the national crisis of the Great Depression and in the process made the federal government far more active in American life, regulating the economy, employing the jobless, and establishing social welfare programs. FDRL





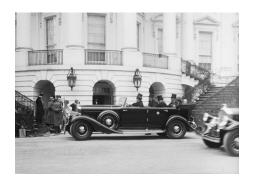
Above: The New Deal, a 1934 mural by renowned artist Conrad Albrizio, placed in a New York City art school. Franklin D. Roosevelt's domestic agenda had as its basic goal to make the federal serve the general welfare, promoting citizens' well-being and protecting them from economic exploitation and the denial of opportunity based on prejudice. FDRL night trains to Washington, DC, to advise him on a bill to buoy sagging farm incomes. The approach: pay farmers to reduce plantings of certain crops, curbing the oversupply that had driven down prices. The bill, passed in May, was "in the nature of an experiment," FDR told the press. "If the darn thing doesn't work, we can say so quite frankly, but at least try it."

The same day FDR signed the farm bill, he approved an ambitious program of federal grants for cash relief of the destitute jobless the first of its kind. Its administrator would be the social worker Harry Hopkins. Within two hours, working in a crowded hallway, Hopkins gave out more than \$5 million in grants to state agencies; he urged governors to wire their requests immediately. To those who criticized his haste, Hopkins replied dryly, "People don't eat in the long run. They eat every day."

Together, in their first one hundred days, FDR and his team racked up a record unmatched by any administration before or since, winning passage for sixteen major pieces of legislation.

The Second New Deal

The work continued in what many have called the Second New Deal of 1935. In some cases, this entailed midcourse adjustments to earlier approaches. By 1935, for example, the administration had labored to help the unemployed and lift the economy through large-scale public-works projects, on the



Franklin D. Roosevelt arrives at the White House on Inauguration Day, March 4, 1933. The day kicked off a period of vigorous lawmaking unparalleled in history. Working with Congress, in the first one hundred days of his administration FDR pushed through sixteen major bills addressing dysfunctions in areas from farming to banking. LOC one hand, and cash relief on the other. But one of its most popular ventures had been the temporary Civil Works Administration, which helped the unemployed by giving them jobs. In May 1935, FDR built on this model by creating the Works Progress Administration (WPA). The largest program of the New Deal and one of its most successful, the WPA gave millions of people a desperately needed wage and built useful new facilities in nearly every American community.

The Second New Deal also saw passage of the Social Security Act establishing federal retirement benefits, unemployment insurance, and the first federal welfare program for the poor–all ways to not only gird individual Americans against future hard times, but also protect the economy from the drastic reductions in consumption that occur when the people find themselves penniless.

FDR won the election of 1936 in a historic landslide; a mere eight electoral votes (those of Maine and Vermont) went to his opponent. The people had thunderously affirmed their support for the New Deal.

New challenges

The year 1937 brought a loss of momentum. FDR, thinking the worst was past, had cut back on government spending. The so-called Roosevelt recession followed. Meanwhile, FDR's unpopular postelection proposal to appoint additional Supreme Court justices—a bald attempt to override a court that had proved hostile to New Deal policies—split the Democratic Party and emboldened Republican opponents.

Though New Deal lawmaking slowed, in '37 and '38 the administration nevertheless pushed through legislation to promote the construction of public housing, offer loans to tenant farmers, and establish a federal minimum wage.

Looking back and ahead

Some programs worked better than others. Despite government refinancing and delayed foreclosures, for example, the farm foreclosure crisis continued unabated until World War II. Assessing the New Deal in 1938, FDR frankly admitted that insufficient knowledge and the need to experiment had led to inconsistencies of method.

But one thing is certain: by the end of the '30s, the United States was no longer a nation prostrated by fear and despair. Americans had gone to work by the millions to feed their families, create new social institutions, and build the national infrastructure. They knew their own strength.

The New Deal left the country far better equipped to face the next calamity–World War II–and set the stage for the G.I. Bill, a tide of postwar prosperity, and the broadest middle class the world had ever seen.



