

Individualism and Collectivism  
Democracy and Authority  
1920-1940

NAME: \_\_\_\_\_  
APUSH 2017-18

1920s and 1930s

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Clash of Cultures  
Another way to look at it...

◆ Women's Rights and Traditional domestic values

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Clash of Cultures  
Another way to look at it...

◆ Great Migration and Harlem Renaissance and  
KKK and/or Nativism

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<p align="center"><b>Clash of Cultures</b>  <b>Another way to look at it...</b></p> <hr/> <p>◆ <b>Traditionalism and Modernism</b></p>
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<p align="center"><b>Clash of Cultures</b>  <b>Another way to look at it...</b></p> <hr/> <p>◆ <b>Communism and Democracy</b></p>
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<p align="center"><b>Clash of Cultures</b>  <b>Another way to look at it...</b></p> <hr/> <p>◆ <b>Order and Chaos</b></p>
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### Clash of Cultures Another way to look at it...

◆ Individualism vs Collectivism

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### Progressivism and its Decline

1900-1930

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### Progressive Movement

Picks up where Populism left off

"Restore the government to the people"

- > DEMOCRACY
- > Self-serving?

What else? (Progressive Party Platform)

- > General welfare
- > Transparency in politics
- > Justice for all (social justice)
- > Including education, poverty
- > Environmental

#### A Contract With the People

**PLATFORM**  
of the  
**Progressive Party**  
JANUARY 22, 1912  
First National Convention  
(Chicago, August 17-19, 1911)

*If you want these things done rapidly take  
and not on November 3, by sending  
just one for Roosevelt and  
Taft and the Progressive  
Party Candidates*

FORWARDED FREE OF CHARGE  
By the National Progressive Party  
Chicago, Ill. 60601

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## Decline of Progressivism

- 1. WWI
- 2. Booming economy
- 3. Prohibition
- 4. Success
- This decline is represented in the election of two conservative presidents.

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## 1. WWI

- Patriotism and pride
- 19<sup>th</sup> amendment
  - Push for more: ERA
  - Push for less: Lack of voting/participation
  - Push for "that's all"
- Focus on other issues
  - Labor Issues persist
  - Racial tensions persist

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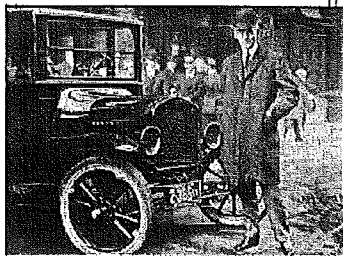
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## 2. Booming Economy

- Directly tied to WWI
- Henry Ford
  - Revolutionizes production
  - Five dollar day, forty hour week
  - Affordable




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## 2. Booming Economy

Consumer revolution

➤ New and affordable goods flooded the market

Widespread electricity

New business practices:

➤ Installment buying and credit

➤ Stock Market

Improvement in Quality of Life for some

Review: Women's Rights Movement




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## Who's left out?

➤ Farmers:

➤ "Leven-cent cotton, forty cent meat, How in the world can a poor man eat? Mule's in the barn, no crop's laid by, Corncrib empty and the cow's gone dry?" — Parker Pillsbury

➤ Blacks

➤ Harlem Renaissance

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## 3. Prohibition

• Attempt to help morals of US

• Creates underground bars

• Mafia emerges fully

• More crime?

• Does it work?

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## Progressivism undermined

- Progressives had fought for an end of corruption in the government
  - Fails
- Prohibition (repealed in 1933)
  - Fails
  - Speakeasies
  - Bootleggers
  - Mafia
    - Al Capone, "I call myself a businessman."
  - Corrupt politicians

Progressive Era Legislation and Constitutional Amendments	Effect
End of Political Reform (1901)	End of the spoils system and patronage politics
Regulation of Railroads (1906)	Prevented the railroads from monopolizing the interstate commerce
Pure Food and Drug Act (1906)	Prevented the sale of adulterated and misbranded food and drugs
Antitrust Act (1906)	Prevented the railroads from monopolizing the interstate commerce
Conservation Act (1906)	Prevented the sale of land to private interests
Prohibition Act (1919)	Prevented the sale of alcohol
16th Amendment (1913)	Allowed the federal government to tax income
17th Amendment (1913)	Allowed the people to elect senators directly
18th Amendment (1913)	Prevented the sale of alcohol
19th Amendment (1920)	Allowed women to vote
20th Amendment (1933)	Repealed Prohibition
21st Amendment (1933)	Repealed Prohibition

## 4. Success

- Major one...

## So....

- Where did the Progressives go?
- State and local level government
- Focused on social support/social justice
- But...
  - Lost basis as farmers and unions resented Wilson and policies they felt were against them (rightly so with unions, less so with farmers)
  - Lost basis as focus on Prohibition and religious fundamentalism grew among some Progressives.
- Opens door for Republicans because of
  1. WWI
  2. Booming Economy
  3. Prohibition



**Gov't in the 20s**

- Harding and Coolidge, Hoover—  
Extreme response to Progressivism
- Lower incomes taxes, raise tariffs,  
*laissez-faire* approach

1920

1920 ELECTION RESULTS

Party	Electoral Vote	Popular Vote
Republican (Harding)	404	20,253,280
Democratic (Cox)	127	15,764,240

Legend:  
 Republican (Harding)  
 Democratic (Cox)

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**Harding**

- "Return to normalcy"
- Gains all the votes
- Conservative post-war mood
- "I listen to one side and they seem right...I talk to the other side, and they seem just as right, and here I am where I started, what a job!"
- Fordney-McCumber Tariff of 1922:
  - increased rates on chemical and metal products to safeguard against the rise in German industries
  - to please farmers he extended duties on agricultural imports
  - Made it hard for European nations to pay back debts to the United States

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**Pro Business**

- Mellon (3<sup>rd</sup> richest man in America)
- Reduced government spending
- Lowers taxes
  - For the rich (they will help growth of the United States)
  - Maximum rate from 65-50%, to 40% by 1924 to 20% in 1926
- Reworked budget to bring greater efficiency to budget and nonpartisanship
- Balanced budget

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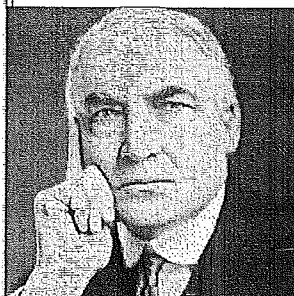
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## Cabinet



- Some good appointments who could carry work out on their own
  - All were pro-business or "friendly" regulators
- Some bad appointments
  - The Ohio Gang
- Filled 4 Supreme Court seats with conservatives
  - Taft, "appointed to reverse a few key decisions"
    - Strikes down federal child labor law and minimum wage for women law

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## Harding

### ➤ Corruption grows

➤ Charles Forbes buys 100 years worth of floor cleaner at 24x the price with taxpayers money

### ➤ Ohio Gang

➤ Group of

### ➤ Teapot Dome

### ➤ Dies in San Francisco

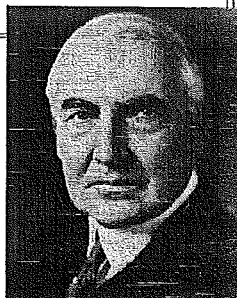
➤ Nation devastated

➤ He had pardoned Eugene Debs

➤ And then not devastated

➤ More scandals revealed

➤ Nan Britton claims affair with Harding




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## Legacy

➤ Popular memory is one of corruption (maybe not by him but his whole administration)

➤ Lacked good judgement

➤ Set up economic boom after WWI

➤ Appointed Jews to federal positions

➤ Spoke out against the KKK and "race problem"

➤ Promoted Women's Rights




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## Coolidge as Governor

- Speech as governor excerpt
- As governor, what appeals to people about Coolidge?

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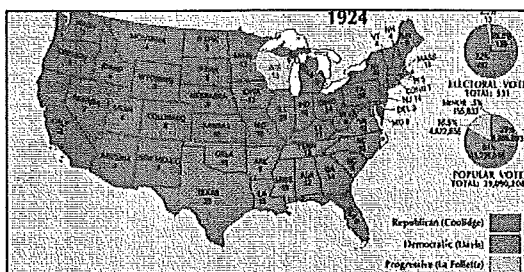
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- "I am a member of no organized political party, I am a Democrat." – Humorist Will Rogers

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## Coolidge

- Silent Cal
- Presidency should "revert back to its Gilded Age stance of passive deference to Congress" (T&S)
- "The man who builds a factory, builds a temple. The man who works there worships there"
- "The chief business of the American people is business"




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## Coolidge

- McNary-Hougen Bill, 1924:
  - plan to dump farm surpluses on the world market to raise prices in the home market.
- It sought to secure "equality for agriculture in the benefits of the protective tariff" (1906)
- Vetoed by Coolidge




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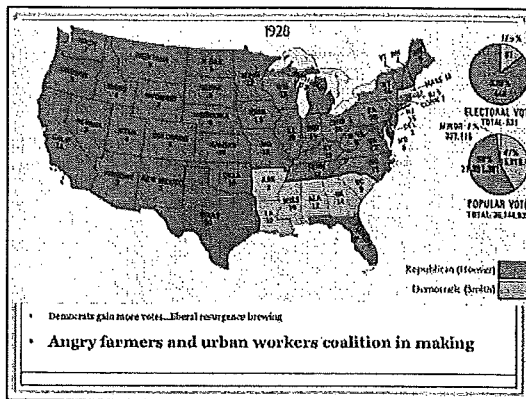
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## Agriculture Important Context (for 1930s)

- Weakest sector of the economy
- Had a boom...prices start to fall
  - (agriculture returns to pre-war level)
- Yet, production continues with increased mechanization
- Commodity prices collapsed in the 1920
  - Overproduction caused prices to drop further
- Foreclosures and bankruptcies spread, especially in the South
- Successful (large and big-business) farms were like corporations, getting larger, efficient, and mechanized.
- Yet most farms were struggling to survive




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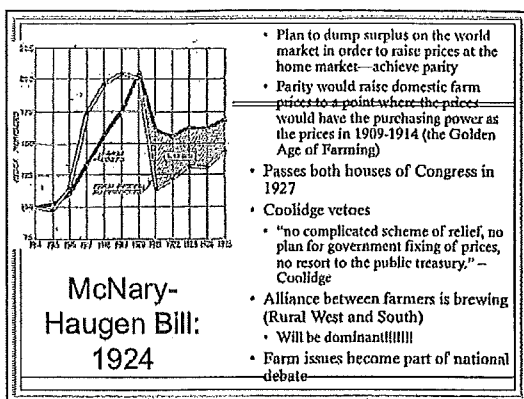
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## Setbacks for Unions

