THE ACHIEVEMENT OF AMERICAN LIBERALISM

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The New Deal and Its Legacies

Edited by William H. Chafe

COLUMBIA UNIVERSITY PRESS NEW YORK


Columbia University Press
Publishers Since 1893
New York Chichester, West Sussex

Library of Congress Cataloging-in-Publication Data
The achievement of American liberalism : the New Deal and its legacies / edited by William H. Chafe.
p. cm.
Includes bibliographical references and index.
ISBN 0–231–11212-2 (alk. paper)—ISBN 0–231–11213–0
1. United States—Politics and government—1933-1945. 2. New Deal, 1933–1939. 3. World War, 1939–1945—Social aspects—United States. 4. World War, 1939–1945—Influence. 5. Liberalism—United States—History—20th century 6. Political culture—United States—History—20th century. 7. United States—Social conditions—20th century. 9. Social movements—United States—History—20th century
I. Chafe, William Henry.

E806 .M63 2002
973.917—dc21
2002073366

Columbia University Press books are printed on permanent and durable acid-free paper.
Printed in the United States of America
c 10 9 8 7 6 5 4 3 2 1
p 10 9 8 7 6 5 4 3 2 1

For William E. Leuchtenburg

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INTRODUCTION

William H. Chafe

In the late 1960s, the British journalist and historian Godfrey Hodgson described the "liberal consensus" that had emerged after World War II in America as the paradigm that framed American politics in the decades that followed. The consensus, as Hodgson outlined it, consisted of a series of intersecting axioms: (1) capitalism, not socialism, provided the best economic system in the world; (2) capitalism and democracy worked together hand in hand, each indispensable to the other; (3) there was nothing organically or structurally wrong with American society as it currently existed (hence, incremental reform rather than radical change offered the most effective modus operandi for political action); (4) the best way to bring about reform and greater equality of opportunity was through growing further an already vibrant economy, thereby providing a larger pie to be divided up; and (5) what united Americans in support of the liberal consensus was implacable opposition to communism, the worldwide system that represented totalitarianism, sterility, and economic stagnation.

Hodgson's interpretive assessment crystallized the changes that had occurred in definitions of liberalism during the New Deal and World War II, and it suggested the degree to which these definitional changes shaped the politics of an era. Significantly, each axiom of the liberal consensus that Hodgson described had far-reaching import for what could or could not be considered an option within American political discourse; moreover, each axiom so thoroughly informed the others that none could be isolated or considered separately from the others. The anchor for everything was anticom-

munism, with implications for domestic as well as foreign policy. Thus, not only was it impossible for any American politician after 1948 to advocate striking a deal with Russia or pursuing a foreign policy that would accommodate socialist countries such as North Vietnam or Hungary lest he or she be labeled a communist sympathizer, but it also became impossible to advocate left-of-center domestic policies such as national health care or childcare services, inasmuch as these suggestions might be construed as "socialistic," collectivist, and hence sympathetic to communist ideology. In short, the ground rules established by the paradigm clearly limited the terms of political discourse.

The liberal consensus, as Hodgson described it, also constrained the ways in which reformers could seek change on issues like race or poverty. Given the premise that the American system was organically healthy, with no fundamental flaws, change had to be put forward as incremental reform. Civil rights advocates focused, therefore, on remedial legislation to improve voting rights or on lawsuits that would refine and enhance the meaning of equal protection under the law. All of this occurred within the context of embracing the American Dream and seeking to make it more inclusive; the underlying soundness of the American Dream never came into question. Similarly, antipoverty warriors concentrated on making opportunities more available to poor people, not on promoting structural change in the economy through redistribution of income, because to do so would presume that there was something wrong with the existing system.

Yet it had not always been the case that liberalism was so defined. Nor would it necessarily remain so in the future. Indeed, the ways that liberalism has changed in meaning provide a critical prism through which to understand twentieth-century American politics. Although Hodgson applied his definition of the liberal consensus specifically to the period from 1948 to 1968, it by no means exhausts the way the term *liberal* has altered over time. If we presume a longer time frame, from the New Deal through the beginning of the twenty-first century, the shifting definitions of liberalism provide an ideal vehicle through which to understand what has and has not taken place in American society. In this larger framework, each change in the conception of liberalism potentially represents a pivotal variable in shaping America's political history during this period.