Workers hired by the temporary Civil Works Administration (CWA) paint the gold dome of the Colorado State Capitol in Denver, 1934. The CWA's success at putting Americans to work inspired the New Deal's largest single endeavor, the Works Progress Administration, which employed millions of Americans in jobs that ranged from building roads to teaching impoverished adults to read and write. National Archives



Woolworth's workers strike for a forty-hour week, 1937. Despite setbacks for the New Deal in 1937, in 1938 Franklin D. Roosevelt's administration achieved the long-sought goal of passing the Fair Labor Standards Act, which set a federal minimum wage and maximum workweek and imposed the first federal ban on child labor. Loc

(A) Alphabet Soup

The New Deal revamped labor relations and inaugurated old-age pensions, built bridges and planted trees, reformed banking and managed farming output. It was magisterial in scope. Critics, then and now, abhor the idea of such an influential role for the federal government. But supporters applaud the very heft and reach of the New Deal, the way its impact was felt around kitchen tables and on shop floors.

Franklin D. Roosevelt himself expressed two underlying goals: to make democratic government function effectively for the people, and to bring them a greater level of social justice. Along the way, its programs addressed many areas of American life.

Banking: In its first weeks, the FDR administration halted a nationwide bank panic with a supervised closing and reopening of banks. Follow-up legislation required sellers of stocks and bonds to disclose information about their products (the Securities Act of 1933), founded the Securities and Exchange Commission (1934), and protected depositors by establishing federal deposit insurance and creating a firewall separating commercial banks from investment banking (the Banking Act of 1933 or Glass-Steagall Act).

Public works, relief, and work relief: The Civilian Conservation Corps (CCC, 1933-42) paid unemployed urban men a dollar a day to perform conservation work on government lands. The Public Works Administration (PWA, 1933-39) funded large-scale public construction projects-such as dams, courthouses, and sewage treatment plants-making possible more than thirty-four thousand projects. The temporary Civil Works Administration (CWA, winter of 1933-34) gave public-works jobs to more than 4.3 million workers. The Federal Emergency Relief Administration (1933-35) gave grants to states for cash and other relief to the needy unemployed. It was replaced in 1935 by the Works Progress Administration (WPA), which gave millions of jobless Americans paid work in public construction and community service all across the country. It ended in 1943.

The economics of farming: The Agricultural Adjustment Act (1933) aimed to raise the price of farm products by paying farmers to limit production of staple crops like wheat and cotton. The Supreme Court struck it down in 1936, but a new law effected the same thing by paying farmers to plant soil-conserving crops like alfalfa and clover instead. The Farm Credit Administration created in 1933 refinanced troubled farm mortgages. The Farm Bankruptcy Act of 1934, adjusted in 1935 to accommodate Supreme Court objections, delayed foreclosure and allowed bankrupt farmers to stay on their land as tenants. The Resettlement Administration (1935-36) and later the Farm Security Administration trained poor farmers in modern farming techniques, helped them resettle in model cooperative farmsteads, and gave them small loans for equipment, seed, and land.

Housing: The Home Owners' Loan Corporation (1933–36) refinanced a million at-risk home mortgages, allowing 80 percent of beneficiaries to keep their homes. In 1934 Congress created the Federal Housing Administration (still operating), which insures mortgage lenders against default by debtors, encouraging more flexibility in lending. In 1937 the United States Housing Authority began issuing loans to local public housing agencies to build public housing.

Rural life and public utilities: Created in 1933, the publicly owned Tennessee Valley Authority (TVA) harnessed the Tennessee River's power with hydroelectric dams that brought electricity to a desperately impoverished area of the South. Established in 1935, the Rural Electrification Administration (REA) gave loans to rural cooperatives across the nation to manage the construction of local power plants and distribute power lines through their communities. The Electric Home and Farm Authority gave loans to help rural families buy appliances such as refrigerators and water heaters.

Social safety net: The Social Security Act of 1935 created the retirement benefits Americans know today, as well as federal unemployment insurance and the first federal welfare program for poor families with dependent children.