- Harding had endorsed collective bargaining and tried to reduce the 12 hour work day and the six day work week—opposed by Congress
- Organized labor did not do better than agriculture in the 1920s
  - Membership dropped on account of:
    - Prosperity
    - Propaganda (Red Scare and Strikes of 1919)
    - Active hostility
    - Welfare capitalism
- 1924 Samuel Gompers died; successor, William Green, was not assertive

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## Unions

- Unions were weakened by:
- Impression from the Red Scare and strikes of 1919
  - Depression of 1921
  - Open shop associations—"American Plan"
- Employers used: Businesses get savvy
- Mean:
    - Yellow dog contracts
    - Labor spies
    - Blacklists
    - Open shop
    - Intimidation
    - Quotas
  - Nice
    - Welfare capitalism
    - Profit sharing, bonuses, pensions, health programs
    - Now...some businesses look out for you...you do not need a union

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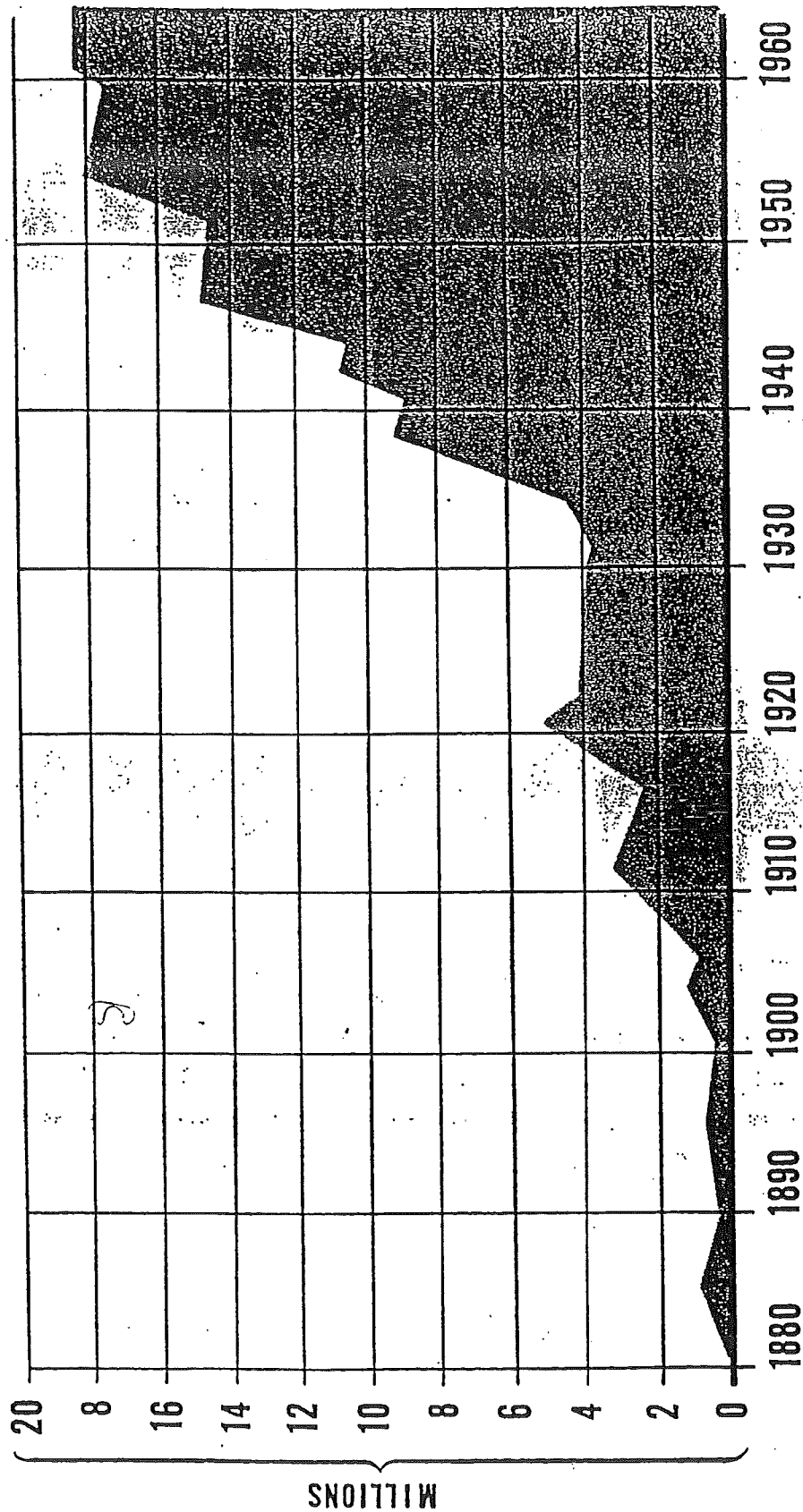
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# GROWTH of UNION MEMBERSHIP in the U.S.



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Base Cell: Mount inside "Gemini Mount."

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## 24-2 Balancing the Books (1929)

## Stuart Chase

Stuart Chase (1888–1985), a social theorist and writer, appears to have had a better sense of timing than John J. Raskob. He submitted the manuscript of his book, *Prosperity: Fact or Myth*, shortly before the collapse of the stock market in October 1929; his work was rushed into print to capitalize on its timeliness.

Source: Stuart Chase, *Prosperity: Fact or Myth* (New York: C. Boni, 1929), 173–177, 186–188. Reprinted with permission.

## BALANCING THE BOOKS

We have let us say an onion. The onion represents the total economic life of the United States at the present time. The heart of the onion is prosperity. How large does it bulk?

First, we must strip off all the states not included in the Middle Atlantic, East North Central, and Pacific states. The National Bureau of Economics finds that by and large these states have not prospered.

Second, in the prosperous belt, we strip off most of the farmers; they have not prospered.

Third, we strip off a large section of the middle class. The small business man, the independent storekeeper, the wholesaler, many professional men and women, have failed to keep income on a par with the new standard of living.

Fourth, we strip off the unemployed. Machinery appears to be displacing factory, railroad, and mining workers—and recently mergers are displacing executives, salesmen and clerks—faster than they can find employment in other fields. The net increase in “technological unemployment” since 1920 exceeds 650,000 men and women.

Fifth, we strip off the coal industry which has been in the doldrums throughout the period.

Sixth, we strip off the textile industry which has been seriously depressed.

Seventh, the boot and shoe industry. Ditto.

Eighth, the leather industry.

Ninth, the shipbuilding industry.

Tenth, the railroad equipment industry.

Eleventh, we strip off the excessive number of businesses which have gone bankrupt during the era.

Twelfth, we strip off those millions of unskilled workers who were teetering on the edge of a bare subsistence in 1922, and by no stretch of the imagination can be called prosperous to-day. The best that can be said is that their position is a little less precarious than it was.

In short only a part of the country has been prosperous, and even in that part are at least 11 soft spots—some of them very unpleasantly soft.

What then remains? . . .

The onion has shrunk, but it has not disappeared. We shall not list all the surviving leaves, but among the significant are:

1. A 20 per cent increase in the national income per capita from 1922 to 1928.
2. A 30 per cent increase in physical production.
3. A 100 per cent increase in the profits of the larger corporations.
4. A housing program expanding faster than population.
5. An increase in average health and longevity.
6. An increase in educational facilities greatly surpassing the growth of population.
7. A per capita increase in saving and insurance.
8. A booming stock market up to October 1929.
9. A 5-hour decline in the average working week.
10. A slowly rising wage scale against a fairly stationary price level.
11. An increasingly fecund, alert and intelligent science of management, resulting primarily in an ever growing productivity per worker, . . .

The trouble with nearly every item on this second list is that while it indicates that we are more prosperous than we were, nothing whatever is said about the *extent of prosperity* from which we started. The base line is missing. If we were barely comfortable in 1922, we ought to be reasonably comfortable to-day. But of course the fact is that some 80 per cent of all American families lived below the budget of health and decency in 1922, and the 20 per cent increase in per capita income since that date, while it has helped to be sure, still leaves probably two-thirds of all families below the line. Unfortunately, too, the 20 per cent cannot all go into intrinsically better food, housing and clothing, but must be applied to appease the clamoring salesmen of the new standard of living with their motor cars, radios, tootsie-rolls, silk stockings, moving pictures, near-fur coats and beauty shoppes. . . .

We have added a little real income and considerable fluff to the totally inadequate distribution of goods and services obtaining in 1922. Is this prosperity in the deeper sense? No. The most that can be said is that the last 7 or 8 years have registered a rate of advance in the direction of prosperity which may some day be achieved. . . .

A beautiful technique this new science of management; the crowning achievement of prosperity. Given a free hand it might remake American industry humanly as well as technically. Given a free hand, it might abolish poverty; immeasurably diminish the stresses and strains which have dogged every step of the industrial revolution since the days of [James] Watt. It might flood the nation with essential and even beautiful goods at a fraction of their present cost, raise the curse of Adam, and lay the basis for, if not positively usher in, one of the noblest civilizations which the world has ever seen.

But the hands of management are not free. The technician is constantly undone by the sales department, which floundering in a pecuniary economy, sees no other way—and indeed there is no other way—to maintain capacity than by style changes, annual models, advertising misrepresentation, and high pressure merchandising. He is undone by the vested interests of the owners who demand their pound of flesh in rent, interest and dividends now, with no thought for the rounded perfection of engineering principles, and the time which they—and the physical laws which sanction them—demand. Foresters have worked out the technique for a perpetual lumber supply, with annual growth beautifully balanced against annual needs. But private enterprise cannot wait. Tear me down this grove tomorrow—and let the slash burn, and the soil run into the

sea—I have a note maturing. So we cut our priceless heritage of forest four times as fast as it grows. In 30 years, at the present rate of exhaustion, it will be all but gone.

Above all, the technician is undone by failure to inaugurate a national system of super-management, whereby production might be articulated to consumptive needs, and the fabulous wastes of excess plants, excess machines, excess overhead costs, uneconomically located industries, cross hauling, jam, tangle and bottlenecks, brought under rational control. That such supermanagement is not beyond human capacity to operate, the experiences of the Supreme Economic Council during the War, and of the Russian Gosplan [the Soviet State Planning Committee] today, amply demonstrate. What a lordly science of engineering we might have, and to what great human benefit, if industrial anarchy gave way to industrial coordination and socialization in those fields where it logically belongs.

Prosperity in any deeper sense awaits the liberation of the engineer. If the owners will not get off his back—and why should they; they pay him little enough and he fills their safe deposit boxes?—I, for one, would not be sorry to see him combine with the wayfaring man to lift them off. A complicated technical structure should be run by engineers, not hucksters. But the technician is the modern Prometheus in chains.

### Questions

Ans. ALL

1. Why does Chase compare the American economy in the 1920s to an onion?
2. What conclusion does Chase reach after "balancing the books" on the 1920s?
3. What is Chase's argument regarding prosperity's dependence on the "liberation of the engineer"? Does he echo in any way the points made by others who were prominent in the period?

