

Interview with Dr. Allida Black
Professor at George Washington University & Project Director/Editor of The Eleanor Roosevelt Papers
FDR Fireside Chat

1. Meet the Source (3:00)

The Fireside Chat given April 28, 1935, in the White House Diplomatic Reception Room, one of the 27 fireside chats that FDR gave and it's on the Works Relief Program.

He's really trying to force the Congress to address the issues that didn't get attention in the first two years of his inauguration.

You know, historians often talk about the first New Deal and the second New Deal as if there were clear benchmarks, that there were clear like highways down the middle that divided the two. I think it's easier, really, to talk about when you look at this document, to look at the overarching goals that FDR had for the New Deal and what the problems were that he confronted when he came into office.

He says, "Our responsibility is to all the people in this country. There's a great national crusade to destroy enforced idleness which is an enemy of the human spirit generated by this Depression." FDR believed that confidence and action were essential to confronting the Depression individually, collectively, and politically. Go back to his inaugural address. We all know "the only thing we have to fear is fear itself" [with] that reason on justifying fear that paralyzes the human spirit," he says, and in that address, he calls for bold, persistent experimentation.

Well, two years later, two years and a month later, you can look at this address, this Fireside Chat, as the second chapter in FDR's inauguration because it tells you clearly the direction that he's going, what his vision for the country is, how much political capital he's willing to expend on it, and why he is so committed to seeing it implemented.

The purpose of this to show the American people that the Roosevelts care, that the economy is fundamentally sound and that what is just as important as solid government policy is their confidence in themselves and in the government to get through this, because America is the only society in the history of the world from the beginning of time—the history of the world—not to have a violent revolution and an overthrow of the government when their economy tanked.

2. Great Depression (2:54)

When FDR comes into office he is elected in November 1932, and he will not take office until March so there's a five-month dead time or political vacuum, if you will, where FDR's trying to get a handle on how best to deal with the great crisis in the country.

Now, historians disagree on how pervasive the Great Depression was. What they do agree on is that it's the greatest depression in American history. Some people say that 25% of Americans

didn't have a job. Other people say that's really a low number because that's based on people that are still trying to find a job.

Let me give you an example of how horrible the economy was when FDR comes into office. The day he takes the oath of office, the vast majority of farms in Mississippi were on the auction block. At the same time that this Fireside Chat will occur, the Midwest will have a horrific dust bowl. So you had a natural crisis, you had an economic crisis, and you had a great crisis of confidence.

The Great Depression starts really the day World War I ends, not just because of the Treaty of Versailles but because the farm economy goes into the toilet. And so when the farm economy, which is almost 50% of the American economy at that point, goes into the toilet, that has a significant impact on people's ability to purchase, to buy goods and that has a huge impact on inventories which has a huge impact on manufacturing which has a huge impact on small business, has a huge impact on bank loans, and so it's a downward cycle.

What FDR fundamentally believes is that the Great Depression is as much psychological as it is economic and so what he wants people to believe is that it can get better. And his fundamental approach, what he will call this great national crusade, is to get business and citizens working together for the common good. Capitalism and government for a united purpose that serves not only small vested interests or business interests or individual selfishness, but the common good. And there's still poor, but the gap is narrowed.

3. Historical Background (3:42)

So when FDR comes into office in March of 1933, he's got to deal with a banking system that is in shambles. People are taking out their savings because they don't trust the banks. A third of the banks have shut their doors, have collapsed, so what FDR first has to do is to prop up the banks.

The next thing he's got to do is prop up the agricultural economy because agriculture is where the vast majority of unemployment is. Once FDR gets the banking system set up, he deals with the two fundamental sectors of the American economy—business and agriculture.

And agriculture is dealt with [by] the Agricultural Adjustment Act because it's the issues of over-production and under-consumption. So FDR says to the farmers, listen, we got to control over-production which means that you can't use all of your land. But the government wants to help you and not penalize you for doing this, so if you take 10% of your land out of cultivation, if you leave it fallow, then the government will pay you 10% of what you made last year to help make up for that loss.

The prices will come back up and, in theory, people will have the money to buy the crops which will give the farmers the money that they need to pay off the debts which will help the farmers and help the banks.

