Franklin Roosevelt was elected president in 1932 in the depths of the worst depression in history. Twenty-five percent of the people were out of work. Roosevelt quickly moved to stabilize the economy; not to help the poor, the workers and the unemployed, but to help big business. Among his first acts was to slash the pay of government workers to balance the federal budget. This took place when there was high unemployment and it was necessary to put money into people’s pockets to increase spending and increase jobs. Roosevelt’s other actions took a similar course. A key part of Roosevelt’s program was the National Recovery Act.

The National Recovery Act fixed prices and wages and limited competition. The codes were to be agreed upon by labor, management and the government. In reality, the NRA was dominated by big business. The law did away with Anti-trust laws which were designed to break up big businesses.

In the early 1930’s the government did little to help the poor. The poor moved to help themselves. By the end of 1932 there were 330 self-help organizations in 37 states with 300,000 members. Without government help, workers moved to help themselves.

Workers were in revolt. A million and a half workers were on strike in 1934. In San Francisco longshoremen went out on strike. Other unions in the city went out on strike in sympathy when two dockworkers were killed by police. The general strike shut down the city with 130,000 out on strike. In the fall of 1934, 325,000 textile workers went out on strike in the South. The strike was accompanied by the usual violence of police against the workers. In South Carolina police fired on pickets and killed 7 and wounded 20. As the strike spread and the violence increased President Roosevelt set up a board of mediation.

In 1934 and 35 hundreds of thousands of workers who were left out of the AFL began organizing. The AFL could not ignore them. A Committee of Industrial Organization was set up headed by John L. Lewis, president of the mine workers union. The group then broke away and set up its own federation, the Congress of Industrial Organizations (CIO).

Workers in rubber factories in Akron, Ohio developed a new tactic – the sit-down strike. The workers, rather than attempting to close down a factory by setting up picket lines, occupied the factories to prevent any strike-breakers from getting in. The sit-down strike spread to many industries. 1936 there were 48 sit-down strikes. In 1937 there were 477. The most famous sit-down strike took place at the Fisher Body plants owned by General Motors. The strike began in December 1936 and lasted until February 1937. Police tried to throw out the 5,000 workers but the workers fought them off.

The government moved to attempt to control the spontaneous uprising of workers by passing the Wagner Act of 1935. The Wagner Act established the National Labor Relations Board which was to regulate disputes between workers and management. Worker’s revolutionary energies were now channelled into negotiating contracts with management.

Just as the Roosevelt administration ignored the needs of workers until worker militancy forced them to take action, the New Deal ignored the needs of poor farmers. In fact, Roosevelt’s response to the farm crisis hurt poor
farmers. The Agricultural Adjustment Act (AAA) raised prices for farm products by limiting production. Only large farmers could afford to limit production. Small farmers were forced out of farming.

Roosevelt was reelected in 1936. Roosevelt was worried that Huey Long, a senator from Louisiana who was promoting taxing the rich and giving to the poor, would run for president and take votes away from him. Long, and others like him, had widespread support. Long was assassinated in 1935. Long's allies put up a candidate against Roosevelt, but the candidate did poorly in the election. Roosevelt was moved, however, to increase taxes upon the rich to finance his public works programs to put people to work. His programs gave only temporary relief, but it was enough to avoid the possibility of revolution that would overturn the entire capitalist system.

The New Deal of Franklin Roosevelt was not very effective. It reduced unemployment from 13 million to 9 million. Programs to provide temporary employment such as the Works Progress Administration (WPA) and Civilian Conservation Corps (CCC) managed to put millions to work on a temporary basis.

What really ended unemployment was the beginning of World War II and the first peacetime draft which began in 1940. The war took men into the army and put everyone else to work manufacturing war supplies.