Land conservation: The CCC put the unemployed to work in conservation projects like planting trees, building windbreaks, and stocking fish. The Soil Erosion Service, created in 1933, advised farmers and ranchers devastated by the Dust Bowl on how to care for depleted land. The Soil Conservation and Domestic Allotment Act of 1936 paid farmers to plant soilbuilding cover crops instead of overproduced staples. The New Deal also rebuilt and vastly expanded local and national parks, more than doubling national forest acreage by 1935.

Labor rights: The National Industrial Recovery Act (NIRA), passed in 1933, suspended antitrust laws to allow industries to set price, wage, and labor-standards codes, with the idea of sustaining pay levels and prices while curbing worker exploitation. A central New Deal program, its effects were limited, and the Supreme Court ruled it unconstitutional in 1935. The National Labor Relations Act of 1935 reinstated a key provision-the right of workers to form unions-and compelled employers to bargain with duly elected union reps while barring them from interfering with union organizing. The hard-won Fair Labor Standards Act of 1938 established a federal minimum wage, maximum workweek, and restrictions on child labor.

Youth: Created in 1935, the National Youth Administration (NYA) supported work-study positions for hundreds of thousands of students, helping them stay in school and develop job skills.

Education and the arts: Various work-relief and public-works programs rebuilt or refurbished tens of thousands of schools and put idled teachers to work reopening rural schools and holding night classes for adults. The Farm Security Administration conducted a celebrated photography project documenting poor rural life. Writers and other artists working for the WPA collected invaluable oral histories from people who had lived in slavery, put on countless free public performances, and taught basic literacy to many.

Prohibition: In March 1933, FDR signed the Beer and Wine Revenue Act, legalizing these libations after more than a decade of Prohibition. In December 1933, he signed the law that ended Prohibition altogether. Brewers and distillers went back to work, and sales of alcoholic beverages brought revenue to the federal government instead of to moonshiners and gangsters.

B Critics on the Left, on the Right, and on the Bench

Hard times made Americans eager for new solutions, greasing the rails for the massive undertaking known as the New Deal. As Secretary of Labor Frances Perkins would later say of the landmark 1935 Social Security law she championed, "Nothing else would have bumped the American people into a social security system except something so shocking, so terrifying, as that depression."

And yet even in their day, many New Deal policies were controversial, attracting criticism from across the political spectrum.

From the left came the critique that Franklin D. Roosevelt's policies didn't go far enough in helping ordinary people and reforming economic life.

His first month in office, for example, FDR himself pushed through a bill to trim federal spending (a goal that would soon lose out to other priorities) by cutting veterans' benefits and female federal employees. This prompted a flood of dismayed telegrams from the public and outrage from congressional Democrats. Likewise, in debating emergency banking legislation, progressive senators urged FDR to go beyond reorganizing the banks by actually nationalizing them. Supporters of populist senator Huey Long's "Share Our Wealth" campaign meanwhile advocated a much more generous social-welfare program than was established in the 1935 Social Security law, to be funded by heavy taxation of millionaires. "Emphatically, Mr. Roosevelt did not carry out the Socialist platform," said leading American Socialist Norman Thomas in 1936, "unless he carried it out on a stretcher."

From the right, on the other hand, came the consistent complaint that the programs intervened too aggressively and spent too much. Even in FDR's own cabinet, there was intense disagreement



Huey Long, the senator from Louisiana, in 1933. Long supported Franklin D. Roosevelt in the 1932 election but soon became a sharp critic and popular presidential hopeful. His "Share Our Wealth" campaign proposed to guarantee Americans a minimum standard of living—"Every Man a King" was the campaign's slogan—through heavy taxation of millionaires. LOC

over large-scale public-works programs, with balanced-budget advocates arguing that "the dole," or direct relief, was a cheaper way to help the unemployed. Conservatives in Congress joined with business interests represented by the U.S. Chamber of Commerce in the conviction that Social Security benefits would sap personal initiative and "Sovietize" America. Private power companies, meanwhile, unsuccessfully sued the Tennessee Valley Authority, the publicly owned corporation generating cheap electricity. "We do object to our government putting us out of business," a spokesperson for the coal industry told a congressional committee in 1935.

