

The New Deal's Critics

READING FOCUS

- What were some of the shortcomings and limits of the New Deal?
- What were the chief complaints of FDR's critics inside and outside of politics?
- How did the court-packing fiasco harm FDR's reputation?

MAIN IDEA

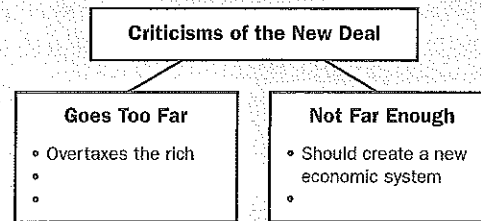
A variety of critics pointed out the shortcomings of the New Deal as well as its potential for restricting individual freedom.

KEY TERMS

American Liberty League
demagogue
nationalization
deficit spending

TAKING NOTES

Copy the chart below. As you read, fill in criticisms of the New Deal.



Setting the Scene To the poor and the jobless who benefited from New Deal programs, Franklin Delano Roosevelt was a true hero. One mill worker expressed the thoughts of many citizens:

“Roosevelt is the only President we ever had that thought the Constitution belonged to the pore [poor] man too. . . . Yessir, it took Roosevelt to read in the Constitution and find out them folks way back yonder that made it was talkin' about the pore man right along with the rich one.”

—Testimony by mill worker George Dobbin in 1939, collected in *These Are Our Lives*, Federal Writers Project of the Works Progress Administration (1939)

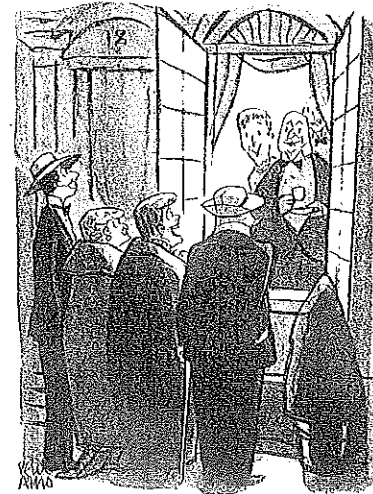
Letters thanking the President poured into the White House. One letter read, “There ain’t no other nation in the world that would have sense enough to think of WPA and all the other A’s.”

Yet the New Deal inspired its share of critics, and the criticism would swell as the Depression dragged on. One critic wrote, “If you could get around the country as I have and seen the distress forced upon the American people, you would throw your darn NRA and AAA, and every other . . . A into the sea.”

The Limitations of the New Deal

For all its successes, the New Deal fell short of many people’s expectations. The Fair Labor Standards Act, for example, covered fewer than one quarter of all gainfully employed workers. It set the minimum wage at 25 cents an hour, which was well below what most covered workers already made. New Deal agencies also were generally less helpful to women and minority groups than they were to white men.

Women Many aspects of New Deal legislation put women at a disadvantage. The NRA codes, for example, permitted lower wages for women’s work in almost a quarter of all cases. In relief and job programs, men and boys received strong preference. In accordance with the social customs of the time, jobs went to male “heads of families,” unless the men were unable to work.



“COME ALONG. WE’RE GOING TO THE TRANS-LUX TO HISS ROOSEVELT.”

INTERPRETING POLITICAL CARTOONS In this cartoon, rich people are going to a fancy hotel to “hiss”—that is, protest—FDR. Analyzing Visual Information *How does the cartoonist depict wealth? Why did some rich people oppose Roosevelt’s policies?*

No New Deal provision protected domestic service, the largest female occupation. In 1942, an African American domestic worker in St. Louis pleaded with the President to ask employers, the “rich people,” to “give us some hours to rest in and some Sundays off and pay us more wages.” Working 14-hour days, she earned only \$6.50 per week. A brutally honest official wrote back to her:

“State and Federal labor laws, which offer protection to workers in so many occupations, have so far not set up standards for working conditions in domestic situations. There is nothing that can be done . . . to help you and others in this kind of employment.”

