

# For the New Deal Source #

VIEWPOINT 2

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*"The shortcomings of the New Deal vanish in the general perspective of its supreme success: that is, in the restoration of . . . democracy as a workable way of life. . . . The New Deal took a broken and despairing land and gave it new confidence in itself."*

## The New Deal Was a Tremendous Achievement

The New Deal was far from perfect, for it was essentially a gigantic experiment in national economic and social theory; and in any experiment, one must expect some mistakes and failures due to trial and error. Yet the gamble President Roosevelt and his New Dealers took in shifting the country in a brave new direction paid off. In retrospect, the New Deal, when viewed as a whole, was a political, economic, and social achievement of epic proportions. A large portion of this achievement was material in nature. As noted historian Richard Hofstadter points out, it created

a number of measures to make life more comfortable and secure, measures that would benefit not only contemporaries, but also millions of Americans yet to be born. After 1936, not even the Republicans quarreled in their party platforms with such reforms as the Social Security Act, minimum wages and hours, improved housing conditions for low-income families, or the insuring of bank deposits.<sup>1</sup>

It is an undisputed fact that before the New Deal, many of the government and social institutions and programs that Americans now take for granted, and indeed consider vital to their security and happiness, did not exist. There was no national old-age pension plan, no aid to dependent children, no federal housing, no federal compensation for the unemployed, no regulation of the stock market, no federal school lunch program for poor children, no minimum wages, and no government welfare system.

Many people today regard the last of these—welfare—as money badly spent, partly, they say, because it destroys the work ethic and also because many on the welfare rolls abuse the system. Yet even that system's staunchest critics admit that some minimum level of welfare is needed in a humane society; and this minimum level, and nothing more, is what the New Deal originally provided at a time when society's truly needy had quite literally nowhere else to turn. "The Depression had exhausted private, local, and state resources for relief before 1933," historian Anthony Badger explains.

New Deal welfare programs gave the unemployed money and jobs. The lasting loyalty of low-income voters to Roosevelt expressed their appreciation of the very real and essential benefits they received. The Social Security Act created insurance for the old and unemployed which had existed nowhere in the public sector before and only minimally in the private sector. The Act initiated a quantum leap in the provision of assistance to the old, the blind, and dependent children. . . . The New Deal welfare programs provided direct assistance to perhaps as many as 35 percent of the population. It bequeathed a commitment to a minimum level of social welfare from which successive governments have never been entirely able to escape.<sup>2</sup>

The tally of other New Deal achievements that have made American life more comfortable and secure is enormous. In

the economic realm, the 1933 Securities Act made company heads criminally liable for misinformation in their financial statements; and the 1934 Securities and Exchange Act provided for government supervision of the stock exchanges, making another crash like the one that initiated the Depression less likely. In housing, the 1933 Home Owners Loan Corporation refinanced home mortgages, saving tens of thousands from foreclosure; in 1934 the Federal Housing Administration began insuring construction loans, making it possible for millions of Americans to build or renovate their homes; and the 1935 Resettlement Administration erected whole new communities across the land and provided loans to desperate farmers and other rural Americans.<sup>3</sup> In addition, the New Deal wiped out most sweatshops, which exploited poor, desperate workers; removed over 150,000 child laborers from dangerous factory jobs; and improved working conditions in all workplaces by mandating minimum standards. Historian William Leuchtenburg, a noted authority on the New Deal, here lists just some of its other accomplishments:

[It] recruited university-trained administrators, won control of the money supply, established central banking . . . fostered unionization of the factories . . . ended the tyranny of company towns . . . built camps for migrants, provided jobs for millions of unemployed . . . covered the American landscape with new edifices, subsidized painters and novelists, composers and ballet dancers, founded America's first state theater . . . generated electrical power [through the TVA and other such projects] . . . initiated the Soil Conservation Service . . . gave women greater recognition, [and] made a start toward breaking the pattern of racial discrimination and segregation.<sup>4</sup>

In addition to providing so many important and lasting material benefits for the nation, the New Deal greatly boosted the American people's morale at a time when it had reached a dangerously low ebb; and thereby it restored the country's belief in



*In addition to boosting the national economy, the New Deal also improved working conditions for American laborers by eliminating sweatshops and revising child labor laws.*

itself and what it could achieve. "The New Deal had taken up a people brought to the brink of despair by poverty and failure," remarks Hofstadter, "and had restored their morale. . . . The New Deal restored their belief that a democratic people could cope with its own problems in a democratic way." Highly respected historian Arthur M. Schlesinger agrees, stating:

The great achievement of the New Deal was to introduce the United States to the twentieth century. Roosevelt redressed the defects of the Jeffersonian tradition by equipping the liberal party with a philosophy of government intervention—a belief, as he put it, that "the government has the definite duty to use all its power and resources to meet the new social problems with new social controls." Much of the New Deal was imperfect, abortive, or ambiguous. . . . But the shortcomings of the New Deal vanish in the general perspective of its supreme success: that is, in the restoration of America as a fighting faith, and in the restoration of democracy as a workable way of

life. . . . The New Deal took a broken and despairing land and gave it new confidence in itself.<sup>6</sup>

That new American confidence was fueled by an indomitable spirit flowing to the people directly from the New Deal's chief architect himself. In the final analysis, what made the New Deal work and laid the foundations for a better country was the courageous, tireless, and inspiring leadership of one special man who refused to be beaten by a crippling disability; a heroic personal victory over pain and fear was translated into a nation's resurgent belief in its own abilities and destiny. Schlesinger points out:

The essence of Roosevelt, the quality which fulfilled the best in him . . . was his intrepid and passionate affirmation. He always cast his vote for life, for action, for forward motion, for the future. . . . He responded to what was vital, not to what was lifeless; to what was coming, not to what was passing away. He lived by his exultation in distant horizons and uncharted seas. It was this that won him confidence and loyalty in a frightened age . . . and the conviction of plain people that he had given them head and heart and would not cease fighting in their cause.<sup>7</sup>

1. Richard Hofstadter et al., *The United States: The History of a Republic*. Englewood Cliffs, NJ: Prentice-Hall, 1957, pp. 674-75.
2. Anthony J. Badger, *The New Deal: The Depression Years, 1933-1940*. New York: Farrar, Straus and Giroux, 1989, p. 301.
3. These farmers' loans began in 1937 when the Resettlement Administration was reorganized as the Farm Security Administration (FSA). By June 1944 the FSA had given financial assistance to over 870,000 needy rural families.
4. William Leuchtenburg, "The Achievement of the New Deal," in William Dudley, ed., *The Great Depression: Opposing Viewpoints*. San Diego: Greenhaven Press, 1994, pp. 277-78.
5. Hofstadter et al., *The United States*, pp. 674-75.
6. Arthur M. Schlesinger Jr., "The Broad Accomplishments of the New Deal," in Edwin C. Rozwenc, ed., *The New Deal: Revolution or Evolution?* Boston: D.C. Heath, 1949, p. 101.
7. Arthur M. Schlesinger Jr., *The Coming of the New Deal*. Boston: Houghton Mifflin, 1959, p. 588.