Clearly, the New Deal constitutes the beginning point for any discussion of liberalism. The Great Depression had ushered in a period of unrelenting suffering for the American people. More than 25 percent of American workers were unemployed; factory wages had shrunk from $12 billion to $7 bil-

lion; more than five thousand banks had failed; nine million people had lost their life savings; and millions of mortgages were foreclosed. Whatever else the 1932 election accomplished, it signified frustration and dissatisfaction with a government that did nothing to respond to such suffering, and it mandated a new approach. Franklin D. Roosevelt's "New Deal," however embryonic and ambiguous it might have been in the rhetoric of the 1932 campaign, represented the starting point of a new kind of politics.

But what would liberalism mean? Was it antibusiness or probusiness? For agrarian reform and support of tenant farmers, or dedicated to the buttressing of big agriculture? In favor of government planning and state-owned enterprises, or devoted to private enterprise? For civil rights for minorities, or content with the persistence of white supremacy? A defender of civil liberties, or a foe? Committed to radically altering the existing distribution of wealth and income, or supportive of the status quo? Dedicated to using government as an agent to bring health, education, and security to average citizens, or committed more to individualism and self-determination?

The answer, it turned out, was all of the above. Like the multiple and contradictory themes of his 1932 campaign speeches, Roosevelt's administration represented a potpourri of policy initiatives, many of them seemingly unrelated to each other and at times in direct conflict. The National Industrial Recovery Act essentially represented a partnership of big government and big business, with the one colluding with the other in price-fixing and economic planning. The Agricultural Adjustment Administration did the same for big agriculture while displacing thousands of sharecroppers and tenant farmers—though the Tennessee Valley Authority foreshadowed what government ownership of utilities might mean.

Relief policies, on the other hand, brought money and jobs to millions of the unemployed while putting in place new schools, hospitals, roads, airports, and post offices that would benefit, at government expense, the society as a whole. Blacks found for the first time a reason to vote Democratic, largely because of Roosevelt's economic relief measures; yet Roosevelt would not support a federal antilynching bill, preferring to maintain his alliance with the white supremacist Democratic leadership of the South. Labor received new legitimacy and encouragement from the Wagner Act, which helped fuel the creation of mass industrial unions in auto, steel, rubber, and the electrical industry; yet Roosevelt came on board only at the end, when passage of the Wagner Act seemed a certainty. Social Security brought a measure of stability and support to millions of senior citizens, yet it was based on a regressive taxing system that in fact injured the economy. In short,

far from representing a coherent ideological statement of what liberalism meant and where it should lead, the New Deal expressed in tantalizing and confusing ways the multiple possibilities implicit in government's playing a new and critical role in the nation's economy.

There were, however, significant themes, themselves often contradictory, that emerged from the New Deal: recovery, relief, and reform. Of the three, only relief could be called a significant success. With millions of the unemployed given public-works jobs and welfare payments, and with myriad new welfare measures from Social Security to disability and unemployment insurance, a floor of government support for the basics of existence became a foundational pillar of liberalism. Recovery proved less attainable, not really occurring until the huge defense buildups that accompanied World War II. Even though by 1936 agriculture and industry had come back, the cutback in federal spending implemented by Roosevelt in 1937 precipitated a new recession that in many ways went back to the worst days of the 1930s.

The New Deal legacy is most confusing in the area of reform. Arguably, signals existed that portended a reshaping of American society. In addition to the Wagner Act, which helped send union membership soaring from two million members in 1930 to sixteen million by 1944, antitrust actions increased during the second Roosevelt administration, there was some talk about national health insurance, and modestly progressive changes occurred in tax policy. The New Deal political coalition of urban ethnics, minorities, union members, and farmers also held the potential of coming together around a variety of social welfare measures. Most suggestive of change, perhaps, was Roosevelt's political rhetoric in 1936 and 1937. Denouncing "economic royalists" and "malefactors of wealth," Roosevelt pledged in his second inaugural to focus on the "one third of a nation that is ill-housed, ill-clothed, and ill-fed." Such words suggested, potentially at least, a rallying cry for change more systemic than incremental.

