

## Between the Two World Wars

**T**he anti-League of Nations candidate, Warren Harding, was elected President in 1920, and was inaugurated in March, 1921. His election proved to be a stunning blow to Woodrow Wilson. Wilson had hoped James Cox (a Democratic pro-League candidate) would be the next President. This might have made it possible for the United States to agree to sign the Treaty of Versailles and join the League of Nations. Now all hopes were dashed.

Warren G. Harding was President (1921-3) during a period of continued economic prosperity. He did not, however, prove to be a strong President, and a number of scandals rocked his administration. Harding himself was not mixed up in any of the scandals, but he was unable to prevent continuing corruption and scandal.

Harding visited Alaska in the summer of 1923. On the way back to Washington, he was taken ill, made an apparent recovery, then suddenly died of what was said to be a fit of apoplexy.

Vice-President Calvin Coolidge succeeded to the presidency (1923-9) upon the death of Harding. He was a silent, taciturn man from the state of Vermont.

This rather laconic man came to be called "Silent Cal." He was not a man of outstanding ability, and yet he was a popular President. He didn't have a very interesting personality, but who cared? The U.S. enjoyed great material prosperity under his administration.

During this period of the Roaring Twenties (especially between 1923 and 1929), America's trade soared, profits were high, wages rose, and speculation was rampant.

The countries of Europe, forced to reconstruct after the Great War, bought huge quantities of American goods. American industrial methods were fast developing. The average production per man in American industry increased 53 per cent between 1919 and 1929. The signs of prosperity were everywhere. European visitors to America were speaking of "America the Golden."

Two very obvious signs of American prosperity during this post-war decade were the great increase in the number of cars on America's roads, and the prodigious growth of speculation in stocks and shares.

Yet during this great period of American prosperity, the farmers

somehow seemed to miss out. The prices of farm produce kept tumbling — causing much distress among the farmers. Coolidge was re-elected in 1924, and could have been renominated by his party in 1928. But he did not seek re-election.

### *President Herbert Hoover*

Herbert C. Hoover became America's next President (1929-33). He had been the director of Allied relief and reconstruction after World War I, and had done a fantastic job. But he was, in at least one respect, America's most unfortunate President.

America had over a decade of continued prosperity following World War I. It looked like the Great American Dream of endless prosperity would continue forever. No one thought America, like much of the rest of the world, was ready to be knocked off her dizzy economic heights. Hadn't the U.S. risen to the greatest heights of prosperity ever known? Why shouldn't that prosperity continue — and increase?

When the Great Depression struck America in 1929, many believed Hoover was just the man to get America out of her economic tailspin. He was experienced in the field of business and finance, and he had proven himself an able organizer.

### *Hoover's Early Life*

Herbert Hoover's father, Jesse, was a blacksmith, and a dealer in farm equipment. But he died in 1880, when young Herbert was only six years old. His mother Huldah died when he was only nine years old. The remainder of his life was spent as an orphan with his uncles and their families.

Herbert Hoover became interested in engineering when he was only 16 years old (in 1890), and the following year he enrolled in the first class of the newly-founded Stanford University in Palo Alto, California. He worked his way through college by delivering newspapers, serving as a part-time secretary and as manager of a laundry agency.

Hoover graduated in 1895, and worked briefly as a miner in California. In 1899 he married Miss Lou Henry, the daughter of a wealthy banker.

Hoover began his engineering career in 1896 by joining the office of a well-known San Francisco mining engineer, Louis Janin. He later worked in London and China, still in engineering.

In 1901, Hoover went to London as a partner in a mining consultant firm, and then in 1908 he established his own engineering firm, headquartered in London. He had become a millionaire by 1914.

When World War I began, Hoover was in London. President Wilson



asked him to head the United States Food Administration in Europe. He did much to help the starving peoples of war-torn Europe during the war. He organized wheatless and meatless days, and the term "Hooverize" became synonymous with saving and doing without various foods.