Name \_\_\_\_\_  
Date \_\_\_\_\_

US32  
B/H/T

## F.D.R.'s Inaugural Address (1933)

radiated confidence as he pledged a New Deal for the American people. Roosevelt won the presidency in a landslide (472 electoral votes to 59) and the Democrats gained control of both houses of Congress. But in the four long months between the election and inauguration—soon remedied when the Twentieth Amendment moved the inauguration from 4 March to 20 January—the Great Depression worsened: Unemployment increased, more businesses failed, and there were numerous “runs” on banks, as panicked depositors withdrew life savings which forced some banks to close their doors. On inauguration day 80 percent of America’s banks were closed (either by declared state holiday or by failure) and the country was near economic ruin. Roosevelt’s inaugural address, excerpted below, exuded a sense of vigor and action at a time when Americans suffered a crisis of confidence.

### QUESTIONS TO CONSIDER

1. In what ways does Franklin Roosevelt seek to build the American people’s confidence?
2. What does Roosevelt believe are the significant problems facing the nation?
3. How does he propose to solve them?
4. For what purposes does Roosevelt refer to the crisis as similar to war?
5. What is the significance of this speech?

**I** am certain that my fellow Americans expect that on my induction into the Presidency I will address them with a candor and a decision which the present situation of our Nation impels. This is preeminently the time to speak the truth, the whole truth, frankly and boldly. Nor need we shrink from honestly facing conditions in our country today. This great Nation will endure as it has endured, will revive and will prosper. So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself—nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance. In every dark hour of our national life a leadership of frankness and vigor has met with that understanding and support of the people themselves which is essential to victory. I am convinced that you will again give that support to leadership in these critical days.

In such a spirit on my part and on yours we face our common difficulties. They concern, thank God, only material things. Values have shrunk to fantastic levels; taxes have risen; our ability to pay has fallen; government of all kinds is faced by serious curtailment of income; the means of exchange are frozen in the currents of trade; the withered leaves of industrial enterprise lie on every side; farmers find no markets for their produce; the savings of many years in thousands of families are gone.

“Inaugural Address, March 4, 1933,” *The Public Papers and Addresses of Franklin D. Roosevelt*, Vol. 2: *The Year of Crisis, 1933*, comp. Samuel I. Rosenman (New York, 1938), 11–16.



US32

B/T/11

## 1932 election: F.D.R.'s view of Government

### Roosevelt's View on Government

In a campaign address on October 13, 1932

Franklin Roosevelt explained how he viewed the duties and responsibilities of the federal government. Below is an excerpt from the speech.

The first principle I would lay down is that the primary duty rests on the community through local government and private agencies to take care of the relief of unemployment. But we then come to a situation where there are so many people out of work that local funds are insufficient.

It seems clear to me that the organized society known as the State comes into the picture at this point. In other words, the obligation of government is extended to the next higher unit.

It took the present Republican administration in Washington almost three years to recognize this principle. I have recounted to you in other speeches, and it is a matter of general information, that for at least two years after the crash the only efforts made by the national administration to cope with the distress of unemployment were to deny its existence...

I have constantly reiterated my conviction that the expenditures of cities, states, and the federal government must be reduced in the interest of the nation as a whole. I believe that there are many ways in which such reduction of expenditures can take place, but I am utterly unwilling that economy should be practised at the expense of starving people.

We must economize in other ways, but I shall never be said that the American people have refused to provide the necessities of life for those who, through no fault of their own, are unable to feed, clothe, and house themselves. The first obligation of government is the protection of the welfare and well-being, indeed the very existence, of its citizens.

More important, a host of unemployed citizens face the grim problem of existence, and an equally great number toil with little return. Only a foolish optimist can deny the dark realities of the moment.

Yet our distress comes from no failure of substance. We are stricken by no plague of locusts. Compared with the perils which our forefathers conquered because they believed and were not afraid, we have still much to be thankful for. Nature still offers her bounty and human efforts have multiplied it. Plenty is at our doorstep, but a generous use of it languishes in the very sight of the supply.

Our greatest primary task is to put people to work. This is no unsolvable problem if we face it wisely and courageously. It can be accomplished in part by direct recruiting by the Government itself, treating the task as we would treat the emergency of a war, but at the same time, through this employment, accomplishing greatly needed projects to stimulate and reorganize the use of our natural resources.

Hand in hand with this we must frankly recognize the overbalance of population in our industrial centers and, by engaging on a national scale in a redistribution, endeavor to provide a better use of the land for those best fitted for the land. The task can be helped by definite efforts to raise the values of agricultural products and with this the power to purchase the output of our cities. It can be helped by preventing realistically the tragedy of the growing loss through foreclosure of our small homes and our farms. It can be helped by insistence that the Federal, State, and local governments act forthwith on the demand that their cost be drastically reduced. It can be helped by the unifying of relief activities which today are often scattered, uneconomical, and unequal. It can be helped by national planning for and supervision of all forms of transportation and of communications and other utilities which have a definitely public character. There are many ways in which it can be helped, but it can never be helped by merely talking about it. We must act and act quickly.

Finally, in our progress toward a resumption of work we require two safeguards against a return of the evils of the old order; there must be a strict supervision of all banking and credits and investments, so that there will be an end to speculation with other people's money; and there must be provision for an adequate but sound currency.

These are the lines of attack. I shall presently urge upon a new Congress, in special session, detailed measures for their fulfillment, and I shall seek the immediate assistance of the several States.

I am prepared under my constitutional duty to recommend the measures that a stricken Nation in the midst of a stricken world may require. These measures, or such other measures as the Congress may build out of its experience and wisdom, I shall seek, within my constitutional authority, to bring to speedy adoption.

But in the event that the Congress shall fail to take one of these two courses, and in the event that the national emergency is still critical, I shall not evade the clear course of duty that will then confront me. I shall ask the Congress for the one remaining instrument to meet the crises—broad Executive

power to wage a war against the emergency, as great as the power that would be given to me if we were in fact invaded by a foreign foe.

For the trust reposed in me I will return the courage and the devotion that befit the time. I can do no less.

We face the arduous days that lie before us in the warm courage of national unity; with the clear satisfaction that comes and precious moral values; with the clean satisfaction that comes from the stern performance of duty by old and young alike. We aim at the assurance of a rounded and permanent national life.

We do not distrust the future of essential democracy. The people of the United States have not failed. In their need they have registered a mandate that they want direct, vigorous action. They have asked for discipline and direction under leadership.

They have made me the present instrument of their wishes. In the spirit of the gift I take it.

In this dedication of a Nation we humbly ask the blessing of God. May He guide our steps.

Name \_\_\_\_\_

## Herbert Hoover on direct aid

*"The importance of the Preservation of Self-Help and the Responsibility of Individual Generosity as Opposed to Deteriorating Effects of Governmental Appropriations"*

*February 3<sup>rd</sup>, 1931*

This is on an issue as to whether people shall go hungry or cold in the United States. It is solely a question of the best method by which hunger and cold shall be prevented. It is a question as to whether the American people on one hand will maintain the spirit of charity and mutual self help through voluntary giving and the responsibility of local government as distinguished on the other hand from appropriations out of the Federal Treasury for such purposes. My own conviction is strongly that if we break down this sense of responsibility of individual generosity to individual and mutual self help in the country in times of national difficulty and if we start appropriations of this character we have not only impaired something infinitely valuable in the life of the American people but have struck at the roots of self-government. Once this happened it is not the cost of a few score millions but we are faced with the abyss of reliance in future upon Government charity in some form or other. The money involved is indeed the least of the costs to American ideals and American institutions.

*What does Hoover believe about direct aid? Do you think he convinces the American people? What do you think about direct aid?*

Name:

Date:

### When Should Government Step in?

*Read each scenario and write down whether you think the government should step in and what they should do for each scenario.*

#### Scenario

#### Should Government Get Involved? What should they do?

1. You work for Ford Motor Company, live in Detroit and have a wife and 5 children. Your wages and the wages of everyone in your department have just been reduced by 25%.
2. 6 month later the Ford Company fires 1,000 workers - including you.
3. It's been another 6 months and you still cannot find a job.
4. The bank takes away your house because you cannot pay your mortgage payments. You move with your family to a lot where hundreds of families just like yourself have taken up residence by building shacks made up of scrap metal and wood. All families living in this shantytown are living in conditions with no plumbing, no heat, no electricity, even no windows - the houses are only 1 rooms
5. Its 6 months later. You still have no job, no one will hire your wife either. Your children have grown out of all of their clothes, which are worn down to threads.
6. Your family is going hungry. You have no money to by food.
7. Everyone in your shantytown is starving. Even your brother and his family in Pittsburgh lost there house and are going hungry.
8. You hear on the news that 25% of the workforce is unemployed.

1.

2.

3.

4.

5.

6.

7.

8.

3 Excerpts from

F.D.R.

Speech to the Commonwealth Club, San Francisco, 1932

*Added*

During (this period of expansion) there was equal opportunity for all and the business of Government was not to interfere but to assist in the development of industry. This was done at the request of business men themselves. The tariff was originally imposed for the purpose of "fostering our infant industry." ... The railroads were subsidized, sometimes by grants of money, oftener by grants of land. ... Some of my friends tell me that they do not want the Government in business. With this I agree; but I wonder whether they realize the implications of the past. For while it has been American doctrine that the Government must not go into business in competition with private enterprises, still it has been traditional, particularly in Republican administrations, for business urgently to ask the Government to put at private disposal all kinds of Government assistance. The same man who tells you that he does not want to see the Government interfere in business—and he means it, and has plenty of good reasons for saying so—is the first to go to Washington and ask the Government for a prohibitory tariff on his product. ... Each group has sought protection from the Government for its own special interests, without realizing that the function of Government must be to favor no small group at the expense of its duty to protect the rights of personal freedom and of private property of all its citizens.

In retrospect we can now see that the turn of the tide came with the turn of the century. We were reaching our last frontier; there was no more free land and our industrial combinations had become great uncontrolled and irresponsible units of power within the State. Clear-sighted men saw with fear the danger that opportunity would no longer be equal; that the growing corporation, like the feudal baron of old, might threaten the economic freedom of individuals to earn a living. ....

Every man has a right to life; and this means that he has also a right to make a comfortable living. He may by sloth or crime decline to exercise that right; but it may not be denied him. We have no actual famine or dearth; our industrial and agricultural mechanism can produce enough and to spare. Our Government for-  
mal and informal, political and economic, owes to everyone an avenue to possess himself of a portion of that plenty sufficient for his needs, through his own work.