So, once FDR deals with the farm economy, he's got to deal with big business and small business. The legislation is the National Industrial Recovery Act, the NIRA. It sets up the NRA,

the National Recovery Administration. Now, instead of saying, okay, take 10% of your business aside and we'll pay you, they set up a gazillion codes—price code and wage codes. And if you adhered to it, you got this great blue eagle that you put in your window as this great government seal that says “we do our part,” you know. And what're you doing, what is your part?

By 1935, the economy is back to where it was in 1929. It's back to where it was when the stock market crashed, but the stock market is not the beginning of the Great Depression. It's when the Great Depression hit the middle class, those who owned money in the markets, those who worked in industries that were affected by the markets. And so what FDR realizes in 1935 is that he has to take additional steps to deal with these crises because the big overarching programs, the Agricultural Adjustment Act, the National Recovery Administration, are not dealing with the problems in as comprehensive and widespread way as FDR wants.

So how does FDR navigate this?

Well, he's got a great democratic majority in 1934 because the Democrats really come back and take over Congress, so he's got to capitalize on this good will. He's got to address his critics and he's got to address the American people to get them involved. This is when you get Social Security. This is when you get the Wagner Act or the right to join a labor union. This is when you set up the WPA.

4. Fireside Chats (2:21)

FDR is getting ready to present all of this legislation in 1935 and it's this together that's collectively known as the second New Deal. And so when FDR begins to do this, he understands how to talk. He can talk to the American people without being condescending. Whenever FDR was on the radio, as many people listened to FDR as listened to “Amos & Andy” which was the most popular show on the radio.

He went into the White House in May 1933 and he died in April 1945 and he gave 27 Fireside Chats. That's not a lot. And they were always broadcast from the White House Diplomatic Reception Room. This is what the Government will do. This is what the government will not do. This is the role that private industry has in it, but most importantly of all, this is the responsibility that we owe our citizens. And it's an amazing, amazing piece.

We call these things Fireside Chats because FDR tells his listeners that he wants them to feel as though he's a guest in their living room. And that he's been invited in to sit by the fireplace and talk about what we all should do together to make America better. And so he continues this incredible informality, but in a way that is really, I think, phenomenally, educational by saying this is the way the policy's going to work, these are the guidelines that we've got.

It is a remarkable study in power and in conversation. It's not a press conference. It's more like a graduate tutorial to the American public on how relief policy is going to work and the extents, the limits and successes, that his early policies have put into play. He talks about how far they've come, but clearly there's much more to do.

5. Themes (3:53)

He does believe, if you look at this, that America has to get away from the trees and look at the forest. He talks about getting out of Washington and going to Hyde Park or going to Georgia. I mean, that's a great metaphor, but it's a metaphor not just for him. It's also a metaphor for the American people. Don't just think about you. Think about the country as a whole.

You get a real clear picture of how smart FDR thought the American people were. I mean he's talking to them about checks and balances. He's talking to them about laying out a whole new vision. This is what the vision's going to be based on.

One of the reasons that this speech is so detailed is that it's a conceptual speech. He's laying out the vision. He wants America to buy into the vision without getting distracted by the details. He's going to say this is the hull of the boat, you know, this is the framework. This is where the boat's going to go.

Let's think about the ship building analogy that he uses at the start. All you know is it's a ship and so FDR's saying the economy and recovery is like a ship. And so what he's doing is he's getting the American people to visualize as they sit around this radio the construction of a boat. And then what can happen in their local community if the state and federal government partner together to address issues of concern in that community in a way that puts a significant number of the unemployed and those who are on the relief rolls back to work.

One of the things that FDR is trying to do rhetorically in this speech is to get everybody to join this national crusade and it's a crusade to make democracy work. It's a crusade to revive American capitalism and so the language that he uses here is quite compelling. "Democracy" shows up a lot. It's a way to pull us in; it is a common crusade. It is a joint effort. The "us" is defined by the character and the values and the political systems and the dreams that we all share.

Let's look at the third paragraph. "The objective of the nation has greatly changed in three years. Before that, individual self-interest and group selfishness were paramount in public thinking. The general good was at a discount."