When the Great War ended in 1918, Hoover was sent back to Europe to direct the feeding of millions of people in war-ravaged Europe. His diligent efforts undoubtedly saved many hundreds of thousands from starving to death. His work as a food administrator made him internationally famous.

### *Man of the Future*

By 1919, many Americans were already talking about Hoover for President. He had caught the public eye. In 1921, President Harding named him Secretary of Commerce. He did such an excellent job as Secretary of Commerce that a newsman once referred to him as "Secretary of Commerce and Under Secretary of everything else." Hoover soon became involved in problems of industrial production, labor relations, foreign trade, child welfare, and housing. He helped bring order to the field of radio broadcasting, promoted commercial aviation, and helped bring about the end of the 12-hour work day in the steel industry.

When Calvin Coolidge announced in 1927 that he did not "choose to run," Hoover was put forward as the Republican candidate for the presidency. The Democratic nominee was Alfred E. Smith, a Roman Catholic from New York. Hoover was favored to win the election for two reasons: he had a very good track record as a successful businessman, and had proven that he was a good organizer, and an able administrator. Secondly, his opponent Al Smith was a Roman Catholic and no Catholic had yet been elected as president of the predominantly Protestant United States.

American at that time held the view that Roman Catholics were not to be trusted — at least not in high office. For didn't they owe their allegiance first to the Pope at Rome, and might they not put their allegiance to that foreign authority ahead of their allegiance to America? There were still many prejudices against Catholics, Jews and other minorities at the time.

### *"Two Chickens in Every Pot"*

During the election campaign, Hoover spoke hopefully of wiping out poverty in America. He said that Americans would eventually have "*two chickens in every pot and a car in every garage.*"

Hoover was a sincere man — a real humanitarian, who looked forward to the abolition of poverty in the near future. His acceptance

speech for the presidential nomination sounded an optimistic note: "We in America today are nearer to the final triumph over poverty than ever before in the history of any land." Unknown to him or anyone else, poverty was ready to pounce on millions of unsuspecting Americans.

Since America had never had such great prosperity as she was then enjoying under the Republican presidents, many concluded their prosperity was the result of Republican policies.

Little did these Americans realize that unseen, sinister forces were at work which would bring America's prosperity crashing to the ground. Those forces were, termite-like, working away quietly, undermining the stability and the strength of America's economy.

### *Prelude to the Great Depression*

What were the conditions which led up to the Great Depression?

Much of the prosperity of Coolidge's day came from American industry. Those who grew richest during this time were the ones who owned shares in the great industrial combines. It was sound business for the profits which the big combines made to go to the share holders in the form of reasonable dividends.

But there is a second way to make money from shares. During a time of great prosperity, when industry is doing well, many people want to become shareholders. So the price of shares goes up. When this occurs, activity upon the stock market becomes brisker, buying grows keener, and speculation in shares soars.

Since the price of shares rises rapidly during such a "bull" market, many are seduced into buying them — not in order to receive regular dividends but to sell them in a short time at a fat profit! As more buyers joined the dizzying scramble for quick profits, the prices rise still higher, and the temptation to "speculate" in the stock market grows ever stronger.

Before the Great Crash of October, 1929, this frenzied whirl of speculation continued without any due regard to the actual conditions of industry, or the true value of the shares. The prices of shares finally became so bloated that it was like a huge bubble — just waiting for the slightest economic pin prick. Then — *bang* — all was lost overnight!

This is just what was happening in America in the late 1920s. During those Roaring Twenties America was a land of crazes. And the stock market craze was the craziest of them all.

### *Stock Market Craze*

Why did people indulge in this craze? Simple greed. Millions saw the buying of shares, even at fantastically inflated prices, as a means to



an easy fortune. The get-rich-quick urge is buried deeply in the breast of most mortals, and when the tempting offer to get wealth quickly is presented, few are able to resist it.