Every man has a right to his own property; which means a right to be assured, to the fullest extent attainable, in the safety of his savings. By no other means can men carry the burdens of those parts of life which, in the nature of things, afford no chance of labor; childhood, sickness, old age. In all thought of property, this right is paramount; all other property rights must yield to it. If, in accord with this principle, we must restrict the operations of the speculator, the manipulator, even the financier, I believe we must accept the restriction as need-  
ful, not to hamper individualism but to protect it.

These two requirements must be satisfied, in the main, by the individuals who claim and hold control of the great industrial and financial combinations which dominate so large a part of our industrial life. They have undertaken to be, not business men, but princes of property. I am not prepared to say that the system which produces them is wrong. I am very clear that they must fearlessly and competently assume the responsibility which goes with the power. ....

Doc B\*

From:

Eric Foner: Give Me Liberty! The New Deal in US History.

## THE NEW DEAL IN AMERICAN HISTORY

Given the scope of the economic calamity it tried to counter, the New Deal seems in many ways quite limited. Compared to later European welfare states, Social Security remained restricted in scope and modest in cost. The New Deal failed to address the problem of racial inequality, which in some ways it actually worsened.

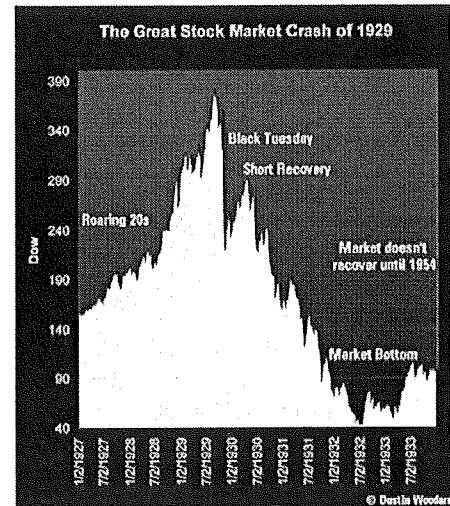
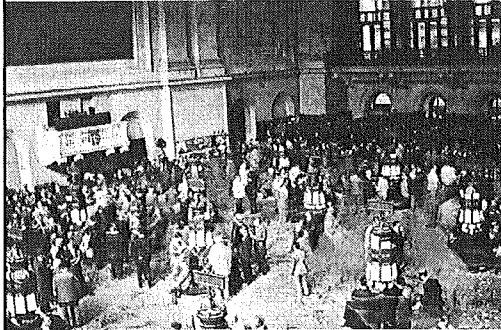
Yet even as the New Deal receded, its substantial accomplishments remained. It greatly expanded the federal government's role in the American economy and made it an independent force in relations between industry and labor. The government told farmers what they could and

could not plant, required employers to deal with unions, insured bank deposits, regulated the stock market, loaned money to home owners, and provided payments to a majority of the elderly and unemployed. It transformed the physical environment through hydroelectric dams, reforestation projects, rural electrification, and the construction of innumerable public facilities. It restored faith in democracy and made the government an institution directly experienced in Americans' daily lives and directly concerned with their welfare. It redrew the map of American politics, helped to inspire, and was powerfully influenced by, a popular upsurge that recast the idea of freedom to include a public guarantee of economic security for ordinary citizens and that identified economic inequality as the greatest threat to American freedom.

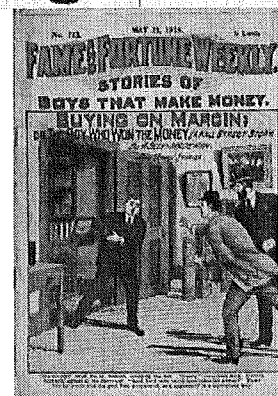
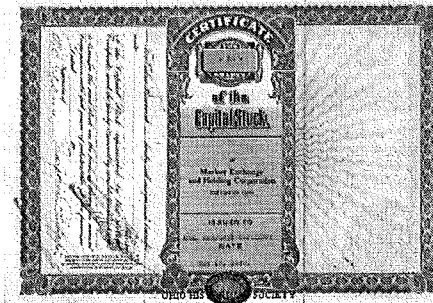
One thing the New Deal failed to do was generate prosperity. Over 10 percent of the workforce remained unemployed in 1940. Only the mobilization of the nation's resources to fight World War II would finally end the Great Depression.

## CRASH, DEPRESSION, AND NEW DEAL

- 1920s = good economic times
- Tues. 10/29/1929 - NYC Stock market crashed, causing a depression that would last until 1942

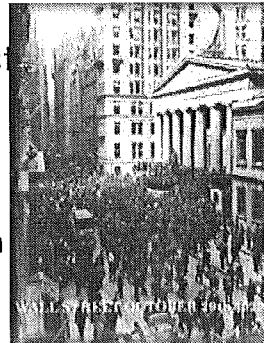
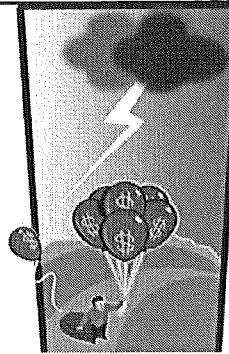


- **The stock market:**  
the public invests by purchasing stocks
  - Expect profit in return
- 1920s economy: \$ plentiful
  - Banks quick to make loans to investors
- Investors pay 10% of the stock's actual value
  - **BUYING ON MARGIN**- the balance was paid at a later date

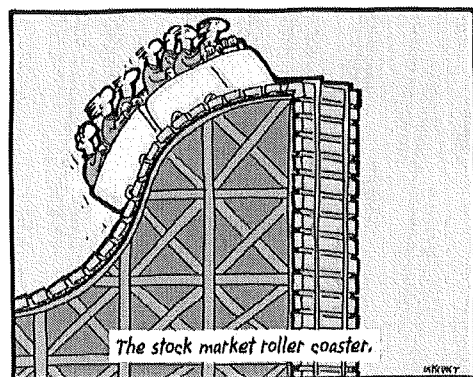


- **STOCK SPECULATION**

- Buy/sell stocks quickly to make a quick buck
- Caused stock value to increase
- Quick turnover didn't aid cos. → long term investments needed to pay bills
- Unscrupulous traders buy and sell fast to inflate stock value
- Gave a false sense of security/confidence in the American market

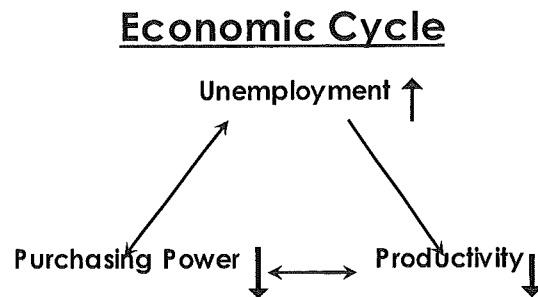


- Oct. 1929, investors' confidence dropped
  - Leads to a market collapse
- All tried to sell at once = panic selling
  - **Many** bankruptcies as banks called in loans
- Tiny minority traded on the stock exchange, but they possessed vast wealth
  - Crash = ripple effect on economy





- For poor, mass consumption already low
- Unemployment rose → no gov't assistance at first
- People couldn't buy → productivity dropped = further unemp.
- Additional unemployment → purchasing power declined again → reduced productivity yet again (ECONOMIC CYCLE)

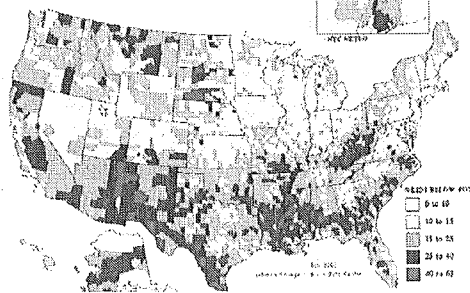


## PRODUCTIVITY AND UNEMPLOYMENT

- 1920's U.S. Econ. based on the productivity – purchasing power - employment cycle
- Production of goods needs demand → high employment + healthy economy
- 1924-27, U.S. productive capacity x2 due to technological innovation  
→ Electricity & mechanical advances for better production... no new jobs were added to economy
- More goods available, less people buy (OVERPRODUCTION)

- **2nd major problem= Uneven distribution of wealth**
- Top 0.1% owned as much as bottom 42% of American families
  - 42% below poverty line
- Of middle 58%, most = *middle class*
  - Not wealthy
  - Had jobs b/c of industrialization & consumerization
- Middle class depended on their salaries
  - When productivity declined, they lost their jobs and cut back purchases

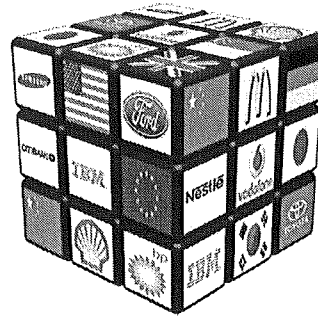
% KIDS (under 18) BELOW POVERTY BY COUNTY  
Source: Census 2009



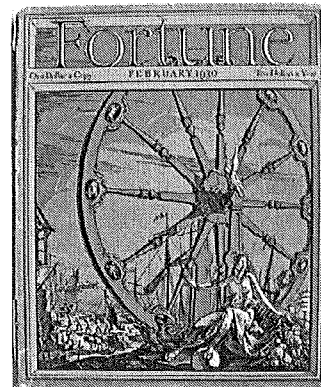
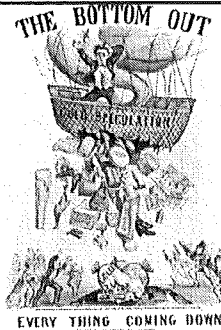
- **Pres. Hoover** "gov't shouldn't play an active role in the economy"
- Persuaded bankers/business to follow policy of VOLUNTARY NON - COERCIVE COOPERATION
  - Tax breaks in return for private sector economic investment
- Private relief agencies for unemployed
- System with indebted European powers
  - HOOVER MORATORIUM - Temporary stop to war debt & reparations payments
  - Euro. countries to purchase American goods to stimulate American economy



- Early 1931: these measures appeared successful, but then.....the TARIFF WARS
- Democrats in Congress passed a high tariff (SMOOT HAWLEY) to protect U.S. industry (hoped to stimulate purchasing of U.S. goods)
- this turned out to be a fatal error...
- Congress did not understand that the world had become a GLOBAL ECONOMY
- in retaliation other countries passed high tariffs and no foreign markets purchased American goods, so U.S. productivity decreased again

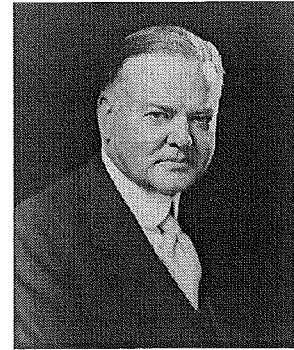


- also in 1931, the Soviets flooded the world market with cheap wheat (1/2 U.S. price) in an attempt to get money to pay back Austrian banks (but price was too low and they couldn't), which resulted in the BANKERS' PANIC
- Austrian banks borrowed from German banks and appealed to the BANK OF INT'L SETTLEMENT (Fr veto)
- Austrian banks and loaning German banks therefore were forced into bankruptcy
- and b/c German banks had borrowed from Americans, U.S. banks began to go bankrupt, wiping out life savings of thousands of Americans

