

ROOSEVELT SPEAKS FOR HIMSELF

In 1929, share prices collapsed on Wall Street, and America was plunged into depression. There was no system of social security, President Hoover had no idea how to deal with the problem, and shanty-town 'Hoovervilles' of homeless people sprung up all over the country.

In the 1932 election, Roosevelt promised to go to war against the Depression:

I pledge myself to a New Deal for the American people.

Yet in the four months between his election and his inauguration, conditions worsened. Unemployment rose to 15 million, and many banks went bankrupt. At his inauguration, in March 1933, Roosevelt admitted the size of the problem:

Values have shrunken 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. [[First Inaugural Address](#)]

Roosevelt closed the banks and reformed the banking system. And to set the public's mind at rest, he invented the 'fireside chats' – speeches, on the radio, that directly addressed to the listener, 'like a father discussing affairs with his family in the living room'. This was how he explained the bank holiday:

We had a bad banking situation. Some of our bankers had shown themselves either incompetent or dishonest in their handling of the people's funds. ... It was the Government's job to straighten out this situation and do it as quickly as possible -- and the job is being performed. [[First fireside chat, 12 March 1933](#)]

To deal with the Depression, Roosevelt was given emergency powers for One Hundred Days, 9th of March to 16th of June 1933. He used them to set up the 'Alphabet Agencies' – of which he himself said the most important were the National Recovery Administration (which encouraged employers to improve pay and conditions) and the Agricultural Adjustment Act (which gave subsidies to farmers). Other important agencies were the CWA, the HOLC and the TVA. By his sixth fireside chat, in 1934, Roosevelt was able to claim:

I am happy to report that after years of uncertainty, culminating in the collapse of the spring of 1933, we are bringing order out of the old chaos with a greater certainty of the employment of labor at a reasonable wage and of more business at a fair profit. [[Sixth fireside chat, 30 September 1934](#)]

But the New Deal was already coming under attack. Some politicians, like the Louisiana senator Huey Long, and Dr Francis Townsend, wanted Roosevelt to do more. More damagingly, businessmen and the Republican Party were complaining that the New Deal undermined personal freedom and wasted government money. About these people, Roosevelt wryly commented:

Those, fortunately few in number, who are frightened by boldness and cowed by the necessity for making decisions, complain that all we have done is unnecessary and subject to great risks. Now that these people are coming out of their storm cellars, they forget that there ever was a storm. [[Sixth fireside chat, 30 September 1934](#)]

In 1935, therefore, Roosevelt introduced a second wave of the New Deal. It was MUCH more radical. The Wagner Act of 1935 gave workers the right to join a trade union, and the Social Security Act of 1935 gave pensions to old people, and provided a small amount of unemployment

pay for the unemployed. At his Second Inaugural address, Roosevelt promised more social legislation, saying:

I see one third of a nation ill-housed, ill-clad, ill-nourished. [[Second Inaugural Address, 20 January 1937](#)]

For these measures, Roosevelt came under great criticism. The nine, mainly republican, judges of the Supreme Court even ruled that the New Deal was unconstitutional. Roosevelt's reaction was to seek a new law which would let him retire some of the old judges and appoint new ones. The Supreme Court reversed its decision.

Then, in 1938, Roosevelt introduced the Fair Labour Standards Act, to limit hours of work and fix a minimum wage. There was an outcry from the employers, but in his 13th fireside chat, in June 1938, Roosevelt remained unimpressed:

Do not let any calamity-howling executive with an income of \$1,000.00 a day, who has been turning his employees over to the Government relief rolls in order to preserve his company's undistributed reserves, tell you -- using his stockholders' money to pay the postage for his personal opinions -- tell you that a wage of \$11.00 a week is going to have a disastrous effect on all American industry. [[Thirteenth fireside chat, 24 June 1938](#)]

There were many things wrong with the New Deal. It was paid for by increasing taxes, which raised prices and held back spending. Wages legislation actually threw some people out of work. The gap between north and south grew greater, and although millions of jobs were created, there was another downturn in the economy in 1937-8.

But for ordinary Americans, Roosevelt was their hero, the man who had saved them from bankruptcy and despair:

I am constantly thinking of all our people -- unemployed and employed alike -- of their human problems, their human problems of food and clothing and homes and education and health and old age. [[Twelfth fireside chat, 14 April 1938](#)]