FDR's policy making ran into especially stiff headwinds during the Supreme Court session of 1935–36, when the court invalidated eight New Deal provisions as unconstitutional. The combination of FDR's unpopular "court-packing" scheme and an economic downturn in 1937 proved politically toxic. Republicans won seats in both houses of Congress in 1938. Conservative southern Democrats increasingly broke ranks with their party-for example, in the debate over a minimum wage, which some argued would hurt southern businesses and eliminate jobs.

Franklin D. Roosevelt "WASTES THE PUBLIC MONEY"

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thomas jefferson

"If we are right in this conjecture then the people's money is taken by the friends reform and economy and squandered on worthless tool of office." —The Boston Gazette, July, 1804

... and so did ANDREW JACKSON "Where it promised economy, it has exhibited a double extravagance." —The Commercial Intelligencer

"He was brought into power upon the redession, the promise and pledge of etrenchment and economy, but instead 6 reducing has created numerous offices o reward his favorites, and has added mnensely to the expenses of government." —Facts For The Poople, Oct., 1832

. . . and so did ABRAHAM LINCOLN "Its (Lincoln's administration) extravagance has been appalling. Its expenditures normous and little to show for them. . . . No small portion of this enormous sum has been itterally wated. . . . It has not known how to bushand its resources, or to advantage to public service. . . The Administration seems never to have regarded comony necessary." — Brownson's Review, 1864 J. C. Freemont, 1864. "If . . . he (includ) bushand be renominared = 1

... and so did GARFIELD and ARTHUR "The log-rolling and corrupt combinations by which millions of dollars are

annually voted for rivers and harbors, for public buildings, for improvements of the Mississippi, for National Boards of Health and for other plundering schemes, do not reveal the worst venal legislation characteristic of Republican rule."... —The New York San, July 28, 1884

... and so did THEODORE ROOSEVELT "We have set up the most extravagan government the word has ever known and year by year wa are making it more extravgant... Explaining by those responsible will do no good... From whatever appet the matter is viewed the contempt for the budget shown... is calculated to raose apprehension."

-The New York Globe, 1908

A page from "The Case Against Franklin D. Roosevelt," a 1936 campaign pamphlet by the Democratic National Committee. FDR supporters hoped to defend him against one of his critics' chief claims—that he was a profligate spender of public money—by pointing out that the same accusation had been leveled at some of history's most revered presidents. FDR did embrace deficit spending to buoy the desperately ailing economy and put Americans back to work. Voters reelected him in 1936 by an overwhelming margin. Herman Wolf Papers, University of Connecticut Libraries

Toward the close of the 1930s, though, FDR would begin to turn his focus on another set of critics—the isolationists who opposed his preparations for war.



(C) Everybody in?

In 1932 while running for president, Franklin D. Roosevelt called for responses to the nation's economic emergency that would "build from the bottom up and not from the top down" and "put their faith once more in the forgotten man at the bottom of the economic pyramid."

The image that came to mind for most Americans was that of a white man, the breadwinning lynchpin of a working-class family. But there were people in American society even more forgotten, more harshly excluded from the political process, and more desperately impoverished by the Great Depression. Blacks suffered lower wages and higher unemployment than whites; Jim Crow segregation ruled the South, and racist violence spiked as the Depression deepened. American women, meanwhile, were mostly confined to a few pitifully low-paying jobs, and, though they'd won the vote in 1920, they still occupied the margins of political life. In the New Deal, both groups faced discrimination but would ultimately make substantial gains.

For black Americans, an important barrier to New Deal rights and benefits were the southern Democrats in Congress who formed a key part of FDR's Democratic coalition and made their influence felt in legislation. The Agricultural Adjustment Act of 1933, for example, gave subsidies to farm owners for pulling some acreage out of production—and led to large-scale displacement of poor black sharecroppers and tenant farmers. Southern factions also succeeded in excluding domestic and farm workers—including a large proportion of black workers—from Social Security and certain labor rights.