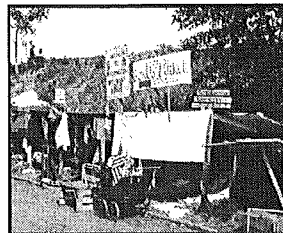
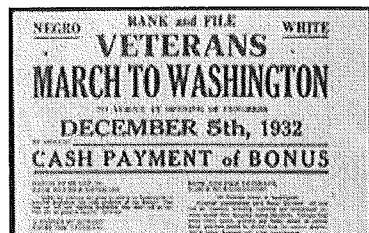


## AMERICANS REACT TO HOOVER

- Hoover was increasingly unpopular, but he continued to try... → he persuaded Congress to establish the RECONSTRUCTION FINANCE CORPORATION
- had power to make emergency loans to banks
- But it was too little too late and Hoover wouldn't involve himself in any programs of direct gov'tal aid to individuals -didn't want to erode Americans sense of "RUGGED INDIVIDUALISM"

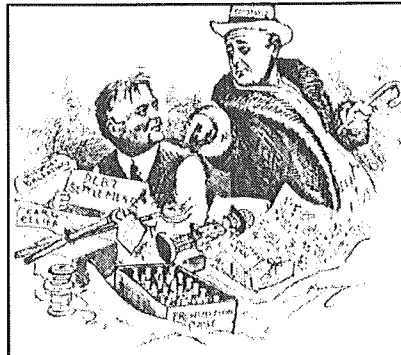
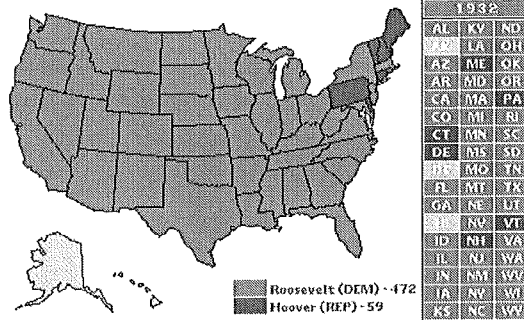


- people were frustrated - isolated protest movements
- EX: Dairy farmers frustrated w/low price of milk refuse to sell (dump it)
- EX: WW1 veterans (pensions discontinued by congress) march on Washington = BONUS MARCH (by BONUS ARMY)
- they reached Washington by 1931, set up shantytowns = HOOVERVILLES (food scraps = HOOVER-MEALS, hitchhiking journeys = HOOVER RIDES)
- after one year they were forcibly dispersed by the Army (MacArthur/Eisenhower)



### 1932 ELECTION:

- 1 out of 4 was unemployed...
- national income was 50% of what it had been in 1929
- Repubs. nominated Hoover → no hope
- winner by a landslide = FRANKLIN DELANO ROOSEVELT (Dem - N.Y. governor)



# THE NEW DEAL

- it was a *revolution* in American society - changed completely the way the gov't functions
- the first phase of the New Deal dealt exclusively w/ eco. reform - unlike Hoover, FDR believed gov't legislation/involvement was crucial to stimulate the economy
- step 1 - dealt w/ the banking crisis - **BANKING HOLIDAY**- banks shut down and subject to gov't inspection, allowed to open when "healthy"- people's confidence returned → they redeposited, allowing banks to invest in the economy

UNDER EXECUTIVE ORDER OF  
THE PRESIDENT

all persons are required to deliver

ON OR BEFORE MAY 1, 1933

all GOLD COIN, GOLD BULLION, AND  
GOLD CERTIFICATES now owned by them to  
a Federal Reserve Bank, branch or agency, or to  
any member bank of the Federal Reserve System.

## Executive Order

[illegible]

**GOLD CERTIFICATES** may be identified by the words "GOLD CERTIFICATE appearing thereon. The serial number and the Treasury seal are also on the face of GOLD CERTIFICATES are printed for circulation in gold coins and bars. GOLD CERTIFICATES which are redeemable in gold but which are not GOLD CERTIFICATES. Federal Reserve Notes and United States Notes are "redeemable in gold" but are not "GOLD CERTIFICATES" and are not required to be surrendered.

Special attention is directed to the exceptions listed under  
Section 2 of the Executive Order.

**CRIMINAL PENALTIES FOR VIOLATION OF EXECUTIVE ORDER**  
\$10,000 fine or 10 years imprisonment, or both, as  
provided in Section 9 of the order

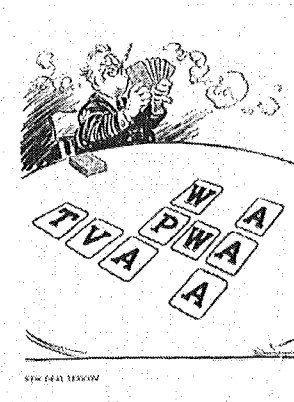
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[illegible]

- step 2 - stock market reform- Security Exchange Commission est. to police the NYSE (first chmn. was Joseph P. Kennedy)- practice of buying on margin was regulated
- step 3 - to put more \$ in circulation, FDR went off the GOLD STANDARD (gov't could print more \$ than Fort Knox gold reserves would allow)- w/ more \$ in circulation, wages and prices increased (= inflation), causing dollar value to lower- gave gov't spending power (Keynesian economics)

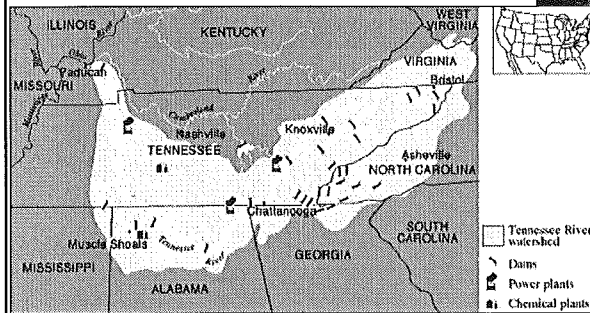
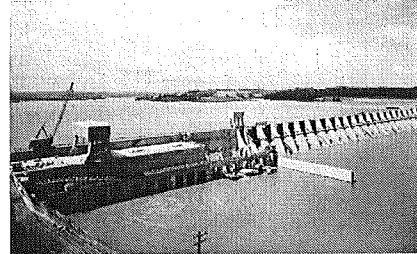


### SPECIFIC PIECES OF LEGISLATION (direct gov't intervention in the eco.):

- NATIONAL INDUSTRIAL RECOVERY ACT (NIRA) and NATIONAL RECOVERY ADMIN (NRA) - established to end animosity b/n labour and business → all was redirected to industrial growth → fair labour codes established - wages, no child labour, shortened work hours- business people challenged the NRA, claiming it was communist
- LIBERTY LEAGUE - at LL's urging, the Supreme Ct. overturned the NIRA & NRA, claiming that fed. gov't was exceeding its authority (by interfering in state jurisdiction)

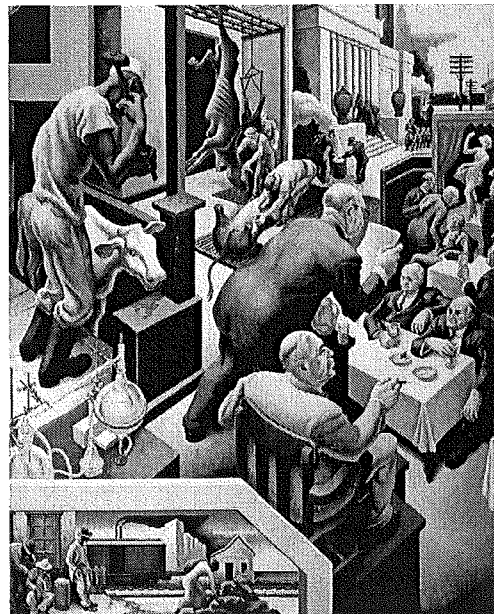


- **TENNESSEE VALLEY AUTHORITY (TVA)** - used to promote hydroelectric power, control flooding - lower rates → private industry, manuf. fertilizer → fed. gov't. took ownership (*nationalization v. privatization*)

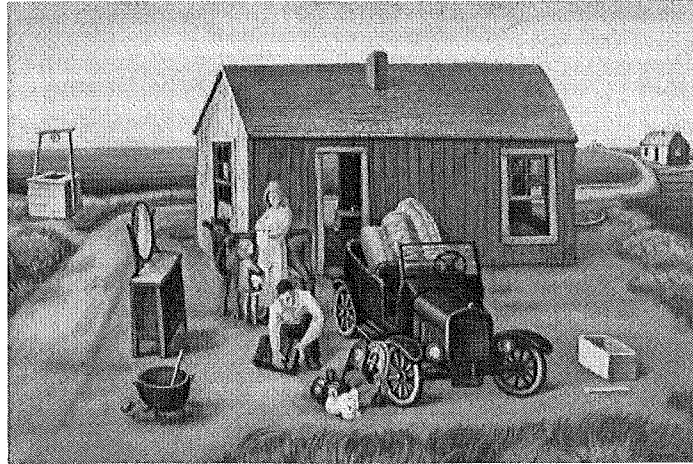


### ***Kansas City from Politics, Farming, & the Law***

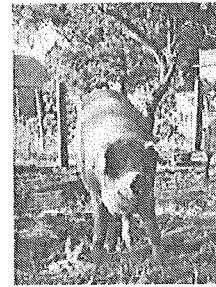
**Thomas Hart  
Benton, 1936**



## The Annual Move by Otis Dozier, 1936

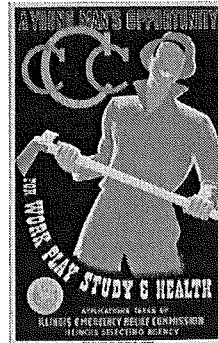
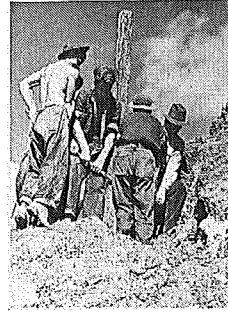


- **AGRICULTURAL ADJUSTMENT ACT (AAA)** - passed in 1933 to aid farmers- its objective was to restore farmers' purchasing power and to restore the family farm - AAA had farmers cut back on crop production by paying them equivalent **SUBSIDIES** (paid not to produce) - bad side:
  - 1) food production down when millions were starving
  - 2) Black sharecroppers were hurt: white landowners paid not to farm so they got rid of Black tenant farmers
- in 1935, AAA was declared unconstitutional by courts (too much control over individual states), so it was revised and introduced as new legislation
- Food Stamp Act of 1939 - gave away surplus food to poor, also guaranteed (small) farmers a market