—Roosevelt administration official

African Americans Federal relief programs in the South, including public works projects, reinforced racial segregation. As a rule, African Americans were not offered jobs at a professional level. They were kept out of skilled jobs on dam and electric power projects, and they received lower pay than whites for the same work. Because the Social Security Act excluded both farmers and domestic

workers, it failed to cover nearly two thirds of working African Americans. One black American expressed deep disappointment with FDR’s policies:

“All the prosperity he had brought to the country has been legislated and is not real. Nothing he has ever started has been finished. My common way of expressing it is that we are in the middle of the ocean like a ship without an anchor. No good times can come to the country as long as there is so much discrimination practiced. . . . I don’t see much chance for our people to get anywhere when the color line instead of ability determines the opportunities to get ahead economically.”

—Testimony by Sam T. Mayhew in 1939, collected in *Such As Us* (1978)



VIEWING HISTORY This photograph, taken at a relief center in Louisville, Kentucky, highlights the struggle of African Americans to overcome the effects of both the Depression and prejudice.

Analyzing Visual Information What contrast was the photographer trying to point out in this picture?

Nor did the New Deal do anything to end discriminatory practices in the North. In many black neighborhoods, for example, white-owned businesses continued to employ only whites. In the absence of help from the federal government, African Americans took matters into their own hands. Protesters picketed and boycotted such businesses with the slogan “Don’t shop where you can’t work.”

The early Depression had seen an alarming rise in the number of lynchings. The federal government again offered no relief. A bill to make lynching a federal crime was abandoned by Congress in 1938. NAACP leader Walter White recalled in 1948 that FDR had given this explanation for his refusal to support these measures:

“Southerners, by reason of seniority rule in Congress, are chairmen or occupy strategic places on most of the Senate and House committees. If I come out for the anti-lynching bill now, they will block every bill I ask Congress to pass to keep America from collapsing. I just can’t take that risk.”

—President Franklin Roosevelt

Although African Americans in the North had not supported FDR in 1932, by 1936 many had joined his camp. Often the last hired and first fired, they had experienced the highest unemployment rates of any group during the Depression. For this reason, those who did gain employment appreciated many of the New Deal programs.

Other aspects of Roosevelt's record also had some appeal to many African Americans. He appointed more African Americans to policymaking posts than any President before him. The Roosevelts also seemed genuinely concerned about the fate of African Americans. These factors help to explain FDR's wide support among black voters.

Political Critics

Under the desperate conditions of the Great Depression, reactions to the New Deal ran strong. People with widely differing political views criticized the New Deal, both for what it did and for what it did not do.

New Deal Does Too Much A number of Republicans, in Congress and elsewhere, opposed Roosevelt. They knew something had to be done about the Depression, but they believed that the New Deal went too far.

These critics included many wealthy people who regarded FDR as their enemy. Early in the New Deal, they had disapproved of certain programs, such as the TVA and rural electrification, that they considered to be socialistic. The Second New Deal gave them even more to hate, as FDR pushed through a series of higher taxes aimed at the rich. One of these was the Revenue Act of 1935, also known as the Wealth Tax Act. This act raised the tax rate on individual incomes over \$50,000 as well as on the income and profits of corporations.

The Social Security Act also aroused political opposition. Some of FDR's enemies claimed that it penalized successful, hardworking people by forcing them to pay into the system. Others saw the assignment of Social Security numbers as the first step toward a militaristic, regimented society. They predicted that soon people would have to wear metal dog tags engraved with their Social Security numbers.

A group called the **American Liberty League**, founded in 1934, spearheaded much of the opposition to the New Deal. It was led by former Democratic presidential candidate Alfred E. Smith, the National Association of Manufacturers, and leading business figures.

The league charged the New Deal with limiting individual freedom in an unconstitutional, "un-American" manner. To them, programs such as compulsory unemployment insurance smacked of "Bolshevism," a reference to the political philosophy of the founders of the Soviet Union.