Americans from every walk of life were tempted: presidents of big corporations and banks, professors, cowboys, clerks, poets, plumbers, mechanics, farmers, storekeepers, workmen with only a little savings, little old ladies and clergymen — they were all sucked into the giant vortex of stock market speculation. They all hoped their shares would yield quick, inflated profits. They could then retire for life on their earnings.

Playing the stock market became a national mania. It was like betting on horses on a massive scale — with many hundreds of thousands playing the dangerous game. People who would have shaken their fingers, and wagged their heads at the thought of gambling, were in fact indulging in the biggest gambling operation of all time. And they were about to lose all their investments without the faintest idea that this was about to take place.

During 1928 and 1929, the prices of shares rose to fantastic heights. General Electric Company's stocks, in March 1928, were at 128¾. Only eighteen months later, they had climbed to 396¼. The New York exchange daily volume of business rose to over \$5,000,000. There were days of wild panic as the prices rose erratically. Some days there was rapid selling, but the trend was generally upward. This would continue forever, thought many Americans.

### *The Bottom Falls Out*

America's new President, Herbert C. Hoover, was inaugurated in March 1929, and six months later, the stock market had reached its highest level. Then, suddenly, the terrible crash occurred.

Prices began to fall. They had done this many times before, and then had bounced right back. Everyone expected this would happen again. But there was to be no recovery this time — at least not for years to come.

On October 24, nearly 13,000,000 shares were sold. The great stock market bubble had *burst*. The bottom had fallen out of the American stock market and countless thousands were ruined overnight! Many people had been speculating with borrowed money and had done this on a very small margin of safety. A few points could bring sudden and total ruin.

The stock market crash tended to have a snow-balling effect. Once prices began falling, speculators were seized with panic. They had to sell out quickly in order to avoid being saddled with a debt which would ruin them for life. Once largescale selling began, people's confidence plum-

meted, so this triggered more frantic selling. But things didn't bottom out until June, 1932, when prices reached their lowest point.

Many wealthy men became so depressed that they took their own lives. Presidents of big corporations saw their wealth evaporate in front of their very eyes. Everything had vanished in an instant.

Panic seized people not only in America, but also in Europe. Britain, France, Germany and many other nations of Europe suffered badly.

During Germany's deep depression, it took boxes full (or wheelbarrows full) of money to buy a loaf of bread. The German mark became worthless. At one point a German needed 4.2 billion marks to buy one U.S. dollar. People went hungry. Begging increased. Starvation became common.

America's Great Depression worsened until about 14 million were unemployed. This depression revealed to America that *something was fundamentally wrong*. But what?

### *What Caused the Depression?*

American manufacturers, encouraged by high profits during the years of rising prosperity, had simply made too many goods. Overproduction eventually led to a drastic curtailing of production, and this meant workmen had to be dismissed. When men are unemployed, they spend less money. This, in turn, means that fewer goods are bought and sold, and this leads to a further cutback in the number of goods being manufactured, which means more workers are laid off — which creates another round in the cycle. Such a depression cycle, once started, tends to feed on itself. It snowballs, and gathers momentum, until massive forces are marshalled to check its accelerating pace.

Another cause of the Great Depression was that the U.S. had erected such a high tariff barrier against foreign goods that foreign trade had fallen off drastically. When foreign nations could not sell their goods to America, they were either unable or unwilling to buy American goods — foodstuffs and manufactured articles.

And the wild speculation of the 1920s certainly aided in triggering the depression. There was not only speculation on the stock market, but Americans ran up vast debts. America's huge industrial combines plunged heavily into debt, and private individuals were also going into debt to buy homes, farms, cars, appliances, and furniture.

When the bottom fell out of the stock market in the autumn of 1929, Americans realized their prosperity had suddenly come to an end. This meant the whole gigantic structure of public and private debt would collapse like a house of cards. Stock holders were instantly ruined, companies went broke, farmers lost their farms to the mortgagors, and millions of Americans found themselves unable to keep up their payments.