But New Deal programs brought relief and jobs, including work in the arts and skilled crafts, to many African Americans. FDR, with the help and urging of Eleanor Roosevelt, took Daughter of a sharecropper in Arkansas, 1935. The Agricultural Adjustment Act of 1933 displaced many African American tenant farmers by paying farm owners to take land out of cultivation. But later New Deal programs sought to help poor farmers resettle on more viable land and gave them small loans to purchase acreage. LOC

on a "Black Cabinet" of high-profile African American advisors. He spoke out against white schemes to keep southern blacks from voting. He also banned racial discrimination in government and defense jobs. It was enough to bring about a historic conversion of African Americans from the party of Lincoln to the Democratic Party.

As for women, they got hired at much lower rates than men by the New Deal's various jobs programs, and as domestic workers many women were excluded from Social Security benefits. But FDR's administration brought unprecedented respect to women as leaders. He appointed the first female cabinet member— Secretary of Labor Frances Perkins—and tapped nearly two dozen women for other top jobs in his administration. Like FDR's Black Cabinet, these women, in turn, helped shape the New Deal, pushing its programs toward great inclusion of "forgotten" groups.

D The New Deal's Legacy

What did the New Deal bequeath to America? For one, it set a precedent for the federal government taking vigorous action against economic forces that were destroying lives and wealth. To what extent New Deal investment and regulation helped tame the Great Depression remains one of the most important economic questions of the twentyfirst century.

Another legacy was the guarantees inherent in such New Deal innovations as Social Security, unemployment insurance, farm subsidies, the minimum wage, the right to form unions, and nondiscrimination in government hiring. Then there's the rich physical inheritance left by New Deal publicworks programs, from murals to travel guides, from the Golden Gate Bridge in San Francisco to New York City's LaGuardia Airport.

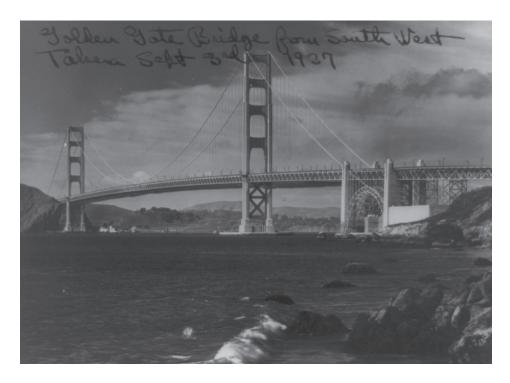
But perhaps even more important than all these, the New Deal transformed the way Americans understand citizenship—the way they see their relationship to government and to one another.

Before the New Deal came to Washington, DC, Americans didn't have much access to their federal government; they did not identify with it, nor look to it for guidance or support. State and local government set the important policies. An unregulated market determined economic conditions. If the economy pitched into free fall, American citizens were expected to ride it out, fortified by fierce individualism and hopes of a Horatio Alger–like success–or perish.

FDR challenged this status quo.

A connected country

The Depression had uncovered the social and economic interdependence of rich and poor, country and city, Wall Street and Main Street, industry and labor. The New Deal emphasized this connectedness. It insisted that government and business share responsibility for the nation's economic well-being, no longer assigning that role



solely to bankers, brokers, and corporate executives. It viewed workers as contributors to the nation's welfare, not commodities to be exchanged. "The old fallacious notion of the bankers on one side and the Government on the other side as being more or less equal and independent units, has passed away," FDR said at a banking conference in 1934. "Government by the necessity of things must be the leader, must be the judge of the conflicting interests of all groups in the community, including bankers."

The radicalism of this idea reverberates even today, and yet for the first time it allowed the United States government to take on jobs most Americans now regard as appropriate and even essential: to monitor business transactions, discipline corporate fraud, insure bank deposits, conserve the land, expand access to utilities, restore and revitalize the nation's infrastructure, protect unions, provide old-age pensions, assist people with disabilities, promote American art, and aid the jobless and poor.