New Deal Does Not Do Enough Many Progressives and Socialists also attacked the New Deal. But these critics charged that FDR's programs did not provide enough help.

Muckraking novelist Upton Sinclair believed that the nation's entire economic system needed to be reformed in order to cure what he believed to be a "permanent crisis." A Socialist, he sought solutions that went far beyond New Deal-style reforms. In 1934, Sinclair ran for governor of California on the Democratic ticket. His platform, "End Poverty in California" (EPIC), called for a new economic system in which the state would take over factories and farms.

Focus on CULTURE

Marian Anderson and the DAR One of the greatest concert singers of her time, Marian Anderson first achieved widespread fame in Europe. At the time, opportunities for African Americans in the United States were limited. In 1935, however, Anderson successfully debuted in New York City. The following year, at the Roosevelts' invitation, she became the first African American to perform at the White House. In 1939, Anderson attempted to rent Constitution Hall in Washington, D.C., to stage a concert. The owners of the hall, the prestigious Daughters of the American Revolution (DAR), denied Anderson's request. In protest, Eleanor Roosevelt and other important members resigned from the group and then arranged for Anderson to perform on the steps of the Lincoln Memorial. An audience of some 75,000, including both blacks and whites, attended the concert on Easter, April 9, 1939.

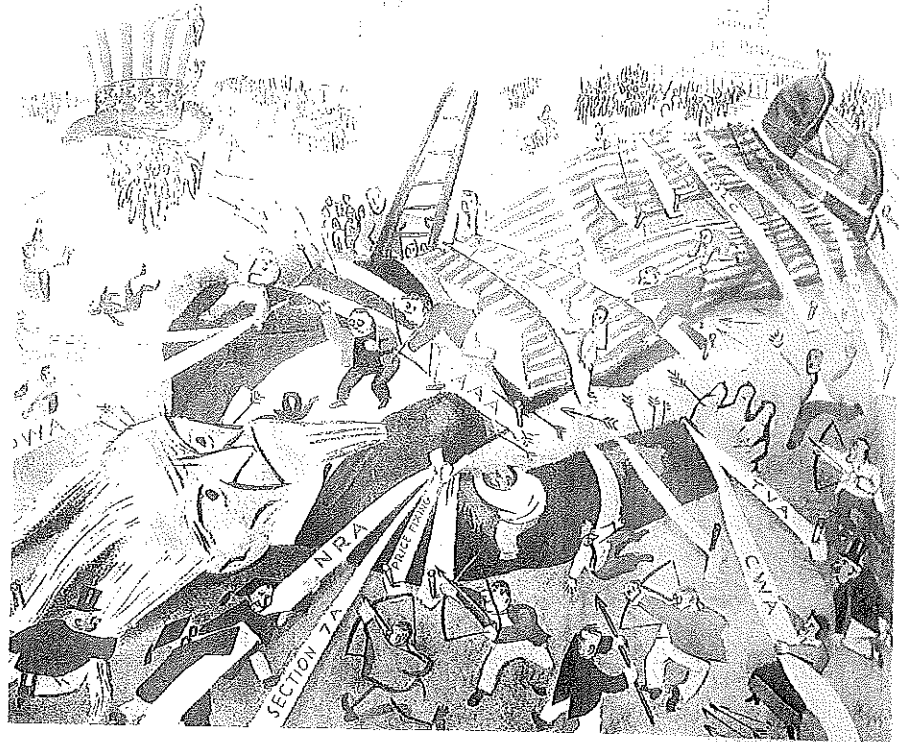
Anderson's moving performance included a patriotic rendering of "America."



READING CHECK

What were the main criticisms of the New Deal?

INTERPRETING POLITICAL CARTOONS In this cartoon, Uncle Sam is being restrained by New Deal agencies and policies. Drawing Inferences *What point is the cartoonist trying to make? Does the cartoon favor or criticize the New Deal? Support your answers with details from the drawing.*



EPIC clubs formed throughout the state, and Sinclair won the primary. Terrified opponents then used shady tactics to discredit him. They produced fake newsreels showing people who spoke with a Russian accent endorsing Sinclair. Associated unfairly with communism, Sinclair lost the election.

