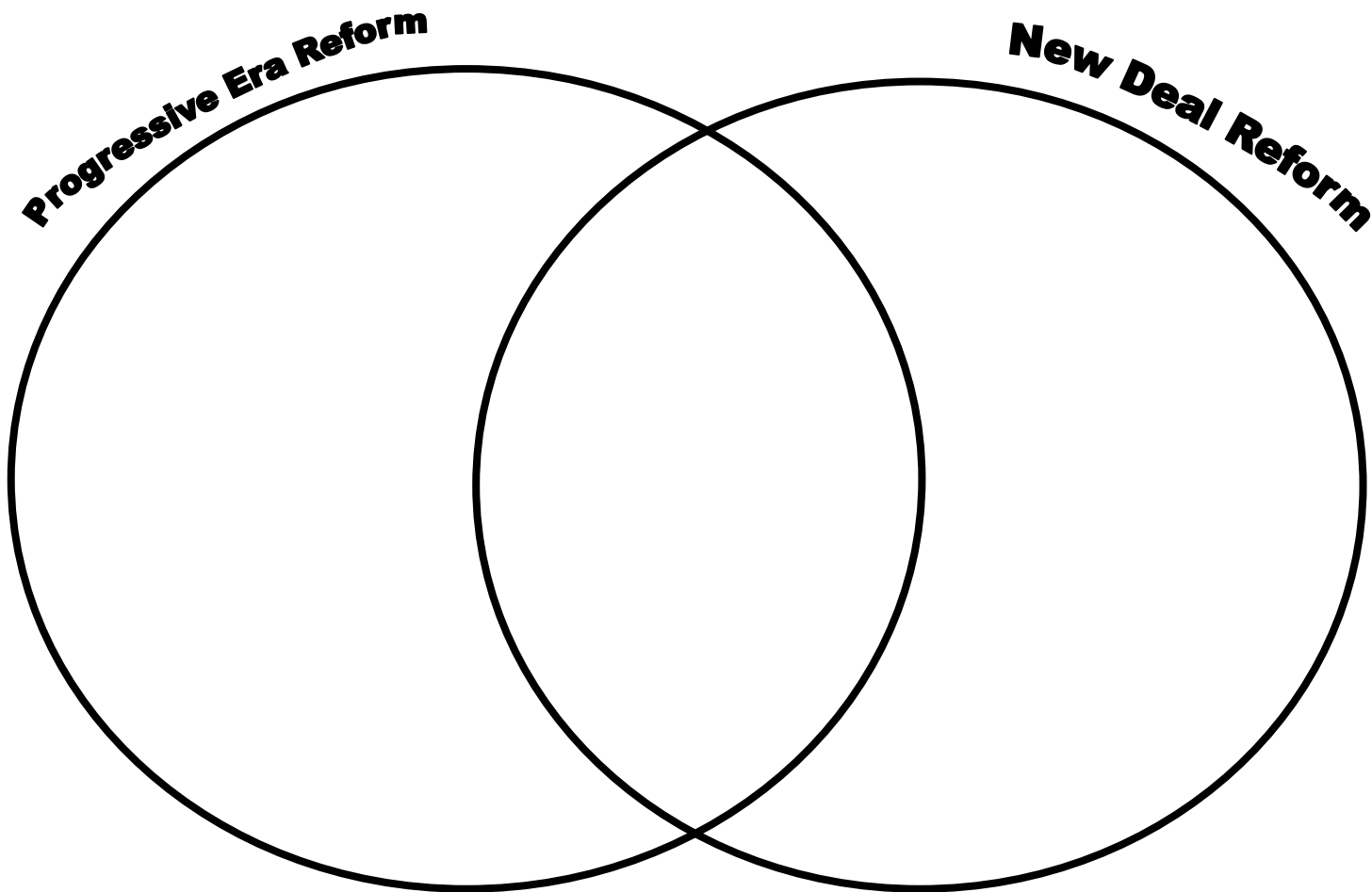


HISTORICAL ANALYSIS – Comparison... *Progressives and New Dealers*

From the 2015 Revised Framework:

Students will...COMPARE & CONTRAST...

1. Compare diverse perspectives represented in primary and secondary sources in order to draw conclusions about one or more historical events.
2. Compare different historical individuals, events, developments, and/ or processes, analyzing both similarities and differences in order to draw historically valid conclusions. Comparisons can be made across different time periods, across different geographical locations, and between different historical events or developments within the same time period and/ or geographical location.