Character is dealing with the general good and how did FDR come to that? As he says, "I call upon my fellow citizens everywhere to cooperate with me in making the most efficient and the cleanest example of public enterprise the world has ever seen. It cannot be done alone. It is a challenge to our national will, our national dedication and our national character." Character is the strength that we need emotionally, civically, and economically and politically to recover. It is the recovery of confidence in our democratic processes and institutions. That's what character is to FDR.

6. Public Relations (3:35)

FDR uses radio and the White House mailroom, and Eleanor, as a way to say—I care about what you're going through. And so he begins the Fireside Chats talking, you know, giving his listeners

that image of being a guest in their living room, sitting next to a fireside where they are talking about things as a way to bring them in to government negotiations, to make them feel that they have an ownership.

At the exact same time, they're revolutionizing the White House mailroom. Let me give you an example. Eleanor Roosevelt started a monthly column in August of 1933 entitled "Mrs. Roosevelt's Page." It was in the *Women's Home Companion* which is sort of like a combination between Oprah, *Redbook* and *Life* and she writes an article entitled "I Want You To Write To Me." You know, we've got the New Deal going. There're all these projects that are going on, but we're not going to know if they're really helpful unless you tell us what they're doing.

In four months, Eleanor Roosevelt gets 300,000 letters. You have people writing in margins of newsprint. You have people writing on paper towels. You have people writing on great stationery. You have people writing on brown paper bags to say this is what's happening in my life. And they address the Roosevelts in amazingly intimate terms—"Father Roosevelt," "Mother Roosevelt."

There's an immediate emotional connection here and so what they both do—FDR through the radio, Eleanor through print and her travels—is to reach out to the American people and to say: we will figure out how to get through this. And so what they are doing is, reaching out to the American people to say: we are acting, we are acting in new ways, we realize the shortcomings and the successes of policies that we've had in our first two years. We understand that pressures that we're getting from the right and the left. We understand the havoc that widespread unemployment has brought to your life. But we want to share with you the courage to get through it. And that is just as much a major purpose of this talk as is selling the policy.

FDR's phenomenally popular. I mean, after this address in 1936, FDR will win the greatest electoral victory in the history of the United States. He'll carry every state but two and while he is incredibly controversial, the vast majority of American people held him in very high regard. And Eleanor, who was to the left of FDR politically, had even higher approval ratings, although equally venomous attacks.

7. Federal Projects (2:41)

He gives you six clear principles. He calls them six fundamental principles that govern all projects that will receive federal funding. The first is they've got to be useful. Now, useful is a great word because you can interpret it any way you want. We need post offices, right? So the WPA builds a boatload of post offices which are incredibly useful.

FDR signs the Executive Order creating the Federal One Programs. And the Federal One Programs are the Federal Writers Project, the Federal Theater Project, the Federal Dance Project, and the Federal Arts Project. It's useful because it puts people to work.

The second thing: "projects shall be of a nature that a considerable portion of the money spent shall go into wages for labor." What this is saying is the money has to be targeted to workers and the auditing of the books will pay very close attention to that.

Third: “it should show an ultimate return to the Federal Treasury.” It means that the government wants its money back. FDR never wanted to run a deficit and so he wants these projects to generate income.

Five: “in all cases, the project must be of a character to give employment to those on a relief roll.” His sixth fundamental principle, is that, sure, it’s federal money and, sure, there’re federal guidelines, but they’re local projects. They’re local projects that are set up by county boards, by school systems, by state agencies, and this, by and large, it’s a compromise that FDR made to get it through because local groups think that they should control the money.

He’s trying to say the government has a new role to play in partnerships with the states, with local authorities and with the American public. And that recovery rests upon federal money being sent into local communities that will fund the work of its citizens who will also monitor the quality of the work and how those funds are being expended.

8. Works Progress Administration (2:32)

From its inception in 1935 until Congress withdraws funding for it in 1943, the WPA has an enormous impact on the United States. Workers who [are] employed in WPA projects repair 572,000 miles of roads. They repair 85,000 public buildings. They build 67,000 miles of new roads, namely in cities which have had paved streets before. They build 78,000 new buildings. They build 40,000 public buildings, 8,000 parks, 350 airports.