Assumptions
An assumption is something that is believed to be true without proof. Our values and beliefs influence our generalizations about things. This is called bias. Often an author's values and assumptions are not openly stated. Which statements would the author of Viewpoint A agree with? Mark an (A) for those that you think the author would agree with and a (D) for those you think the author would disagree with. Use (CT) if you can't tell.

1. _____ The government will always favor big business.
2. _____ Workers and poor people will never benefit under capitalism (capitalism is private ownership for private gain).
3. _____ The wealthy benefited more from the New Deal than the poor.
4. _____ Workers would have been better off without the Wagner Act.
5. _____ Workers and poor people don't need government help.

Emotional words
Certain words are used to influence the reader's feelings or show the author's biases. Identify these words in the statements below. Underline the words or phrases.

1. Among his first acts was to slash the pay of federal workers.
2. The government moved to attempt to control the spontaneous uprising.
3. His (Roosevelt's) programs gave only temporary relief.

Questions
Bias
1. What is the main point of the article?
2. What evidence does the author use to support his point?

Causation
1. Why was the Wagner Act passed?
2. Why did Roosevelt increase the income tax upon the rich?
3. What ended the Depression?
President Roosevelt was elected in the depths of the Depression. He ran on a conservative platform, promising a balanced budget. What the American people got was continuing deficits and an extension of Federal power into every aspect of life. Roosevelt's programs were similar to those adopted by fascist and socialist governments in Europe during the Depression.

The Federal government began to regulate business by creating the National Recovery Administration. This forced business to adopt codes of conduct and regulated their relations with organized labor. It set hours of employment and minimum wages. Federal control extended into other areas of the economy.

The power of the Federal government extended into every aspect of life. Government control extended over the railroads and trucking industries. The Civil Aeronautics Authority was set up to control aircraft. Control was extended over financial institutions. The stock market was regulated by the Securities Exchange Commission and banking by the Glass-Steagall Act. The Federal Reserve system extended its control over the issuance of loans. The Federal Farm Mortgage Corporation, Home Owners Loan Corporation and the Export-Import Bank also controlled credit. The Public Utility Act of 1935 placed controls on public utilities companies.

The Federal government not only began to tightly control business but went into competition with business. The government created the Tennessee Valley Authority which produced power which competed with private companies. It also built other dams such as the Grand Coulee, Bonneville, Fort Peck, and Hoover Dam which produced power that competed with privately owned utilities.

The government also put people to work on projects that could have been more efficiently done by private contractors. Through the Civil Works Administration and the Public Works Administration billions of dollars were spent to construct buildings, parks, sidewalks and roads.

To finance these government "make-work" projects the Federal government increased its deficit. In 1936 the amount of money the government owed was $30 billion and by 1940 it had reached $43 billion.

The government also increased taxes upon the rich and on businesses. In 1935 inheritance and gift taxes were increased and an additional tax was placed on incomes over $50,000. A graduated income tax on corporations was also imposed. In 1936 a tax was imposed on undistributed profits. These taxes penalized those who worked hard and were successful. They also made it difficult for businesses to spend on expansion. The money these taxes raised was not enough to pay for the deficit and wasteful government relief programs.

One of the most wasteful was the Civilian Conservation Corps.

The Civilian Conservation Corps was similar to the Nazi Youth program in Germany. Its spirit was military. Youth in the CCC were required to march, drill and salute. They were required to wear military-type uniforms. The training and the camps were supervised by the War Department. It cost over $1,400 to support a member of the CCC.

Roosevelt and the Democrats increased their power by using relief for political purposes. Those people receiving relief directly from the Federal government through their "make work" programs were told to vote for Roosevelt and Democrats so that they could continue to receive government dollars. The Hatch Act of 1939 prevented people on the government payroll from participating in politics.

Roosevelt attempted to destroy the built-in checks and balances in the Constitution in his second term when he attempted to "pack" the Supreme Court with his appointees. The Supreme Court declared a number of Roosevelt's programs unconstitutional. The Supreme Court, with lifetime appointments, is entrusted with preserving the Constitution. It declared Roosevelt's programs unconstitutional because they
gave the president and the Federal government too much power. Roosevelt attempted to remove the block to his power by making the Supreme Court depend upon his power. Congress and the American public blocked Roosevelt's efforts.