The Great Depression, which began in 1929, continued to grow deeper as Hoover's term of office went on. Unemployment continued to rise sharply. Unemployment had averaged about 1,500,000 during the years of prosperity, but by 1930, three million were unemployed, and by 1933, nearly 14 million had lost their jobs.

U.S. factories were only producing about half the amount of goods in 1933 as they had produced in 1929. Foreign trade in 1932 was less than one-third of what it was in 1929.

All of this meant that many factories, mills, and mines were lying idle. Many banks had closed their doors, and millions of families had been plunged from comfort and plenty to poverty and great hardship.

A common sight was bread lines and soup lines in the big cities. People were near starvation in many of the big cities, and many farmers also faced ruin due to severe drought, scouring winds and sun-blasted crops. Lack of rainfall led to the infamous "Dust Bowl" of the thirties.

Americans believed that if any man would be able to get the U.S. out of her economic doldrums, then Hoover was the man. He had been a successful mining engineer and business director, and had displayed great efficiency in whatever he had set his hand to do.

Herbert C. Hoover thought the best way to run business was by private enterprise. He believed strongly in the merits of "rugged individualism."

When the Great Depression struck, the government was inevitably blamed. Hoover, along with most Americans, thought the Depression would soon go away. Recovery was just around the corner. Hoover and his administration opposed government interference and control of industry.

The President held many conferences in the White House with employers, and he encouraged them to keep wages high, while refraining from dismissing workmen. Hoover's administration also made extensive loans to farmers.

The Reconstruction Finance Corporation was established in 1932 to lend money to banks, industries, and railroads. It saved many from bankruptcy.

The U.S. government also encouraged private charities and city and state plans for relieving distress. It accelerated its own federal public works program, and encouraged states and cities to do likewise — hoping that all these measures would help absorb the growing unemployment.

President Hoover tried to ease the world's financial position in 1931 by declaring a "moratorium" on all war debts, letting foreign countries forego paying any interest on war debts to America for a year.

But all these attempts to relieve the plight of the economy seemed to achieve very little. In fact, the Great Depression continued to worsen.

The soup lines and the bread lines continued in the cities. Men who

had been company presidents, and who had owned two or three homes, had servants, a couple of cars, and had taken regular trips abroad, now found they were in a desperate struggle to procure the necessities of life. In some cases men who were wealthy before the depression soon found they had to sell their furniture, their car, some of their clothes and other items just to keep afloat financially.

Men of former wealth and position were compelled to sell apples, pencils, etc., on street corners. Others who were unaccustomed to manual labor were happy to do most anything to earn a few dollars with which to feed their families.

### *Depression Runs its Course*

In spite of all that President Hoover's administration did to relieve the suffering and to get America out of the Great Depression, nothing seemed to work. The country continued to slide further into the economic abyss. It is doubtful that any man would have been able to get America out of her economic tailspin very quickly.

Like a person with a bad cold, or with pneumonia, it would take time for the illness to run its course. Drugs, pills, or other forms of medication might give temporary relief, but they could not give instant health, and they might even temporarily make the patient worse in some cases. So it was with all the Hoover remedies for curing America's Great Depression. None really eradicated the causes — they merely treated the symptoms. It would take time for the Depression to bottom out and run its course. No man came forward to work miracles. America had to take her bitter medicine.

It is not fair to blame an able and sincere man like President Hoover and his administration for the Depression. They neither brought it on, nor did they sit idly by, wishing it would go away. This economic scourge afflicted many other nations in the world, and in each case, regardless of who was in power at the time, the Depression had to run its course.

The Great Depression continued to afflict America during the administration of Hoover's successor. It was not until World War II, and the tremendous need for military goods, that the U.S. productivity increased and the country climbed all the way out of her Depression.

Hoover had won the 1928 election by a landslide. He carried 40 of the 48 states, and received 444 electoral votes, whereas his opponent, Al Smith, received only 87.