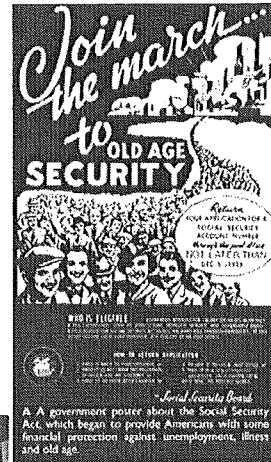
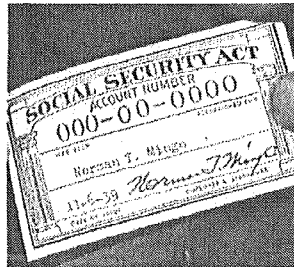
- FDR like Hoover was wary of gov't handouts - he wanted people to earn their keep so gov't agencies were created - temporarily - to address the unemp. problem
- **CIVILIAN CONSERVATION CORPS (CCC)** - in 1933 - set to establish work for young men (18-25) in areas of reforestation, soil conservation, flood control, road construction - also took them out of urban labour markets - but Blacks not permitted to enroll



- **NATIONAL YOUTH ADMIN. (NYA)** - created jobs for young in urban areas
- **FED. EMERGENCY RELIEF ACT (FERA)** - aimed at older workers- these and other similar agencies worked well, but unemp. was still at 6 million in 1941 (solution for this would be the ind. boom of WW2)
- **NEW DEAL - SOCIAL REFORM ASPECT**- after 1935, w/ immediate economic relief & reform addressed, New Deal turned to Social Welfare - more legislation...
- **National Labour Relations Act (aka Wagner Act)**- it legitimized unions and labour tactics such as collective bargaining & collective action (strikes, etc...) - it outlawed BLACKLISTS & other anti-union practices



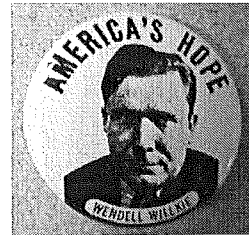
- Social Security Act (1935)- feared by opponents as "creeping socialism"- this act typifies the WELFARE STATE - unemployment insurance, old age pensions
- Problem: it took some \$ out of circulation (payroll deductions) at a time when purchasing power was already low- also, it only covered the unemployed
- 1936 - "Soak The Rich" tax



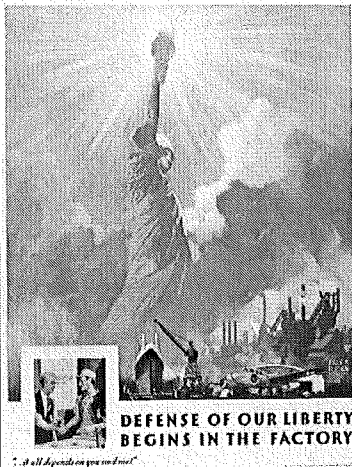
- ELECTION OF 1936 - FDR won easily (v Repub. Alf Landon - Kansas governor)
- this victory gave FDR a mandate to continue his New Deal policies
- first objective: to reorganize the Supreme Court - they disallowed some New Deal legislation
- FDR wants # of judges changed from 9 → 15 (to "pack the court") - great opposition, so FDR w/drew this proposal
- Judges retired & FDR got to appoint new ones → they approved all New Deal legislation



- FDR concerned w/ int'l issues, so in 1939 he proposed no new major domestic reform measures (1st time in his pres.)
- ELECTION OF 1940 - FDR broke with tradition & ran a 3rd time
- FDR v. Wendell Wilkie - the big issue here was American support of the Allies (G.B.), now embroiled in WWII v. Nazi Ger.
- both U.S. pol. parties wanted to support G.B. but to remain neutral - in fact a CONSENSUS had developed b/n the Dems. and Repubs.
- both parties approved of (most) New Deal legislation & wanted an isolationist foreign policy - FDR won in 1940 (and again in 1944)



#### IMPACT OF THE NEW DEAL



- a 3rd revolution in American culture and politics - more gov't involvement but w/in the context of traditional U.S. democracy (not socialist...)
- New Deal stimulated the U.S. economy, but only WWII would solve any lingering problems → unemployed found jobs in munitions factories and the military as the U.S. became the ARSENAL OF DEMOCRACY
- New Deal saw expansion of U.S. gov't in:
  - 1) the economy - constant gov't intervention/deficit spending
  - 2) social reform - welfare state - (set precedent for the U.S. gov't being expected to play a role in any economic crisis)

From Long's "Share the Wealth Program"  
c. 1935

(Note Below)

... Here is what we stand for in a nutshell:

1. We propose that every family in America shall at least own a homestead equal in value to not less than one-third the average family wealth. The average family wealth of America, at normal values, is approximately \$16,000. So our first proposition means that every family shall have a home and the comforts of a home up to a value of not less than \$5,000.

2. We propose that no family shall own more than 300 times the average family wealth, which means that no family shall possess more than a wealth of \$5,000,000. And we think that is too much. The two propositions together mean that no family shall own less than one-third of the average family wealth, nor shall any family own more than 300 times the average family wealth. That is to say that none should be so poor as to have less than one-third of the average, and none should be so rich as to have more than 300 times the average.

3. We next propose that every family shall have an income equal to at least one-third of the average family income in America. If all were allowed to work, according to our statistics, there would be an average family income of from \$5,000 to \$10,000 per year. So, therefore, in addition to the home which every family would own and the comforts of life which every family would enjoy, every family would make not less than \$2,000 to \$3,000 per year upon which to live and educate their children.

4. We propose that no family shall have an income of more than 300 times the average family income. Less the income taxes, this would mean an annual income of \$1,000,000 would be the maximum allowed any one family in 1 year. The third and fourth propositions simply mean that no family should earn less than one-third the average, and no family should earn more than 300 times the average; none to make too much, none to make too little. Everyone to have the things required for life; every man a king.

5. We propose a pension to the old people. Under our proposal taxes would not be levied upon the sons and daughters, nor the working people to support their aged fathers and mothers. But on the contrary, such support as would be given for old-age pensions would be borne solely by the surplus money which the Government would rake off the big fortunes and big inheritances.

6. We propose to care for the veterans of our wars, including the immediate cash payment of the soldiers' bonus, and last, but not least, we propose that every child in America have a right to education and training, not only through grammar and high school, but also through colleges and universities. And this education and training would be of such extent as will equip each child to battle on fair terms in the work which it is compelled to perform throughout life. We would not have it that a child could go to college or university provided his parents had the money on which to send him, but it would be the right of every child under our plan to the costs, including living expenses of college and university training, which could be done by our country at a cost considerably less than is required for the military training which has been given our youth in the past...

\* According to Bureau of Labor Division Calculator  
1935 amt can buy a lot more in 2010...

\$16,000 → ~\$255,000

\$6,000 → ~\$80,000

\$5,000,000 → ~\$80,000,000

\$10,000 → ~\$160,000

\$2,000 → \$32,000

\$3,000 → \$48,000

\$1,000,000 → \$16,000,000

## 9.2: The New Deal and the "Common Man" (1934, 1936)

*Roosevelt and the New Deal proved immensely popular with middle- and lower-income Americans. In 1936 FDR won in an extraordinary popular landslide when he ran for reelection.*

*In the selections below—letters written by working class Americans to New Deal politicians, to FDR's wife, Eleanor, and to the president himself—we learn why the "common man" supported the administration's programs. How would you characterize the sources of this support? What New Deal programs particularly seemed to awaken the emotions of ordinary Americans?*

### "Saint Roosevelt"

Cedarburg, Wis.  
10:45 a.m. Mar. 5, 1934

Mrs. F. D. Roosevelt  
Washington, D.C.

My dear Friend:

Just listened to the address given by your dear husband, our wonderful President. During the presidential campaign of 1932 we had in our home a darling little girl, three years old. My husband & I were great admirers of the Dem. candidate and so Dolores had to listen to much talk about the great man who we hoped and prayed would be our next Pres. We are Lutherans and she is Catholic, so you'll get quite a thrill out of what I'm to tell you now. That fall Judge Karel of Mil. sent me a fine picture of our beloved President, which I placed in our Public Library. When I received this fine picture my dear mother (who has since been called Home) said to Dolores "Who is this man?" and Dolores answered without any hesitation "Why who else, but Saint Roosevelt!" The old saying goes fools and children often tell the truth and indeed we all feel if there ever was a Saint. He is one. As long as Pres. Roosevelt will be our leader under Jesus Christ we feel no fear. His speech this morning showed he feels for the "least of these" I am enclosing a snap shot of the dear little girl who acclaimed our President a Saint and rightly so.

I'm sure Pres. Roosevelt had a great day on Feb. 16, the world day of prayer, when many hearts were lifted in prayer for him all over this great land of ours.

We shall continue to ask our heavenly Father to guide and guard him in his great task as leader of the great American people.

With all good wishes for you and your fine family I am your most sincerely

Mrs. L.K.S.

Mrs. Eleanor Roosevelt  
White House  
Washington, D.C.

Dear Madam:

I beg to inform you that I have been reading your writings in the Wichita Beacon and I must say that the whole nation should be enthused over them. I especially was carried away with the one on Old Age Pensions. It brought my mind back to the day of the Chicago Convention, when Mr. Roosevelt was nominated for the presidency. In our little home in Arkansas City, my family and I were sitting around the radio, to hear and we heard you when you flew over from N.Y. and entered the great hall and when he spoke it seems as though some Moses had come to alleviate us of our sufferings. Strange to say when he was speaking to see the moisten eyes and the deep feeling of emotions that gave vent to his every word and when you spoke then we knew that the white house would be filled with a real mother to the nation.

I am . . . glad to say . . . you have not failed us, you have visited the slums, the farms and homes of your people, and formed first handed ideas for their benefits. Oh what a blessing while you have always had a silver spoon in your own mouth you have not failed to try and place one in every mouth in the land and when I read in the Beacon your brilliant ideas of the Old Age Pensions. You said the only thing lacking [sic] was the way to do it. So I said the first lady is seeking a way to help us and so let us help her to find it. . . .

Dear Madam, I am afraid to write more to you at this time as this is my first letter to the lady of the land as the others did not seem to be interested in the welfare of the people. Wife and I pray continually to God for your success. Every time the news boy hollers Extra our hearts are filled with fear that something has happened to the president, but as we go marching on to higher hills of prosperity through the new deal we are hoping and working to that point that all will be well. But one thing I was just about to forget I think that the home building program should be finished means for back taxes included for repairs and etc. As many places are handicapped to get loans from government on account of being back taxes. Our heart in hand is ever with you and the Pres. to carry on.