Running up huge deficits, extending Federal power and engaging in "social experiments" did not cure the problems of the Depression. The country wasn't much better off in 1940 than it was when Roosevelt took office in 1932.

However, Roosevelt's New Deal created the modern welfare state in which the Federal government regulates every aspect of business and provides welfare to those who are not willing to make the effort to hold a job in a private business.

1. Business should not be regulated by the government.
2. The federal government should have as little power as possible.
3. The poor benefited more from the New Deal than the wealthy.
4. The government should provide welfare for those in genuine need.
5. Roosevelt's New Deal was designed to increase the power of Roosevelt, the federal government and the Democratic Party.
6. Roosevelt wanted to be a dictator.

Emotional words:
- Certain words are used to influence the reader's feelings or show the author's biases. Identify these words in the statements below. Underline the words or phrases.

1. Roosevelt's programs were similar to those of fascists and socialists.
2. The power of the government extended to every aspect of life.
3. The money these taxes raised was not enough to pay for wasteful relief programs.
4. The government provides welfare for those not willing to make the effort to hold a job.

Questions

1. What is the main point of the article?
2. What evidence does the author use to support her point?

Causation
1. Why did the government create relief projects?
2. Why did Roosevelt increase the income tax upon the rich?
3. Why did Roosevelt propose a change in the Supreme Court?

Assumptions
An assumption is something that is believed to be true without proof. Our values and beliefs influence our generalizations about things. This is called bias. Often an author's values and assumptions are not openly stated. Which statements would the author of Viewpoint B agree with? Mark an (A) for those that you think the author would agree with and a (D) for those you think the author would disagree with. Use (CT) if you can't tell:

1. ___ Business should not be regulated by the government.
2. ___ The federal government should have as little power as possible.
3. ___ The poor benefited more from the New Deal than the wealthy.
4. ___ The government should provide welfare for those in genuine need.
5. ___ Roosevelt's New Deal was designed to increase the power of Roosevelt, the federal government and the Democratic Party.
6. ___ Roosevelt wanted to be a dictator.
Roosevelt took office during the depths of the Depression. One fourth of the population was unemployed. Confidence in the government and the economy was shattered. Bank depositors were taking their money out of banks. In the weeks before Roosevelt took office over $1 billion was withdrawn from banks. More than 4,000 banks had closed since the beginning of the Depression. Roosevelt took a series of dramatic steps to save the country from collapse and restore confidence. Roosevelt brought about sweeping changes in his first 100 days of office.

Roosevelt's first step was to restore confidence in the banking system by declaring a bank holiday and passing the Emergency Banking Act. Soon people began to redeposit their money in banks and the Treasury Department regulated banks to stop bank failures.

Unemployment was at its high when Roosevelt took office with 12.5 million people out of work. He proposed the Civilian Conservation Corps that over seven years employed 2.5 million young people. He also established the Federal Emergency Relief Administration which spent $500 million to bolster local relief efforts in providing food, housing and clothing. In many cases people had to do useful work in order to receive relief.

Farmers faced severe problems. The price of crops had dropped so low they could not pay the mortgages on their farms. Banks were foreclosing on their farms. To raise farm prices the Agricultural Adjustment Act was begun. Farmers were paid for plowing under their crops. The reduced supply of food and cotton increased prices. One of Roosevelt's boldest experiments was to develop an entire poverty-ridden farm region. The Tennessee Valley Authority was established in a large area covering Tennessee, northern Alabama and Mississippi. Thirty dams were built at a cost of $900 million. Cheap fertilizer and energy were produced to improve the entire area. Roads and waterways were constructed to transport crops to market.