In the interest of saving the country from terrible threats, FDR reluctantly embraced deficit spending (in which outlays exceed revenues) during both the New Deal and World War II. He expanded the federal government. He also reformed it.



Top: Two New Deal programs, the Works Progress Administration and the Public Works Administration, funded construction of San Francisco's iconic Golden Gate Bridge, pictured here shortly after its opening in 1937. The New Deal literally and figuratively connected Americans—through infrastructure like bridges and roads, and by establishing shared experiences of citizenship through such programs as Social Security. Loc

Above: A 1930s poster advertising New York City's two small airfields, Floyd Bennett Field in Brooklyn, and North Beach Airport in Queens. In 1937, with support from the New Deal's Works Progress Administration, New York City purchased additional land around North Beach and built its first major commercial airport, LaGuardia. It opened in 1939. Today the airport remains one of the country's busiest, just one example of the New Deal's physical legacy across America. LOC



U.S. Solicitor General Robert H. Jackson throws out a pitch for his team, the New Dealers, at a Justice Department picnic outside Washington, DC, 1938. Jackson, a scrupulous observer of judicial ethics and a supporter of human rights who never attended college, went on to be Franklin D. Roosevelt's attorney general, an FDR-appointed Supreme Court justice, and finally chief U.S. prosecutor at the Nuremberg war crimes trials. He was but one of the many idealistic New Dealers whom FDR brought to Washington, a group far more representative of America's diversity than previous administrations. LOC

A government of the people

FDR surrounded himself with a diversity of opinion, his inner circle including balancedbudget hawks, passionate national-planning advocates, crusty hard-drinking social workers, progressive farm leaders, and unflinching supporters of public-works projects and unemployment insurance.

As power shifted from Wall Street to Washington, a new flock of applicants flooded the capital looking for work. Most were not beholden to a member of Congress or even to FDR. Enticed by the creativity New Dealers exuded, hordes of university-trained experts left the academy to devote their careers to public service.

And unlike their predecessors, the New Dealers were not overwhelmingly white Anglo-Saxon Protestant men. They were the most diverse employment pool the federal government had ever seen—including two Catholics, a Jew, and a woman in FDR's cabinet alone, and forty-four African Americans in senior administration positions.

Change at the grassroots

The New Deal also set profound precedents on the local level. Its overtures to local governments to run federal programs created a sense of what one New Dealer called "grassroots democracy." People had a new way to participate, to press issues and carry out solutions.

Through the New Deal, Americans got to know one another. Its programs connected the nation via roads and waterways and gave Americans public spaces—from parks to stadiums to concert halls—where they could come together. Young Civilian Conservation Corps recruits, most of whom had never left their city neighborhoods, went to work in different parts of the country alongside people of different religions, educational backgrounds, national origins, and, in some cases, races. Workers on Works Progress Administration and Public Works Administration projects labored alongside neighbors they would have ignored in prosperous times.

The New Deal also brought Americans together through art, giving free access to a great variety of performances and allowing long-silenced voices to be heard for the first time. It gave the nation John Steinbeck's *The Grapes of Wrath* and Richard Wright's *Uncle Tom's Children* and *Native Son*.

A middle road for America

While FDR's New Deal did not fully restore employment or heal the nation's economic wounds, it magnified the American spirit at a time when revolutionary or reactionary impulses might have determined the country's direction.

When FDR took office in the Depression's darkest days, the economist John Maynard Keynes wrote him a somber letter expressing hope for the New Deal's program of "reasoned experiment" within "the existing social system." "If you fail, rational change will be gravely prejudiced throughout the world, leaving orthodoxy and revolution to fight it out," he wrote. "But, if you succeed, new and bolder methods will be tried elsewhere, and we may date the first chapter of a new economic era from your accession to the office."

Civilian Conservation Corps (CCC) workers, Prince George's County, Maryland, 1935. The CCC brought together Americans who might not otherwise have crossed paths to work on conservation projects around the country. LOC