Respectfully Yours,  
P.F.A. [male]

[Columbus, Ga.  
October 24, 1934]

[Dear President Roosevelt:]

I hope you can spare the time for a few words from a cotton mill family, *out of work* and almost out of heart and in just a short while out of a house in which to live, you know of course that the realators are putting the people out when they cannot pay the rent promptly, and how are we to pay the rent so long as the mills refuse us work, merely because we had the nerve to ask or "demand," better working conditions.<sup>1</sup>

I realize *and* appreciate the aid and food which the government is giving to the poor people out of work *Thanks to you*.

but is it even partly right for us to be thrown out of our homes, when we have no chance whatever of paying, so long as the big corporations refuse of work. I for one am very disheartened *and* disappointed guess my notice to move will come next. what are we to do, wont you try to help us wont you appeal, "for us all," to the real estate people and the factories hoping you'll excuse this, but I've always thought of F.D.R. as my personal friend.

C.L.F. [male]

[Akron, Ohio  
February 1936]

My Dear Mrs Roosevelt.<sup>2</sup>

I thought I would write a letter hoping you would find time to read it, and if you thought it was worth while answering it, I would be glad of any advise you would care to give me. A few weeks ago, I heard your talk over the air, on the subject of the Old age pension, and I got to thinking what a blessing it would be to my mother, if it was possible for her to receive that pension, if the bill should pass. My mother has been in this country since April 1914 but she has never made herself a American Citizen, as she was sixty years old when she came here, and now she is eighty.

Mother come out to this country nineteen years ago [from Scotland]<sup>3</sup>.....

I thought as long as I lived there was no need to worry about her being taken care of, but I never dreamed of a depression like we have had well it has changed the whole course of our lives we have suffered, and no one knows but our own family, I have two children one nineteen, graduated from high school last June, and the girl graduates this coming June, and we have had the awfulest time trying to get the bare necessary things in life.

I am in no position to do the right thing for mother, I cant give her anything but her living but I thought if it was possible for her to get that pension it would be like a gift from heaven, as in all the years she has been in this country she has never had a dollar of her own.

I wish she could get it her days may not be long on this earth, and if she just had a little money coming once in a while, to make her feel independent of her family, I at least would know that if anything happened to me she could get a living, and not have to go back to the rest of her family, because she says she would rather go to a poor house, than live with any of the others.

Mrs Roosevelt you might think I have lots of nerve writing to you when you have so much to attend to but I could not help admiring you for the splended way you talked about the old people of this nation I feel sorry for all of them, they seem to be forgotten, and most young people think they have had there day and should be glad to die, but this is not my idea, I think that their last few years should be made as plesent for them as it is possible, I know that if it was in my power to make my mother happy by giving her what she justly deserves, I would gladly do so. Well whither my mother ever gets anything or not, I hope all the other old people that is intitled to it gets it soon, because there is nothing sadder than old people who have struggled hard all there lives to give there family a start in life, then to be forgotten, when they them self need it most.

I will finish now but befor I do I want to thank you Mrs Roosevelt and also Mr Roosevelt for the good both of you are doing for this country you have gave people new hope and every real American has faith in you and may you both be spared to carry on the good work and lead this nation on to victory.

Yours Respectfully,  
Mrs J. S.  
Akron, Ohio.

# 2003 AP<sup>®</sup> UNITED STATES HISTORY FREE-RESPONSE QUESTIONS

## UNITED STATES HISTORY

### SECTION II

#### Part A

(Suggested writing time—45 minutes)

Percent of Section II score—45

**Directions:** The following question requires you to construct a coherent essay that integrates your interpretation of Documents A-J and your knowledge of the period referred to in the question. High scores will be earned only by essays that both cite key pieces of evidence from the documents and draw on outside knowledge of the period.

1. Analyze the responses of Franklin D. Roosevelt's administration to the problems of the Great Depression. How effective were these responses? How did they change the role of the federal government?

Use the documents and your knowledge of the period 1929-1941 to construct your essay.

#### Document A

Source: Meridel Lesueur, *New Masses*, January 1932.

It's one of the great mysteries of the city where women go when they are out of work and hungry. There are not many women in the bread line. There are no flop houses for women as there are for men, where a bed can be had for a quarter or less. You don't see women lying on the floor of the mission in the free flops. They obviously don't sleep . . . under newspapers in the park. There is no law I suppose against their being in these places but the fact is they rarely are.

Yet there must be as many women out of jobs in cities and suffering extreme poverty as there are men. What happens to them?

#### Document B

Source: Letter to Senator Robert Wagner, March 7, 1934.

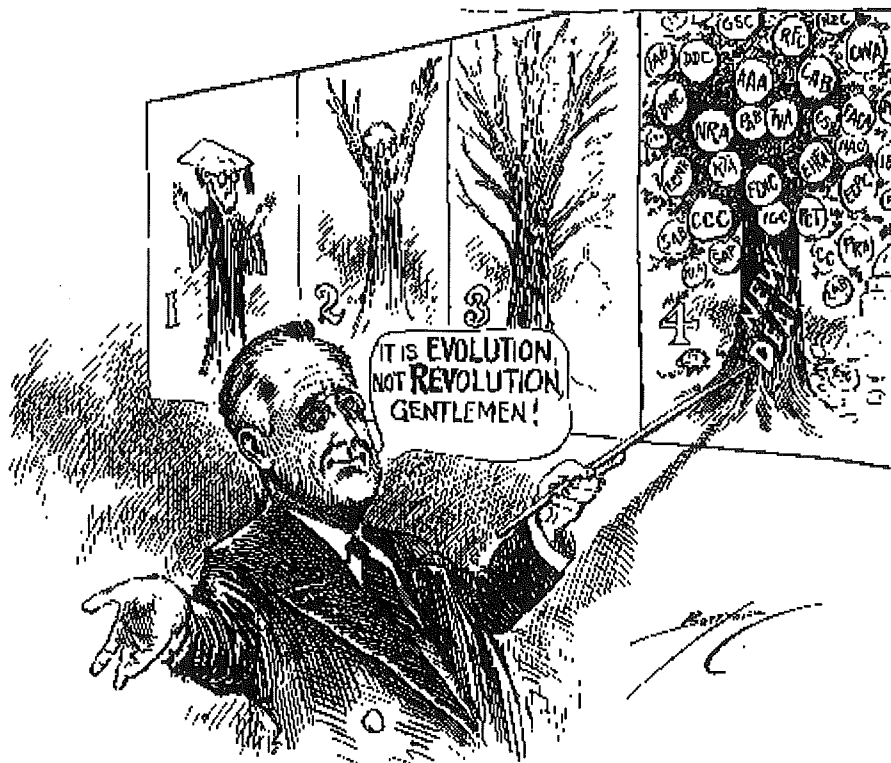
It seems very apparent to me that the Administration at Washington is accelerating it's [sic] pace towards socialism and communism. Nearly every public statement from Washington is against stimulation of business which would in the end create employment.

Everyone is sympathetic to the cause of creating more jobs and better wages for labor; but, a program continually promoting labor troubles, higher wages, shorter hours, and less profits for business, would seem to me to be leading us fast to a condition where the Government must more and more expand it's relief activities, and will lead in the end to disaster to all classes.

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### Document C

Source: *The Evening Star* (Washington D.C.), April 26, 1934.



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Library of Congress, Prints & Photographs Division,  
Clifford Berryman Collection, LC-USZ62-17290.

### Document D

Source: William Lloyd Garrison, Jr., "The Hand of Improvidence," *The Nation*, November 14, 1934.

The New Deal, being both a philosophy and a mode of action, began to find expression in diverse forms which were often contradictory. Some assisted and some retarded the recovery of industrial activity. . . . An enormous outpouring of federal money for human relief and immense sums for public-works projects started to flow to all points of the compass. . . . Six billion dollars was added to the national debt . . . a bureaucracy in Washington grew by leaps and bounds . . . and finally, to lend the picture the heightened academic touch, John Maynard Keynes, of Cambridge, England, . . . commenced the plan of buying Utopia for cash.

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**GO ON TO THE NEXT PAGE.**



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### Document E

Source: Print and Photograph Division, Library of Congress, 1935.

**A monthly check to you -**

**FOR THE REST OF YOUR LIFE  
•• BEGINNING WHEN YOU ARE 65**

**GET YOUR SOCIAL SECURITY ACCOUNT NUMBER promptly**

**APPLICATIONS ARE BEING DISTRIBUTED AT ALL WORK PLACES**

*Your monthly Social Security check*

**WHO IS ELIGIBLE** - EVERYBODY WORKING FOR SALARY OR WAGES (WITH ONLY A FEW EXCEPTIONS, SUCH AS AGRICULTURE, DOMESTIC SERVICE, AND GOVERNMENT WORK). APPLICATIONS FOR SOCIAL SECURITY ACCOUNTS ARE AVAILABLE THROUGH EMPLOYERS. IF YOU DO NOT GET ONE FROM YOUR EMPLOYER, ASK FOR ONE AT THE POST OFFICE.

**HOW TO RETURN APPLICATION**

1. HAVE IT FOR TO THE POST OFFICE.
2. HAVE IT TO ANY OTHER AGENCY FOR DEPOSIT (IF YOU ARE A MEMBER OF A LABOR UNION, ASK THE UNION FOR ONE).
3. HAVE IT TO THE SOCIAL SECURITY BOARD.
4. HAVE IT TO THE SOCIAL SECURITY BOARD.
5. HAVE IT TO A SOCIAL SECURITY AGENCY (POST OFFICE, LOCAL GOVERNMENT, NO POSTAGE NEEDED).

*- Social Security Board*

**INFORMATION MAY BE OBTAINED AT ANY POST OFFICE**

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### Document F

Source: Charles Evans Hughes, majority opinion, *Schechter v. United States*, 1935.

The question of chief importance relates to the provision of the codes to the hours and wages of those employed . . . It is plain that these requirements are imposed in order to govern the details of defendants' management of their local business. The persons employed . . . are not employed in interstate commerce. Their wages have no direct relation to interstate commerce . . .

The authority of the federal government may not be pushed to such an extreme.

### Document G

Source: NBC radio broadcast, John L. Lewis, December 13, 1936.

It is the refusal of employers to grant such reasonable conditions and to deal with their employees through collective bargaining that leads to widespread labor unrest. The strikes which have broken out . . . especially in the automobile industry, are due to such "employee trouble."

Huge corporations, such as United States Steel and General Motors . . . have no right to transgress the law which gives to the workers the right of self-organization and collective bargaining.

### Document H

Source: "The New Deal in Review" editorial in *The New Republic*, May 20, 1940.

The government as an instrument of democratic action in the future has also been strengthened and renovated. This is not merely a matter of the addition of many new agencies, but of the more efficient organization of the whole executive department— including a planning board under the President which so far has been relatively unimportant but is capable of future development. The Courts, too, have been revived, partly by legislation, but principally by excellent new appointments, so that we now have a Supreme Court which is abreast of the times.