America's prosperity had insured Hoover's victory. But America's deep poverty brought on by the Great Depression would defeat him and the Republican party in the 1932 election.



*F.D.R.'s Early Life*

The Democrats nominated Franklin D. Roosevelt in 1932. He was a distant relative of Theodore Roosevelt. He also came from a wealthy family, and was educated at Groton and Harvard.

Roosevelt had a short career as a lawyer in 1910, and was soon elected to the New York State Senate. He supported Wilson for the presidency, and was appointed Assistant Secretary to the Navy in 1913. He continued in this job throughout the First World War. In 1920 Roosevelt was the democratic candidate for the Vice-Presidency.

Then tragedy struck! The 39-year-old Roosevelt was struck down by polio in 1921. It looked as if his public service career was forever finished. He became paralyzed from the waist down, lost the use of his hands, and suffered intense pain. But Roosevelt was determined not to let his illness destroy him. He began regular strenuous exercise. He finally recovered sufficiently to carry on in his political career. Although F.D.R. remained crippled for the rest of his life, and was unable to walk without leg braces and crutches, he was elected Governor of New York in 1928 and again in 1930, and gave the people of New York reforms which were a foretaste of his New Deal.

Franklin D. Roosevelt possessed a remarkable charm of manner. He had a ready, cheerful smile and a warm handshake, and he knew how to enjoy a good joke — especially with journalists.

Another asset which Roosevelt possessed was a good speaking voice. When Hoover spoke, he sounded as though he was about to weep. But Roosevelt had a voice which conveyed confidence, warmth and resoluteness. When he spoke to the American people over the radio (particularly in his "fireside chats"), Americans were warmed, encouraged, and inspired! They came to believe that this man had the answer to their economic ills.

During the presidential election of 1932, Roosevelt toured the country delivering speeches. He traveled about 20,000 miles and visited 36 states in four months.

Franklin Roosevelt would need all of his personal qualities to inspire the nation, and help the U.S. get out of her economic doldrums. His infectious good cheer, his energy and common sense would be sorely needed.

Fourteen million Americans (about one out of every four workers) were out of work on the day Roosevelt was inaugurated in March, 1933! Many businesses had closed down, and every bank in the nation was shut.

Franklin D. Roosevelt received 472 electoral votes. Herbert C. Hoover only received 59. When America learned that Roosevelt had been elected, many began singing the popular song, "Happy Days Are Here Again."

Roosevelt, the only President ever to be elected for a fourth term, served as President from 1933 through 1945.

During Roosevelt's inaugural address he attacked the system that had brought the U.S. to economic ruin, and pointed out the way which he believed America should take to recover. And Roosevelt didn't dally. He took immediate steps to help resolve America's economic difficulties. Roosevelt promised the American people a "New Deal" and to end Prohibition.

### *The Era of Prohibition*

The issue of prohibition has been of great public interest in the U.S. for over 100 years. Between 1850 and 1865, Maine and 12 other states passed statewide prohibition laws. These laws were later repealed, then there was a strong movement to reintroduce prohibition.

In 1869 the Prohibition party was organized. Then in 1874, the Woman's Christian Temperance Union was formed. The Anti-Saloon League, organized in Ohio in 1893, also became an effective tool in furthering the cause of prohibition.

By July 1, 1919, 31 states were either already "dry" or else had voted for state-wide prohibition on a definite future date.

The prohibition movement was gaining strength throughout the nation. The U.S. Congress passed the Webb-Kenyon law in 1913, forbidding the shipping of liquor from a "wet" to a "dry" state. And in 1917, the Jones-Randall Bill was passed making it unlawful to use U.S. mails to send liquor advertisements or circulars into a "dry" territory.

The Anti-Saloon League started a national campaign for a prohibition amendment to the Constitution in 1913. But the amendment failed to receive the necessary two-thirds vote in the House of Representatives in 1914.