Directions: Using your prior knowledge, new knowledge gained from the reading assignment and additional information provided on pages 2 & 3, complete the Venn diagram. When your Venn is complete, proceed to the questions below.

Are there more similarities or differences?

Why? (list three reasons)

- 1.
- 2.
- 3.

HISTORICAL ANALYSIS – Comparing *and* Contrasting Progressives and New Dealers

Connections New Deal and Progressive Reforms, Written by Fitz Brundage

Directions: The following additional reading provides further insight into the comparison activity. Read the essay comparing Progressive reform to the New Deal. Highlight main ideas. Then finish your Venn Diagram on page 1 of this activity.

During the New Deal, many government planners and leaders drew inspiration for their policies from Progressive era reforms. New Dealers saw in the early twentieth century Progressive movement an innovative campaign to address the social and economic dislocations which were directly relevant to the crisis of the Great Depression. New Dealers also found in the Progressive movement an example of gradual reform through democratic institutions. In addition, the Progressives had insisted upon the need for government to promote social justice, to preserve democracy, and to provide security to Americans, all principles that New Dealers championed as well. But the New Deal was not simply a continuation of Progressivism. In several important ways, the New Deal of Franklin Roosevelt set the United States on a course that diverged substantially from the vision of Progressivism. In particular, The New Deal accepted that the United States was a pluralist nation and moved away from the overbearing program of assimilation that had characterized the Progressive era solution to national identity. And the New Dealers did not revive the imperialist ambitions that had led the United States into intervention throughout the world during the Progressive era. In the end, the differences between the New Deal and Progressivism are no less important than the similarities.

At the most basic level, economic depressions inspired both the Progressive movement and the New Deal. The severe economic dislocation that followed the Depression of 1893 called into question the prevailing belief in laissez faire government. With millions of Americans unemployed, calls from business leaders and politicians for Americans to patiently await the return of prosperity left many Americans frustrated. Motivated often by both a concern for the victims of the depression as well as by fears of violent social disorder, middle class reformers applied social planning and social science to tame the problems that beset industrial America. When the New Dealers confronted the Great Depression, they envisioned their efforts as the culmination of a campaign to impose order on the American economy that had begun after the depression of 1893. From the perspective of New Dealers, Progressive era reforms had established important precedents for government intervention in the economy but had not gone far enough to prevent economic uncertainty.

Urged on by severe economic distress and the looming threat of social unrest, both progressives and New Dealers sought to reform American capitalism. They shared the assumption that it was possible to reconcile social justice with capitalism. Although both the Progressives and the New Dealers tirelessly advocated economic cooperation and efforts to address the plight of the nation's neediest, neither group proposed any coercive redistribution of wealth. Indeed, they sought to reform capitalism so that it would not be replaced by radical alternatives. For the Progressives, the threat came from violent and revolutionary anarchism; for the New Dealers, from reactionary nationalist movements like those that emerged in Italy and Germany. The defense of democratic institutions, then, was bound up in the reform of American capitalism for both Progressives and New Dealers.

Both the Progressives and the New Dealers shared a belief in the possibility that government could promote and speed social improvement. At times of great uncertainty and change, both Progressives and New Dealers insisted that the state could be used to achieve a measure of security and order. This confidence in the state reflected the confidence of both Progressives and New Dealers that government officials could use the tools of modern social science to discern the appropriate policies to address the nation's needs. In other words, both the Progressives and the New Dealers looked to government bureaucracies to generate and oversee much of the most important business of government. This faith in government policy makers may seem curious to us, given the negative stereotypes of bureaucrats that are commonplace today. But both Progressives and New Dealers assumed that bureaucrats, motivated by a sense of public service and informed by their professional expertise, were far more likely to propose and implement disinterested policies that would benefit the broad public than would most elected politicians, who were beholden to special interests.

The experience of government activism during World War One bolstered the faith of New Dealers in the capacity of activist government to address problems in critical areas of the nation's economy. Even before Americans entered the war in 1917, President Woodrow Wilson had secured the expansion of the regulatory power of the federal government in order to regulate the nation's financial institutions and the passage of a progressive federal income tax that taxed the wealthier at a higher level than the middle and working classes. Although significant, these measures were modest compared with those that followed during World War One. Going to war in 1917 entailed a complete reorientation of the American economy. For the army and navy to succeed abroad, mass production of war materials had to be centrally planned, and only the federal government could fulfill this role.