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### Document I

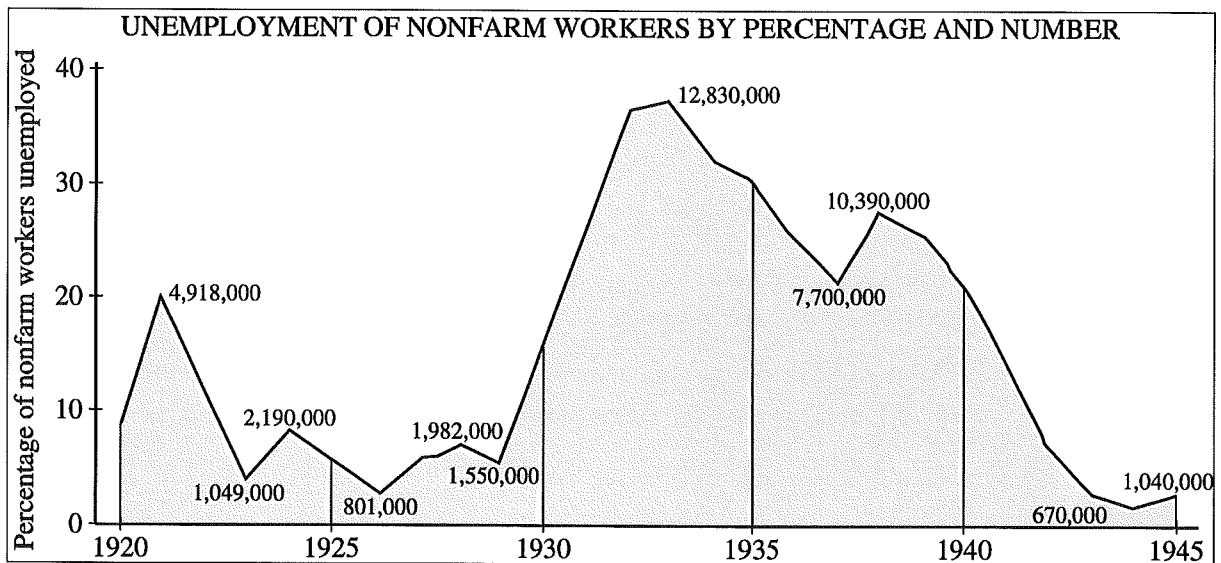
Source: "The Roosevelt Record," editorial in *The Crisis*, November 1940.

To declare that the Roosevelt administration has tried to include the Negro in nearly every phase of its program for the people of the nation is not to ignore the instances where government policies have harmed the race. . .

At Boulder Dam, for example, the administration continued the shameful policy begun by Hoover of forbidding Negroes to live in Boulder City, the government-built town. And in its own pet project, the TVA, the administration forbade Negroes to live in Norris, another government-built town at Norris Dam.

[The] most important contribution of the Roosevelt administration to the age-old color line problem in America has been its doctrine that Negroes are a part of the country and must be considered in any program for the country as a whole. The inevitable discriminations notwithstanding, this thought has been driven home in thousands of communities by a thousand specific acts. For the first time in their lives, government has taken on meaning and substance for the Negro masses.

### Document J



END OF DOCUMENTS FOR QUESTION 1

### Public Works<sup>1</sup>

- Civilian Conservation Corps - CCC (1933)
  - created under Emergency Conservation Act
  - put under Federal Security Agency, 1939-43
- Tennessee Valley Authority - TVA (1933)
  - river basin development based on dams & hydroelectricity
- Civil Works Administration - CWA (1933-34)
  - created by Exec. Order under FERA, which was part of NIRA
  - provides model for WPA
- Public Works Administration - PWA (1933)
  - created under NIRA
- Works Progress Administration - WPA (1935)
  - continued programs begun under FERA, created by Exec. Order
- Rural Electrification Administration - REA (1935)
  - created by Executive Order
  - confirmed by Rural Electrification Act (1936)
- Soil Conservation Service - SCS (1933, 1935)
  - begins as Soil Erosion Service, under Emergency Conservation Act
  - confirmed by Soil Conservation & Domestic Allotment Act (1935)
- Bonneville Power Administration - BPA (1937)
  - Bonneville Power Act
  - sells power from Columbia River dams
- Federal Works Agency - FWA (1939)
  - Reorganization Act allows FDR to created FWA
  - Umbrella for PWA, WPA, USHA, BPR, FBA

### Housing & Mortgage Reform

- Home Owners Loan Act - HOLA (1933)
  - expands program begun under President Hoover
  - strengthens Home Owners Loan Corporation - HOLC
  - aid to distressed mortgage holders
- Federal Housing Act - FHA (1934)
  - Federal Housing Administration-- FHA
  - mortgage guarantee program
  - Federal Savings & Loan Insurance Corporation - FSLIC
  - acts like FDIC for S&Ls
- Federal National Mortgage Association - FNMA (1938)
  - buys mortgages from banks; creates secondary market
- United States Housing Act - Wagner-Steagall - USHA (1937)
  - creates U.S. Housing Authority
  - builds public housing

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<sup>1</sup> List does not include assistance to pre-existing federal agencies: Bureau of Reclamation, Army Corps of Engineers, Bureau of Public Roads (BPR) and Federal Building Administration (FBA)

### Relief & Welfare

- Federal Emergency Relief Administration - FERA (1933 & 1935)
  - aid to states for relief of destitute (mostly work relief)
  - originates with NIRA; spawns CWA which morphs into WPA
- Social Security Act - SSA (1935)
  - creates Social Security Administration
  - old age pensions & unemployment assistance

### Labor Law & Assistance

- National Industrial Recovery Act - NIRA (1933)
  - right to organize, minimum wage, no child labor
- National Labor Relations Board - NLRB (1934)
  - created by Executive Order
- National Labor Relations Act (Wagner Act) (1935)
  - right to collective bargaining, with enforcement
  - confirms NLRB
- Social Security Act (1935)
  - retirement benefits & unemployment insurance for jobless workers
- Fair Labor Standards Act (FLSA) (1938)
  - restores minimum wage, confirms no child labor

### Regulation of Trade, Transport and Communications

- Federal Communications Act (1934)
  - establishes Federal Communications Commission - FCC
- Civil Aeronautics Act (1938)
  - establishes the Civil Aeronautics Authority - CAA
  - split into two parts:
    - Civil Aeronautics Board - CAB
    - Civil Aeronautics Board (later Federal Aviation Administration)
- Federal Trade Commission - FTC
  - strengthened by Robinson-Patman Act (1936) & Wheeler-Lea Act (1938)

Other:

- Repeal of Prohibition (1933) (21st Amendment)

Potential Class Debates:

1. Did FDR turn the U.S. into a paternalistic society?
  - a. Hoover v. FDR
  - b. Recovery, New Deal or War? What does that suggest?
  - c. Costs of dismantling the system.
2. Did FDR abuse executive power?
  - a. More or less than other presidents?
  - b. Times of crisis call for such?
3. It has been argued that every president since FDR has lived under his shadow. To what degree is that true or not?

### ***CHECK YOURSELF...***

*Following are the KEY CONCEPTS from the AP College Board website. At the conclusion of the 1920s-1930s unit you should be able to elaborate on each of the CONCEPTS below as well as provide additional details for all the subpoints.*

#### **Key Concept 7.1 — Growth expanded opportunity, while economic instability led to new efforts to reform U.S. society and its economic system.**

During the 1930s, policymakers responded to the mass unemployment and social upheavals of the Great Depression by transforming the U.S. into a limited welfare state, redefining the goals and ideas of modern American liberalism.

A. Franklin Roosevelt's New Deal attempted to end the Great Depression by using government power to provide relief to the poor, stimulate recovery, and reform the American economy.

B. Radical, union, and populist movements pushed Roosevelt toward more extensive efforts to change the American economic system, while conservatives in Congress and the Supreme Court sought to limit the New Deal's scope.

C. Although the New Deal did not end the Depression, it left a legacy of reforms and regulatory agencies and fostered a long-term political realignment in which many ethnic groups, African Americans, and working class communities identified with the Democratic Party.

#### **Key Concept 7.2 — Innovations in communications and technology contributed to the growth of mass culture, while significant changes occurred in internal and international migration patterns.**

Popular culture grew in influence in U.S. society, even as debates increased over the effects of culture on public values, morals, and American national identity.

A. New forms of mass media, such as radio and cinema, contributed to the spread of national culture as well as greater awareness of regional cultures.

B. Migration gave rise to new forms of art and literature that expressed ethnic and regional identities, such the Harlem Renaissance movement.

C. Official restrictions on freedom of speech grew during World War I, as increased anxiety about radicalism led to a Red Scare and attacks on labor activism and immigrant culture.

D. In the 1920s, cultural and political controversies emerged as Americans debated gender roles, modernism, science, religion, and issues related to race and immigration.

**Economic pressures, global events, and political developments caused sharp variations in the numbers, sources, and experiences of both international and internal migrants.**

A. Immigration from Europe reached its peak in the years before World War I. During and after World War I, nativist campaigns against some ethnic groups led to the passage of quotas that restricted immigration, particularly from southern and eastern Europe, and increased barriers to Asian immigration.

B. The increased demand for war production and labor during World War I and World War II and the economic difficulties of the 1930s led many Americans to migrate to urban centers in search of economic opportunities.

C. In a Great Migration during and after World War I, African Americans escaping segregation, racial violence, and limited economic opportunity in the South moved to the North and West, where they found new opportunities but still encountered discrimination.

D. Migration to the United States from Mexico and elsewhere in the Western Hemisphere increased, in spite of contradictory government policies toward Mexican immigration.

**Key Concept 7.3 — Participation in a series of global conflicts propelled the United States into a position of international power while renewing domestic debates over the nation's proper role in the world.**



World War I and its aftermath intensified ongoing debates about the nation's role in the world and how best to achieve national security and pursue American interests.

A. After initial neutrality in World War I, the nation entered the conflict, departing from the U.S. foreign policy tradition of noninvolvement in European affairs, in response to Woodrow Wilson's call for the defense of humanitarian and democratic principles.

B. Although the American Expeditionary Forces played a relatively limited role in combat, the U.S.'s entry helped to tip the balance of the conflict in favor of the Allies.

C. Despite Wilson's deep involvement in postwar negotiations, the U.S. Senate refused to ratify the Treaty of Versailles or join the League of Nations.

D. In the years following World War I, the United States pursued a unilateral foreign policy that used international investment, peace treaties, and select military intervention to promote a vision of international order, even while maintaining U.S. isolationism.

E. In the 1930s, while many Americans were concerned about the rise of fascism and totalitarianism, most opposed taking military action against the aggression of Nazi Germany and Japan until the Japanese attack on Pearl Harbor drew the United States into World War II.