To help homeowners who had trouble paying their mortgage payments Roosevelt established the Home Owners' Loan Corporation. The HOLC made over 1 million loans and helped one in five homeowners refinance their home mortgages.

For a more permanent solution to the Depression Roosevelt established the National Recovery Administration. The NRA was an attempt to get business to regulate itself. It failed because businesses refused to follow the rules they had established for themselves. The NRA provided the first recognition for the rights of workers. Section 7A gave workers the right to join unions and organize. From 1933 to 1935 union membership increased by 1 million. The NRA also established the Progress Works Administration which spent $3.3 billion to put people to work. It built the first public housing in the country.

The Glass Steagall Act was the last act of the First Hundred Days. It was designed to regulate the banking and investment industry. It also established the Federal Deposit Insurance Corporation which was designed to protect depositors' money in banks.

It was apparent in the winter of 1934 that more relief would be needed. The Civil Works Administration was established. The CWA employed people directly and was headed by honest Harry Hopkins. It put 4 million to work.

Roosevelt moved to help the increasing number of older citizens and youth in 1935. The Social Security Act was passed. To continue direct relief to the unemployed the Works Progress Administration, costing $5 billion, was created. It put 8 million people to work by 1941. The National Youth Administration employed 4.7 million in seven years. The CWA, WPA and NYA provided many useful services and constructed many needed buildings, parks and roads.

Roosevelt was opposed for reelection in 1936 by the very people he had saved – the business community. Big business contributed $9 million to the Republican campaign of Alfred
Landon. The Democrats could only spend $5 million in the campaign. Roosevelt was worried that critics of his New Deal from the Democratic Party would split votes away from him. Huey Long, the demagogue from Louisiana, criticized the president for not doing enough for the poor. He proposed a "share the wealth" platform and planned to run for president. Long's assassination in 1935 did not stop others from attacking Roosevelt. Gerald L.K. Smith, Rev. Charles E. Coughlin, and Dr. Francis E. Townsend organized a third party to oppose Roosevelt. Neither the Republicans nor the radicals were a threat to Roosevelt. The American people overwhelmingly reelected him, and the New Deal became a fixture in American life.

Roosevelt's second administration was not as successful because his programs were stopped by a conservative Supreme Court. The Court, made up of old judges, appointed by mostly Republican presidents was opposed to the New Deal. Roosevelt wanted judges over 70 years old to resign so that he could appoint new judges. He was opposed by even members of his own party. Roosevelt's popularity suffered. However, Roosevelt's attacks upon the Supreme Court did cause one judge to resign and the court began to approve measures that it had previously ruled unconstitutional.

Roosevelt saved the country during the Depression. He steered a middle course. He was not revolutionary. His programs were practical. Not all of his programs worked nor did he cure all of the problems created by the Depression. What he did do was restore the people's confidence in their government and their economy. He introduced new programs to help people, such as social security, farm subsidies and the recognition of labor unions. These programs have become an accepted part of life today. He redefined the role of government, making government an active agent in helping the average person.

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Questions
1. What is the main point of the article?

2. What evidence does the author use to support her point?

Causation
1. Why did the government create relief projects?

2. Why did Roosevelt propose a change in the Supreme Court?

Assumptions
An assumption is something that is believed to be true without proof. Our values and beliefs influence our generalizations about things. This is called bias. Often an author's values and assumptions are not openly stated. Which statements would the author of Viewpoint A agree with? Mark an (A) for those that you think the author would agree with and a (D) for those you think the author would disagree with. Use (CT) if you can't tell.

1. _____ Business should not be regulated by the government.

2. _____ The federal government should take an active role in helping people.

3. _____ Rich people benefited from the New Deal as well as poor people.

4. _____ The government should provide welfare for those in genuine need.

5. _____ Roosevelt's New Deal was designed to increase the power of Roosevelt, the federal government and the Democratic Party.

6. _____ Roosevelt wanted to be a dictator.