Yet it was not to be. Roosevelt's plan to pack the Supreme Court in 1937 precipitated construction of a new conservative coalition in Congress that persistently frustrated his quest for further reform legislation. The failure of Roosevelt's effort to purge Congress of its most reactionary members in 1938 represented another critical setback. The onset of war in Europe and the growing national preoccupation with World War II put domestic reform on a back burner, culminating in Roosevelt's 1943 proclamation that Dr. Win-the-War had now taken precedence over Dr. New Deal. All of this led historian Alan Brinkley to conclude that the era of reform was over and that liberalism had moved from a focus on the potential restructuring of society and

from grappling with underlying social problems to an immersion in what he has called "administrative liberalism" and the construction of the modern social welfare state.

In the meantime other issues critical to the liberal agenda surged to the forefront. For the entire history of America, race has constituted the original sin staining the nation's profession to be a democratic republic. The constitutional protections erected after the Civil War to provide equal treatment before the law became a victim of a new alliance between northern economic interests and southern Democrats, with the infamous era of Jim Crow installing a system of economic, political, and social segregation that deprived African Americans not only of the opportunity for economic well-being, but also of all political and social rights. Now, with the growth of industrial unions, at least some of them committed to greater racial equality, and with a government making war on Hitler's racist regime, African Americans insisted that they would no longer be left out of the nation's democratic equation. From World War II all the way through to the end of the century, nothing would affect the fate of liberalism, or its definition, more than the issue of how Americans should come to grips with their oldest problem.

Simultaneously, the terms of the liberal debate became hostage to developments in foreign policy, and specifically the Cold War. For a generation, anticommunism shaped the options perceived as possible within the liberal agenda, as well as how they might be pursued. Moreover, the predominance of a Cold War mentality, particularly vis-à-vis the war in Vietnam, created a new crisis for the viability of liberalism. Radicals from the 1960s raised new questions about the soundness of the nation's social and economic system that had not been heard since the late 1930s. In a new era, shaped by the ideological values articulated by Richard Nixon and Ronald Reagan, older issues of the welfare state, minority group politics, and individual versus collective responses to social problems assumed a new and critical urgency. By 1988 the word "liberal" itself had become almost a smear, with confusion once again rampant within those political circles that remained part of the New Deal legacy.

In many respects the person who more than anyone else has framed our thinking about the New Deal and its legacy for liberalism is William E. Leuchtenburg. As author of the prizewinning classic *Franklin D. Roosevelt and the New Deal* (1964), Leuchtenburg set forth the parameters of all future discussions of the New Deal. A dedicated liberal in his own right—Leuchtenburg spent his first years after college working as a field agent for the Fair Employment Practices lobby and Americans for Democratic Action—he

carefully and precisely dissected the political and methodological tensions that shaped New Deal policies. It was Leuchtenburg who described the New Deal as a "broker state" characterized by political leadership that sought to balance interest group against interest group. As a result, Leuchtenburg pointed out, the New Deal became a "parallelogram of pressure groups"—a political construction that inevitably doomed any direct challenge to vested interests in the society. Roosevelt might seek to balance the political influence of business and labor, but to do so ignored the fundamental disparity of power from which the two began.

Leuchtenburg's ultimate contribution to the liberal legacy of the New Deal was threefold. First, he showed with compelling insight that whatever its proponents and detractors said, the New Deal was at best a "half-way revolution." It may have dramatically extended the power of the state and created an irreversible model for government involvement in the economy, but it did little to alter the balance of forces within society. Social Security, Leuchtenburg pointed out, was "astonishingly inept and conservative," taking funds out of the economy, ignoring those most in need of help (farm laborers and domestic workers), and failing to deal with issues of health. Notwithstanding Roosevelt's rhetoric about "economic royalists" and aiding the poorest third of the nation, tenant farmers received little if any assistance, the wealthiest 1 percent of the population increased its share of the nation's resources, and only moderate steps were taken to address the underlying oppression of black Americans.