The prohibition leaders used the food-control bill to strengthen their cause during World War I. The food-control bill carried a section which prohibited the manufacture of distilled liquor, beer, and wine. After September 8, 1917, no whiskey was manufactured, and no beer was manufactured after May 1, 1919. Under the wartime act of July 1, 1919, no more intoxicants were sold, and no saloon in America could legally operate after that date.

Even so, there was still no national amendment to the Constitution. In 1917, Congress passed an amendment that would make the entire country come under prohibition.

The Eighteenth Amendment declared:

Section 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the



importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

Section 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

Section 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.

The 18th Amendment went into effect on January 16, 1920. The Volstead Act was passed in 1919 to help enforce the 18th Amendment. This Act carefully defined alcoholic drinks. The Jones Law was passed in 1929, by which fines up to \$10,000 were imposed for offenses against Amendment 18. The Jones Law was amended in 1931.

By the early 1930s it had become clear to many Americans that prohibition was not working, and could never be enforced in the U.S.

### *Evils of Prohibition*

The American people, working through Congress, came to see that prohibition had failed miserably. It was not possible to enforce prohibition when many millions of citizens were against it, and would continue to get their alcohol one way or the other.

There simply was not enough money in the U.S. treasury, nor sufficient policemen to enforce such an amendment.

It would have been just about as easy for the U.S. government to have prohibited all sex relations as to have prohibited Americans not to have a drink.

Before prohibition, many Americans looked upon the use of alcohol as the *source* of many (if not most) of America's woes. When the 18th Amendment was passed in 1919, they thought a new age of sobriety and temperance had been ushered in. Drinking would cease, and there would be no more drunks, and no more broken homes as a result. A non-alcoholic Utopia was just around the corner.

But America had over 18,000 miles of coastline and land boundaries. It was not difficult for bootleggers to get alcohol into America by ship, or across the Mexican or Canadian borders. Many would not be caught, and bribery and corruption would see to it that those who were caught would often go unprosecuted and unpunished.

Also, it was easy for American citizens to set up their own secret still in their cellars, barns, woods.

The Federal government never employed enough agents to police the law. Federal agents were often poorly paid, and many were willing to accept bribes, or turn a blind eye to illegal acts.

The making and importing of illegal liquor (known as bootlegging)

developed on a gigantic scale. Bootlegging actually became one of America's major industries during prohibition days.

It was easy for rum-runners to land their cargoes in lonely coves. Trucks carried cargoes of beer through city streets in open defiance of the law. Illegal distilleries turned out hundreds of millions of gallons annually, while other millions of gallons of "industrial alcohol" were diverted from their lawful use. Home brewing and distilling became widespread. Thousands of "speak-easies" sprang up in the cities and larger towns. In the bigger cities (like New York and Chicago) where the population was strongly "wet," scarcely an attempt was made to enforce the law.

The Federal government spent \$10,000,000 annually and arrested about 50,000 people each year. Even so, they barely made a dent toward arresting all the offenders.

Better not to have laws than not to enforce laws once they are on the books. Otherwise, lawlessness will only be encouraged, and the average citizen will come to hold the law in contempt.

Prohibition was the chief cause of the rapid increase in crimes of every sort during prohibition days. This was especially true of crimes of violence.

Legitimate industries and businesses could settle their differences in court. But in the bootlegging industry, this was not possible. The bootleggers devised other means of settling their disputes. They soon developed their own means of protecting their interests and of ruining their rivals.

Ordinary citizens began to get their eyes opened to the evils of prohibition when they saw gunbattles between rum-runners and federal agents, and when they saw truck loads of liquor in broad daylight rolling through the streets of their city or town — protected by toughs armed with machine guns.

The very fact that bootlegging was illegal caused it to attract criminals. Bootleggers resorted to the use of hired gangs of criminals in order to protect themselves from violence or threats of violence from their competitors.

Such well-known gangsters as Al Capone became important figures in America at that time. Some of the gangsters held more power in their respective spheres of influence than did the politicians. Al Capone ("Scarface Al") made a multi-million dollar fortune in illegal activities including bootlegging.