The New Deal had only limited success in eliminating poverty. This fact contributed to a revival of progressivism in Minnesota and Wisconsin. Running for the United States Senate, Wisconsin Progressive Robert La Follette, Jr., argued that “devices which seek to preserve the unequal distribution of wealth . . . will retard or prevent recovery.” His brother Philip also took a radical stand, calling for a redistribution of income. Philip’s ideas persuaded the state Socialist Party to join the Progressives after he won the Wisconsin governorship in 1934.

Other Critics

Some New Deal critics were **demagogues**, leaders who manipulate people with half-truths, deceptive promises, and scare tactics. Two such demagogues attracted strong followings during the Depression.

Father Coughlin One such demagogue was Father Charles E. Coughlin (CAWG-lin), a dynamic speaker who used the radio to broadcast his message. Throughout the 1930s, the so-called Radio Priest held listeners spellbound from his studio in Detroit. In 1934, Father Coughlin’s weekly broadcasts reached an audience estimated at more than 10 million people.

Coughlin achieved popularity even though he sometimes contradicted himself. One time he advocated the **nationalization**, or government takeover and ownership, of banks and the redistribution of their wealth. Another time he defended the sanctity of private property, including banks. At first he supported FDR and the New Deal. Later he denounced them, through his radio show and through the organization he formed in 1934 called the National Union for

READING CHECK

What influence did demagogues have during the Depression?

Social Justice. Coughlin's attacks on FDR grew increasingly reckless. In 1936, he called him "Franklin 'Double-crossing' Roosevelt" and described him as a "great betrayer and liar."

By the end of the 1930s, Coughlin was issuing openly anti-Jewish statements. He also began showering praise on Adolf Hitler and Benito Mussolini, two menacing leaders who were rising to power in Europe. Coughlin's actions alarmed many Americans, and he lost some of his support. In 1942, Roman Catholic officials ordered him to stop broadcasting his show.

Huey Long A powerful figure in Louisiana politics, Huey Long was a different type of demagogue. Long was a country lawyer who had grown up in poverty. He won the governorship of Louisiana in 1928 and became a United States senator in 1932. Unlike many other southern Democrats, Long never used racial attacks to build a base of power. Instead, he worked to help the underprivileged by improving education, medical care, and public services. He also built an extraordinarily powerful and ruthless political machine in his home state.

Originally a supporter of FDR, Long broke with him early in the New Deal. "Unless we provide for redistribution of wealth in this country, the country is doomed," he said. While in the Senate, Long developed a program called Share-Our-Wealth. It would limit individual income to \$1 million and inheritance to \$5 million. The government would take the rest in steep progressive income taxes. Thus the plan would confiscate large fortunes. It would then redistribute that wealth by giving every family a minimum \$5,000 "household estate" and a minimum annual income of \$2,500. Long also sought other improvements for Americans: shorter working hours, more veterans' benefits, payments for education, and pensions for the elderly.



At top, Father Coughlin addresses some 6,000 members of his National Union for Social Justice in Detroit, 1936. Above, Louisiana's Huey Long gestures in the flamboyant style for which he was famous.

COMPARING HISTORIANS' VIEWPOINTS

Roosevelt and the New Deal

Historians disagree on the effectiveness of the New Deal in combating the Depression and improving the lives of Americans.

Analyzing Viewpoints Compare the viewpoints of these two historians.

Criticism of the New Deal

"[New Deal measures] have not been administered with any special care to preserve the best features of private industry and encourage it to bring about recovery. The relief measures have been inefficient and expensive. They have resulted in a tremendous burden of taxation. . . . There has been no effort to preserve conditions under which a man, striving for a private job and doing his job well, shall be encouraged and preferred to the man on WPA. . . . More men have gone out of business in the last five years than have gone into business because of the complete uncertainty whether they can survive a constant Government interference."

