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## It All Started With The New Deal

It was the "Roaring Twenties," and Herbert Hoover had only been President for seven months, when the stock market crash of 1929 ushered in the "Great Depression." Hoover had been orphaned at age 9, and was raised by an uncle. He was a mining engineering graduate in one of Stanford University's first classes. He had made his fortune, was known as a humanitarian/philanthropist, and had served three presidents in high positions before being elected president.

The economy steadily worsened during the next three years, and didn't reach bottom until Roosevelt (FDR) had been in office for six months. Hoover had been elected in a landslide, and he was defeated in 1932 by a landslide. He was credited by many people - wrongly - of causing the depression. Most historians agree the main cause was over speculation. The underlying cause was greed. 40% of the banks failed, almost a fifth of home mortgages were foreclosed, and unemployment reached 25%.

FDR promised a "New Deal," and he transformed the role of government in his first 100 days in office. He created mostly by executive order - dozens of new government agencies who were known by their initials. The Public Works Administration (PWA), Works Progress Administration (WPA), Civilian Conservation Corps (CCC), and the Tennessee Valley Authority (TVA) were the ones that employed the most. Government quickly became America's largest employer.

In the interest of full disclosure, I thought FDR was a great president until I grew up, and realized I wasn't a Democrat. I might not have been born, if not for the TVA. My mother and father were farm kids from North Carolina. They were married in 1928, and they lost their jobs in Ohio, and decided not to have children until my father could support a family.

Like lots of people, they just exchanged jobs, and went back to the farm. Unlike lots of people they had shelter and plenty of food. He was out of work for four years until he was hired by the TVA in 1933. I was born in 1935, and FDR was an icon in my family. Incidentally, he installed the first indoor bathroom on the farm while he was "unemployed."

Many of the New Deal programs are still in existence. The farm subsidies are an example of programs that have not gone away, The Banking Act of 1933 is commonly known as the Glass-Steagall Act, and among other things, it prevented commercial banks from doing business in anything but banking. It was repealed during the Clinton Administration, and if it had not, the financial crisis of 2008 might have been prevented. With my uneducated mind, I still don't know what a derivative is, and my impression is, that most banks that were trading in them didn't know either.

By 1937, the economy was back to 1929 levels, but it went into what was called a "mini depression," and the full employment of WW 11 created a booming economy, and Truman and Eisenhower didn't tinker with the economy very much.

President John Kennedy (JFK) wasn't in office long enough to do great damage. In fact he cut taxes, but he increased welfare, the minimum wage, and social security benefits. New Deal Food Stamps had been discontinued in 1943, and JFK reintroduced them in 1961.

The table was set for President Lyndon Baines Johnson (LBJ). Johnson never had a job in the private sector. At age 23, after teaching school for a couple of years, he became a congressional aide, and he was famous for cultivating friendships with older men who became his mentors. Johnson was the Texas Area Director of the National Youth Foundation 1935-1937. That was the branch of the WPA that put young people, ages 16-25, to work, and he was elected to Congress in 1937. LBJ was a disciple of the New Deal. His "Great Society" and "War on Poverty" were a natural progression.

Obama is getting too much credit for changing the U.S. into a socialist state. It was easy for him to continue and expand the programs already in place. FDR and LBJ planted the seeds; Obama is reaping the crop. Not much is known about Obama's life prior to his community organizing days in Chicago, but it is known that he had communist revolutionary aspirations as a college student. Later, he learned that a peaceful revolution was much more efficient than an armed one.

Saul Alinsky's 1971 book, "Rules for Radicals" taught him how to successfully organize groups of people. Cloward and Piven's May 1966 article in the magazine The Nation "The Weight of the Poor: A Strategy to End Poverty," taught him how to overwhelm the welfare system, with the goal to get every American a guaranteed income. Cloward and Piven were a married couple who were professors at Columbia University when the article was published.

Saul Alinsky, Frances Fox Piven, Richard Cloward, and Barack Obama all have a strong Chicago connection. Piven and Alinsky were educated at the University of Chicago, and Obama taught there. Alinsky and Cloward are dead, but Piven is still a professor at City University of New York. Among other "honors," she has served on the boards of the ACLU and the Democratic Socialists of America.

The Kindle edition of "Rules for Radicals" is available from Amazon for \$9.99, and it is a quick read. Below is a link to "The Weight of the Poor: A Strategy to End Poverty," from Piven's website. It is an even quicker read.

<https://www.thenation.com/article/archive/weight-poor-strategy-end-poverty/>

Obama learned well; he is accomplishing everything he promised, and I hope we have not passed the point of no return.