And city mayors and civic leaders were often in cahoots with the gangsters. Mayors such as "Big Bill" Thompson, Chicago's notorious mayor, were corrupt and many city governments were riddled with corruption.

Prohibition did not endow Americans with more righteousness than



they already had. "On the contrary," as Alistair Cooke wrote, "it gave rise to a national underground industry, based in Chicago, that turned small-time safecrackers and brothel owners into millionaires."

Alistair Cooke paints a vivid picture of the fruits of prohibition in America:

... In time the gang leaders grew greedy, divided Chicago into rival territories, and fought each other for their control. But, in accordance with the old Roman code, they showed resolution in war and magnanimity in victory. There was, for instance, Dion O'Banion, an Irishman whose cover for his liquor empire was a florist's shop. He was double-crossed by an Italian, made a derisory remark about Sicilians, and was successfully disposed of by Al Capone and Johnny Torrio. His funeral casket was of bronze and solid silver. It was followed by the sorrowful Capone and Torrio, and by \$50,000 worth of flowers contributed, in loving memory, by the opposition. The murderers were never found. Capone, however, had the sense to buy himself an armor-plated Cadillac.

Cooke continues:

It took America thirteen years to concede that the Noble Experiment was a squalid disaster. While it flourished, the public momentarily shuddered at the gangland murders and the baroque funerals, then returned to its pleasures and its prosperity....

It was Herbert C. Hoover who had called prohibition "an experiment noble in motive." Regardless of its noble motives, however, it didn't work. America had learned her lesson. So Congress repealed the 18th Amendment in February, 1933, and by the following December, 36 states had ratified the new repealing amendment.

Thus ended America's "Noble Experiment."

### *The "New Deal"*

Franklin D. Roosevelt was elected President (1933-45) in the 1932 election, but was not to be inaugurated until the following March.

But Roosevelt narrowly missed being assassinated even before he reached the White House. A mentally ill brick-layer, Giuseppe Zangara, tried to assassinate Roosevelt in Miami, Florida on February 13, 1933. Fortunately for the nation, Roosevelt escaped, but the Mayor of Chicago, Anton J. Cermak, was killed. The assassin confessed that he had visions of killing a "great ruler," and was executed on March 20, 1933.

Few, looking back to the Roosevelt administration, will deny that Franklin D. Roosevelt was sincere and tried very hard to help America get out of her economic quagmire.

Roosevelt instituted his "New Deal" as soon as he was able. He described it as a "use of the authority of government as an organized

form of self-help ('pump priming') for all classes and groups and sections of our country."

Roosevelt immediately began vigorously attacking America's economic problems after his inauguration. By this time, bread lines were common. Many farmers and city workers had lost their homes, cars, farms and others were on the verge of losing theirs.

A banking panic had developed about three weeks before Roosevelt's inauguration. It had spread like wildfire throughout America, as worried depositors hurried to their banks to get either cash or gold before it was too late! As this panic grew, and their depositors made "runs" on the banks, many banks had to close. Over 5,000 banks were out of business when Roosevelt took office.

Roosevelt knew that drastic action must be taken. He, therefore, officially closed all banks on March 6, 1933. They were to remain closed until U.S. officials of the Department of the Treasury could examine their bank books. Those banks found to be in a sound financial condition were to be given a clean bill of health — and were to be supplied with money by the U.S. Treasury and allowed to reopen.

On the other hand, any banks which were found to be in doubtful condition were to be kept closed until they had put their banks in a sound financial order. Many banks which had become insolvent never opened their doors again.

The immediate effect of Roosevelt's action was that the American public quickly regained their confidence in the banks, as they now knew that if a bank opened its doors, it would be a safe bank in sound financial condition.

### *100 Days of Action*

During Roosevelt's first famous "Hundred Days," he was able to pass, with the help of Congress, a number of important bills which would help speed America on the road to economic recovery.