—Robert A. Taft, "A Conservative Critique:
The New Deal and the Republican Program"

Praises for the New Deal

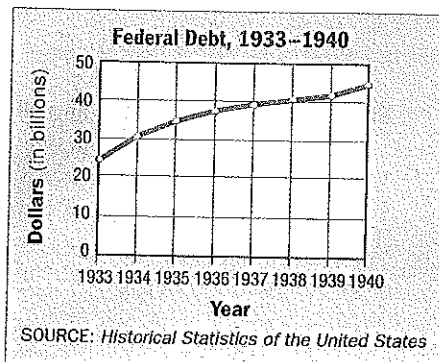
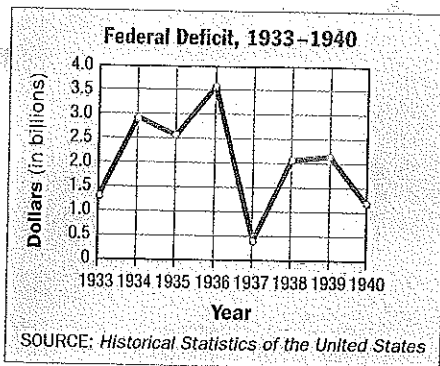
"What then did the New Deal do? . . . [It] expanded the authority of the presidency, recruited university-trained administrators, won control of the money supply, established central banking, imposed regulations on Wall Street, . . . rescued debt-ridden farmers and homeowners, . . . fostered unionization of the factories, drastically reduced child labor, . . . established minimal working standards, enabled thousands of tenants to buy their own farms, built camps for migrants, introduced the Welfare State with old-age pensions, unemployment insurance, . . . subsidized painters and novelists, composers and ballet dancers, . . . [and] gave women greater recognition. . . ."

—William E. Leuchtenburg,

The FDR Years: On Roosevelt and His Legacy

Focus on ECONOMICS

Deficit and Debt The terms *federal deficit* and *federal debt* (or *national debt*) are often confused. A federal deficit occurs when the government spends more money in its annual budget than it receives in revenues during that year. To cover a deficit, the government borrows money by issuing bonds, which are essentially IOUs to those who buy the bonds. The federal debt is the money the government owes to its bondholders. The government could have a great deal of federal debt, but not be practicing deficit spending. That is, it could be spending no more than it earns each year, yet it still could be paying off old debt, much like individuals who owe money on their credit cards. The chart below, for example, shows the deficit rising and falling during the Depression, as federal revenues and spending varied. The debt chart at the bottom, however, shows steady increases in government borrowing for New Deal programs.



that Americans have traditionally cherished. Others believe that providing direct relief to many of the nation's suffering citizens was worth the compromise. These debates continue today.

Although Long's program for helping all Americans achieve wealth was mathematically impossible, it attracted many followers. His success helped push FDR to propose new taxes on wealthy Americans in the Second New Deal. Meanwhile, Long himself began to eye the presidency. But in September 1935, the son-in-law of one of Long's political enemies shot and killed him.

Long and Coughlin never seriously threatened FDR or the New Deal. But their influence warned Roosevelt that if he failed to solve the nation's problems, he risked losing mass support.

Modern-Day Critics

Although many of the people who directly benefited from the New Deal are now gone, their children and grandchildren still pass down individual stories of hope and help that came to their families through programs like the WPA. To many Americans, FDR's bold actions place him among the nation's greatest Presidents. Yet some modern-day critics question whether the New Deal achieved the greatest good for the greatest number of Americans.

Some historians and economists have examined this question in recent years and found the New Deal lacking. They say that New Deal programs actually hindered economic progress and threatened America's core beliefs in free enterprise. Further, they charge that the programs created a bloated and dangerously powerful federal bureaucracy and encouraged inefficient use of resources.

For example, critics maintain that New Deal employment programs created "make work" jobs instead of allowing the free market to determine what jobs, and how many, were needed. These job programs were financed by heavy tax increases, which took money out of the economy and gave people less money to spend on products that would boost production and create jobs.