The Wilson administration created various new agencies to manage the American war economy, including an agency that oversaw the nation's railroads, a War Industries Board that supervised all war-related production, even to the point of setting prices, and a labor board that resolved disputes between workers and employers. The close cooperation between industry and government produced efficiency, but did not ignore the interests of workers. Taking an unprecedented position, the Wilson administration promoted adequate wages, reduced work hours, and the right of workers to form unions. For at least two decades

before the United States entered World War One, a debate raged over the proper role of the federal government in regulating industry and protecting people who could not protect themselves. Controversy had also centered on the question of how much power the government should have to tax and control individuals and corporations. The war and the problems it raised did not resolve all of these questions. But the war did substantially expand the power of the federal government and demonstrated that in times of crisis the federal government could play a decisive role. It was this lesson that encouraged the New Dealers to adopt many of the policies during Roosevelt's so-called Hundred Days to use federal influence to organize, coordinate, and regulate the nation's economy. If New Deal reforms would eventually expand the federal government far beyond anything that had been possible during the Progressive era, much of the underlying vision of the New Deal may nevertheless be traced to the experience with government during World War One.

For all of these similarities and continuities between Progressivism and New Deal reform, it would be a mistake to conclude that the New Deal was simply reheated Progressivism. New Deal nationalism differed fundamentally from the nationalism of the Progressive era. Progressives displayed far more enthusiasm for using the government to exert social control over public behavior. The passage of the 18th Amendment prohibiting the manufacture and sale of alcohol was perhaps the most conspicuous example of this tendency. But it also included efforts to coerce immigrants into assimilating into American society. Fearing that immigrants threatened the very basis of American democracy, many Progressives advocated strong measures to compel immigrants to speak English and adopt American values. Ethnic traditions could be tolerated as long as they represented little more than a quaint nostalgia for the former homeland, but allegiance to American institutions and values was inviolable. This coercive form of nationalism was especially powerful during World War One, when German Americans and immigrant opponents of the war were targets of extralegal violence, persecution, and deportations.

Roosevelt and the New Dealers, in contrast, envisioned a pluralist American society in which shared principles of equality before the law and a sense of civic responsibility would unite Americans. In part because the waves of massive immigration had been drastically reduced by reform of the nation's immigration laws during the 1920s, the issue of immigration was much less charged during the 1930s. Even so, Roosevelt and his administration reached out to America's immigrant communities and actively promoted greater tolerance toward them.

Instead of looking upon persisting ethnic traditions as a threat to American identity, the New Dealers celebrated the nation's ethnic cultures as a source of strength and creativity. This tolerance for America's diversity found expression in the New Deal policies for Native Americans and in the New Deal's responsiveness to African Americans. John Collier, Commissioner of Indian Affairs during the New Deal, rejected the assumption that Indians' survival depended on their assimilation into white culture. He recognized the autonomy of tribes and instituted bicultural and bilingual education at schools for Indians.

There were limits to the New Dealers' commitment to pluralism; Roosevelt allowed political expediency to constrain his efforts on behalf of racial justice. Because he needed the support of southern white congressmen he dragged his feet over civil rights legislation that would have made lynching a federal crime. And during WW Two his administration ignored the civil rights of Japanese Americans, who allegedly posed a threat to national security, and interred them in relocation camps. But these conspicuous and regrettable lapses were exceptions to the general pattern of tolerance that the New Dealers displayed towards the nation's diversity. The New Dealers also pursued a foreign policy that differed in important ways from that of the Progressive. Motivated by faith in the superiority of American institutions and democracy, Progressive era presidents, especially Theodore Roosevelt and Woodrow Wilson, had engaged in imperialistic adventures in the Caribbean basin and elsewhere. The Wilson administration had also viewed the victory of the Bolsheviks in the Russian Revolution as a disaster for global democracy and organized worldwide opposition to the revolution. Prompted by an interest in selling American goods to the Soviet Union, the New Dealers established diplomatic relations with the Soviet Union. Led by Secretary of State Cordell Hull, Roosevelt's administration also reversed the earlier policy of intervention in South America. The United States continued to support dictators, especially in Central America, because they promised to promote stability and preserve American economic interests. But Roosevelt promoted a Good Neighbor policy that included the removal of American forces from Haiti and Nicaragua in 1934 and in a series of important Pan-American conferences. When he pledged that the United States would not interfere in the internal or external affairs of any other country in the hemisphere he broke with the tradition of interventionism established by his Progressive era predecessors.