Second, Leuchtenburg provided the key answer to the question of where the New Deal had come from. In the midst of a sometimes interminable debate between those who traced part of Franklin D. Roosevelt's legislative initiatives to the New Nationalism of Theodore Roosevelt and part to the New Freedom of Woodrow Wilson, Leuchtenburg came forward with the critical intervention that the major prototype for the New Deal, both in theory and in personnel, was the massive federal intervention in the economy that had occurred in World War I. The same dollar-a-year executives who had run wartime agencies in 1917–18 came back to Washington to manage the NRA and AAA, latter-day parallels of the War Industries Board and the War Food Board; the rhetoric of the war against depression drew heavily on the precedent of the sloganeering of World War I; and the image of a nonpartisan wartime coalition government, including the overarching symbol of the NRA's "Blue Eagle," pervaded Roosevelt's approach to the national crisis. Leuchtenburg had found the critical ingredients—human as well as institutional—that more satisfactorily than anything else provided an explanation for where these ideas originated.

Third, Leuchtenburg has shaped a generation of scholarship on the New Deal and its legacies for liberalism by the students he has trained. Few American historians have so directly sculpted and trained successive generations of scholars. More than twenty of Leuchtenburg's students have published at least two books apiece. Many of these books have in turn defined the parameters of the political and social history of the last fifty years. A literary craftsman of exquisite taste, Leuchtenburg imparted to his students both the encouragement for each to find his or her own voice, and the insistence that, whichever voice was chosen, it must be expressed with clarity, conciseness, and elegance. "Writing," he has said, "is its own justification, the way a beautiful day is, or eating a peach. There is a feeling of joy when you have done something well."

As Leuchtenburg guided his students into the profession, he also empowered them to ask new questions about the liberal tradition. Although proud to be called a "political historian," even in an age when that label occasionally generated scorn rather than applause, Leuchtenburg pushed those he mentored to break new ground, studying such issues as gender, race, homosexuality, and the media. In his own scholarship, he incorporated some of these new insights, raising questions in such books as *A Troubled Feast* (1973) about the influence of economic prosperity and suburbanization on the liberal tradition, and noting the historical discontinuities in political history created by massive social movements led by women and blacks.

It is appropriate, therefore, that this set of inquiries into the legacy of the New Deal and American liberalism should come from those who have benefited most from William E. Leuchtenburg's mentorship. These essays deal with many aspects of liberalism's ever-changing definition. Alan Brinkley chronicles the experimental evolution of the New Deal, showing the powerful but competing pressures that made the New Deal into such a fascinating political potpourri. Alonzo Hamby traces the Democratic Party's evolving effort to incorporate the multiple traditions of the New Deal as it moved forward into the Cold War world. Richard Fried, in turn, assesses the impact of McCarthyism, one of the most important political realities for the liberal tradition, yet one that is not necessarily well comprehended. Richard Polenberg eloquently describes the impact of the liberal tradition, and its limitations, on the brilliant father of the atomic bomb, Robert Oppenheimer. And Mel Urofsky shows how the Roosevelt Court charted, in profound ways, the legal playing field on which the debate about the meaning of liberalism would be conducted. Significantly, four of the essays in this volume—by Harvard Sitkoff, William Chafe, Steven Lawson, and Cynthia Harrison—look at the

legacy of liberalism from the perspective of issues of race, gender, and, to a lesser degree, class. In the ongoing attempt to develop a liberal ideology that incorporates both the rights of individuals and the importance of collective identities on people's lives and fortunes, questions of race and gender have been the most nagging and troublesome, forcing a reassessment of how and whether the liberal tradition speaks to our most fundamental social divisions. And Otis Graham, in a provocative overview of liberalism from the New Deal to the New Millennium, brings together all of these themes, suggesting just where and when liberalism may have lost its anchor.

The purpose of these essays is not to answer all questions about liberalism, but to engage these questions in ways that may prove helpful to delineating key issues for future scholars. We dedicate this book to William E. Leuchtenburg in tribute to all he has done to make twentieth-century political and social history such a vibrant and vital field of inquiry, and in gratitude for the model he has presented to all of us of how to research tirelessly, argue fairly and tenaciously, and write gracefully and elegantly.

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