Modern critics also attack the policy of paying farmers not to plant. They contend that market demand should have been allowed to determine the supply and price of farm products. In a time of hunger, the program wasted precious resources, they note—from dumped milk to burned wheat. The program encouraged some farmers to plant crops on poor land just so that they could later take the land out of production and get paid for doing so. This caused marginal soil to erode further and become depleted. Farm production quotas penalized efficient and less-efficient farmers equally, while the free market would have weeded out inefficiency and rewarded productivity.

Finally, the New Deal receives criticism from people who oppose **deficit spending**—paying out more money from the annual federal budget than the government receives in revenues. Deficit spending to fund New Deal programs required the government to borrow money. Government borrowing produced what economists call the "crowding-out effect"—making less money available for private borrowing by businesses and consumers.

At the heart of the question is a difference in ideologies. Some people believe that the New Deal violated the free-market system

The Court-Packing Fiasco

Roosevelt received criticism not only for his programs, but also for his actions. No act aroused more opposition than his attempt to “pack” the Supreme Court.

Throughout the early New Deal, the Supreme Court had caused FDR his greatest frustration. The Court had invalidated the NIRA, the AAA, and many state laws from the Progressive Era. In February 1937, FDR proposed a major court-reform bill.

The Constitution had not specified the number of Supreme Court justices. Congress had last changed the number in 1869. By Roosevelt’s time, the number nine had become well established. Arguing that he merely wanted to lighten the burden on the aging justices, FDR asked Congress to allow him to appoint as many as six additional justices, one for each justice over 70 years old. Roosevelt’s real intention was to “pack” the Court with judges supportive of the New Deal.

Negative reaction came swiftly from all sides. Critics blasted the President for trying to inject politics into the judiciary. They warned Congress not to let him undermine the constitutional principle of separation of powers. With several dictators ruling in Europe, the world seemed already to be tilting toward tyranny. If Congress let FDR reshape the Supreme Court, critics worried, the United States might head down the same slope.

Strong opposition forced FDR to withdraw his reform bill. He also suffered political damage. Many Republicans and Southern Democrats united against further New Deal legislation. This alliance remained a force for years to come.

In the end, FDR still wound up with a Court that tended to side with him. Some older justices retired, allowing the President to appoint justices who favored the New Deal. Even earlier, however, the Court, acting on lawsuits filed by New Deal adversaries, had begun to uphold measures from the Second New Deal, including the Wagner Act. The Court may have been reacting to public opinion, or it may have decided that those measures were better thought out and more skillfully drafted than earlier ones.



INTERPRETING POLITICAL CARTOONS FDR’s request to Congress to allow him to appoint more Supreme Court justices (friendly to his New Deal programs) caused an uproar that damaged the President politically. **Analyzing Visual Information** In this cartoon, what do you think the donkey represents, and what is the cartoonist trying to portray?

Section

2

Assessment

READING COMPREHENSION

What effects did the New Deal have on women and minorities?

Why did the **American Liberty League** view the New Deal as unconstitutional and un-American?

Why did Upton Sinclair and Robert La Follette believe that the New Deal did not go far enough?

Describe FDR’s “court-packing” maneuver and its outcome.

CRITICAL THINKING AND WRITING

5. Making Comparisons Compare and contrast the criticisms of two New Deal-era demagogues, Father Coughlin and Huey Long.

6. Writing an Opinion Review the arguments made by modern-day supporters and critics of the New Deal, and reread Comparing Historians’ Viewpoints. Write a statement explaining which arguments you agree with, and why.



Take It to the NET

Activity: Analyzing Primary Sources Read or listen to the “fireside chat” in which FDR explains his controversial court-packing plan to the nation. What is his argument? Do you agree or disagree with it? Explain. Use the links provided in the *America: Pathways to the Present* area of the following Web site for help in completing this activity.

www.plischool.com