In February 1936, when the money is just getting put into play, you have 3,019,000 people at work. The next year you have 1,400,000 and the following year you have 3,300,000. The point that I’m trying to make here is to help you bust the stereotypical image that accompanies discussions of the New Deal which is that once people got on a government payroll they stayed there forever. Wrong. Wrong. Wrong. Wrong. You stayed maybe 14 months and you have great variety in employment. So what did folks do?

Well, we talked about all the construction projects they did. Seventy-five percent of this was targeted toward construction. Why? What we need is we need projects that will benefit the country, but that also will put huge numbers of Americans to work fast in ways that gives them new job skills. So let’s take people that might have been janitors and let’s teach them how to be carpenters. So let’s not only construct, but let’s have on-the-job training that will enhance people’s job skills and make them more employable and give them more skills to which they can market themselves once they get off relief.

9. Social Security (2:26)

When FDR talks about Social Security in the Fireside Chat, he’s doing two things. He’s responding to the plan that Francis Townsend is introducing in California where every worker over 65 who retired would get 200 dollars from the federal government a month to spend immediately in their community to help put revenues back in. FDR thinks that’s irresponsible and so his Social Security plan is nowhere near as comprehensive as Townsend’s. It at first only applies to federal workers and a few businesses. It doesn’t apply to agricultural workers. It

doesn't apply to store clerks. It doesn't apply to domestics. Doesn't apply to teachers. He envisions it's getting there, but he knows that it's going to take a while to get there so it is an incremental approach that is immediately popular.

Social Security today is comprehensive and covers almost every worker in the United States. FDR wanted to get there, but he knew that he could never get that plan through Congress because you have southerners controlling the Banking Committee, you have southerners controlling the House Appropriations Commission. So are they going to pay for Social Security for farmer workers?

No. Why? Farm workers are hourly workers who work seasonally, right? They're disproportionately people of color. It's a Jim Crow society, so there're racial issues that are involved in Social Security, too. But what FDR envisioned was the payroll process where the individual would pay and the employer would pay. It would go into an account that the government would manage and would then dispense out when people reached a certain age. But not everybody is enrolled in it first.

10. A Changing Government (3:37)

One of the ways that FDR changed the government was expanding the role the government had in managing the economy and he did this in several ways. He did this with the Banking Act, with the Emergency Banking Act, which set up standards, regulatory standards, practices for banks that banks had to meet in order to be federally insured.

Let's look at the National Labor Relations Act or the Wagner Act. This said, for the first time in our history, the first time, that it was legal for a worker to join a trade union.

Then let's look at Social Security. The government began to set up a retirement system for the American public. What FDR hoped would happen would be a three-pronged stool of Social Security payments, corporate retirements or, you know, company pensions, and individual savings.

The other thing that FDR did was with the income tax, with the graduated income tax. Have it taken out of your paycheck rather than having you to have to write the check at the end of the year. So they really helped set a way to manage the cash flow of the federal government.

He also put the federal government in some cases in direct competition with private industry to spur private investment. So we have the federal government involved in almost every aspect of the American economy, from regulating the stock market and setting rules for how much you had to have in the bank to buy stocks on margin, what standards banks had to meet to be healthy, how you insured deposits in the bank, how you addressed the issues of over-production and under-consumption in the farm economy. How do you deal with the volatility of a skilled and unskilled labor force? How do you deal with labor conflict, organized labor conflict between labor and management? How do you deal with reforming the income tax system and how do you deal with the federal government controlling the way that monies are spent in the states.

So in many ways, what the New Deal did was establish the tax policy, the wage policy, the farm policy, the banking policy, the utility policy that govern modern America. When, you'd never have the Great Society. You'd never have public housing. You'd never have the National Endowment for the Humanities. You'd never have federal aid to education. You'd never have Medicaid and Medicare and Social Security indexed to the cost of living if you didn't have the New Deal because the New Deal is the bedrock. It's the platform upon which all modern government policies are based. Because the bottom line for this is that the New Deal said that the government had a role to play in propping up capitalism in a way that benefited the broadest number of Americans.