During this "Hundred Days" (actually just 99 — from March 9 to June 16), a number of important laws and acts were passed. These included: The Agricultural Adjustment Act (AAA), the Tennessee Valley Authority (TVA) Act, and the National Industrial Recovery Act (NIRA).

Roosevelt gave the first of his famous "fireside chats" on March 12. Speaking on the radio, he explained the action he had taken, and what he planned to do in the future.

### *Unemployment Legislation*

President Roosevelt knew America could never regain her confidence until her people were once again working. With 14 million unemployed, the President had a herculean task ahead helping provide



enough jobs for the unemployed. He believed each head of family was entitled to be able to earn his own bread, so he could lift up his head with pride and honor.

Roosevelt got Congress to appropriate \$500,000,000 through the Federal Emergency Relief Administration for emergency relief to the states and cities. The government then started a relief program in the winter of 1933-35, called the Civil Works Administration (CWA). This relief money, supplied to mayors and governors, made it possible to put men to work to build streets, roads, bridges, schoolhouses, clean up parks and a host of other useful tasks.

Under Roosevelt's administration, the Civilian Conservation Corps (CCC) began operating in 1933 and continued through 1942. About one-half million men were given employment through the CCC and its programs of soil conservation, flood control and forestry.

In 1935 the Works Progress Administration (WPA) was established to provide work for others who were still unemployed. The WPA (jocularly called "We Piddle Around") averaged employing about two million annually between 1935 and the beginning of the war in 1941.

Roosevelt also began making known his "good neighbor" policy toward Latin America. In November, 1933, the U.S. recognized the Soviet government of Russia.

During Roosevelt's first four years enough progress in the economic condition had been made to insure his re-election. F.D.R. won the election by a landslide — receiving 532 electoral votes, with only 8 going to his Republican opponent.

During F.D.R.'s second four year term, he continued his economic programs, and did all possible to preserve America's neutrality during the early years of World War II. He wanted, however, to give "all aid short of war" to those nations who opposed the Axis powers of Germany, Japan and Italy. Roosevelt believed that an Axis victory would jeopardize democracy throughout the world.

Beginning with George Washington, no U.S. President had ever sought a *third* term. But Roosevelt believed it would be good for America if he could continue his policies, so he accepted the nomination for a third term — and he won the election with 449 electoral votes, with only 82 going to his opponent. He carried 38 of the 48 states. Americans were now convinced that Roosevelt knew better than anyone else how to continue bailing America out of her economic doldrums. And the nation was definitely making headway under his able leadership.

The U.S. had continued to be "neutral," but by the time Roosevelt took his third presidential oath of office in 1941, America was giving Britain "all aid short of war." Britain had given America 99-year leases on several naval bases in the Atlantic, in return for fifty old American destroyers in the summer of 1940. Also, the U.S. had adopted its first

peacetime selective service law in September, 1940. This draft program was meant to ready Americans for the war just in case she was drawn into combat.

### *The Four Freedoms*

It was on January 6, 1941, that Roosevelt declared his famous Four Freedoms. He believed all men should be entitled to freedom of speech, worship, freedom from want and fear.

Then on March 11, Congress passed the Lend-Lease Act by which America could provide war supplies to any nation at war with the Axis powers.

Although Japan's aggressive acts in the Pacific area had caused America and other peace-loving nations grave concern all during the decade of the 1930s, America had given Japan a number of warnings, but had done nothing else. (President Roosevelt said America's policy toward Japan was that of "babying the Japanese along.")

In August, 1941, President Roosevelt met with Prime Minister Winston Churchill to draw up the Atlantic Charter, in which they pledged not to seek gains, "territorial or otherwise" and to respect the right of each nation to choose its own form of government. They also pledged to guarantee freedom of the high seas, and to conduct peaceful world trade.

But the ominous clouds of war were beginning to encircle the United States and draw the U.S. into global war. As fate would have it, neutrality would not be maintained for long.