In a real sense, the relationship between Roosevelt's foreign policy to that of his Progressive era predecessors was characteristic of the relationship between Progressivism and the New Deal. Progressivism established a precedent for government activism that the New Dealers repeatedly drew inspiration from. But the New Dealers did not duplicate the reforms of the Progressive era. Indeed, Prohibition was repealed and there was no coercive campaign to Americanize immigrants during the New Deal. Instead, New Dealers set out to adapt the expanded state that they inherited from the Progressives to the circumstances of the Great Depression. And their experiments went much further than had the tentative reforms of the Progressives.

Read the article below, **highlight main ideas**, and address the questions that follow.

Millions of Poor People... A Modern Day Critique of FDR's New Deal

By Jim Powell December 29, 2003

Democratic presidential candidates as well as some conservative intellectuals are suggesting that Franklin Delano Roosevelt's New Deal is a good model for government policy today. Mounting evidence, however, makes clear that poor people were principal victims of the New Deal. The evidence has been developed by dozens of economists — including two Nobel Prize winners — at Brown, Columbia, Princeton, Johns Hopkins, the University of California (Berkeley) and University of Chicago, among other universities. **New Deal programs were financed by tripling federal taxes from \$1.6 billion in 1933 to \$5.3 billion in 1940. Excise taxes, personal income taxes, inheritance taxes, corporate income taxes, holding company taxes and so-called “excess profits” taxes all went up.**

The most important source of New Deal revenue were **excise taxes** levied on alcoholic beverages, cigarettes, matches, candy, chewing gum, margarine, fruit juice, soft drinks, cars, tires (including tires on wheelchairs), telephone calls, movie tickets, playing cards, electricity, radios — these and many other everyday things were subject to New Deal excise taxes, which meant that the New Deal was substantially financed by the middle class and poor people. Yes, to hear FDR's “**Fireside Chats**,” one had to pay FDR excise taxes for a radio and electricity! A Treasury Department report acknowledged that excise taxes “often fell disproportionately on the less affluent.” Until 1937, New Deal revenue from excise taxes exceeded the combined revenue from both personal income taxes and corporate income taxes. **It wasn't until 1942, in the midst of World War II, that income taxes exceeded excise taxes for the first time under FDR.** Consumers had less money to spend, and employers had less money for growth and jobs.

New Deal taxes were major job destroyers during the 1930s, prolonging unemployment that averaged 17%. **Higher business taxes** meant that employers had less money for growth and jobs. **Social Security excise taxes** on payrolls made it more expensive for employers to hire people, which discouraged hiring. Other New Deal programs destroyed jobs, too. For example, the **National Industrial Recovery Act** (1933) cut back production and forced wages above market levels, making it more expensive for employers to hire people - blacks alone were estimated to have lost some 500,000 jobs because of the National Industrial Recovery Act. The **Agricultural Adjustment Act** (1933) cut back farm production and devastated black tenant farmers who needed work. The **National Labor Relations Act** (1935) gave unions monopoly bargaining power in workplaces and led to violent strikes and compulsory unionization of mass production industries. Unions secured above-market wages, triggering big layoffs and helping to usher in the depression of 1938.

What about the good supposedly done by New Deal spending programs? These didn't increase the number of jobs in the economy, because the money spent on New Deal projects came from taxpayers who consequently had less money to spend on food, coats, cars, books and other things that would have stimulated the economy. **This is a classic case of the seen versus the unseen — we can see the jobs created by New Deal spending, but we cannot see jobs destroyed by New Deal taxing.** For defenders of the New Deal, perhaps the most embarrassing revelation about New Deal spending programs is they channeled money AWAY from the South, the poorest region in the United States.

The largest share of New Deal spending and loan programs went to **political “swing” states** in the West and East - where incomes were at least 60% higher than in the South. As an incumbent, FDR didn't see any point giving much money to the South where voters were already overwhelmingly on his side.

Americans needed bargains, but FDR hammered consumers — and millions had little money. His **National Industrial Recovery Act** forced consumers to pay above-market prices for goods and services, and the **Agricultural Adjustment Act** forced Americans to pay more for food. Moreover, FDR banned discounting by signing the **Anti-Chain Store Act** (1936) and the **Retail Price Maintenance Act** (1937). Poor people suffered from other high-minded New Deal policies like the **Tennessee Valley Authority** monopoly. Its dams flooded an estimated 750,000 acres, an area about the size of Rhode Island, and **TVA** agents dispossessed thousands of people. Poor black sharecroppers, who didn't own property, got no compensation. FDR might not have intended to harm millions of poor people, but that's what happened. We should evaluate government policies according to their actual consequences, not their good intentions.

What is the author's thesis?

Support, Refute, or Modify the author's thesis.