

# Final Exam Essay

## HIST 380

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How radical was the New Deal? The answer requires a comparison time period. Certainly, the New Deal greatly changed the form and function of American governance, but it was less drastic than changes happening in other parts of the world.

The era of the New Deal was a worldwide period of change. In Russia, the Bolsheviks had taken control and were socializing as Marx prescribed. In Italy (then Germany) Fascists had taken control and were steering their countries toward hopes of empires crushed under boots and bayonets. The New Deal was much more reserved. Although the New Deal is often hyperbolically compared with socialism, FDR didn't socialize all industries, although he did allow for collective bargaining (as was discussed in class) with the Wagner Act.

The closest the New Deal came to socialization was through the NRA, or National Industrial Recovery Act (discussed in Gordon's *New Deals*). There were competing theories for how to best repair the economy, of them, the idea that businesses were too competitive drove the passage of the NRA. The NRA attempted to fix the competitiveness by 'fixing' business. Rather than Nationalizing industry, FDR and the NRA wanted to allow them to join into quasi-cartels and set prices! As was discussed in class, this specifically chosen to allow private industry to remain rather than trying any form of socialism.

The NRA was eventually abolished by the Supreme Court on Constitutional grounds. This unwillingness by the court to allow any radicalism into American governance significantly clipped the extent to which the New Deal could radicalize. Although the court eventually changed its voting patterns and membership, the change happened after much of Roosevelt's political capital was expended.

The New Deal was, however, much more radical than previous periods in American history.

Herbert Hoover, the previous president, was much more reserved in his governmental intervention. Where Roosevelt had the NRA, Hoover had the Recovery Finance Corporation (RFC). There was significant difference between the two. As discussed above, the NRA codified regulations and allowed for cartel-style price fixing, whereas the RFC simply loaned to banks. Hoover was generally unwilling to allow for the stronger, more deep reforms and regulation that Roosevelt implemented because of a fear that Americans would lose their sense of personal responsibility and drive.

Looking even further back, the New Deal introduced some radically new structures into American life. Most striking is the introduction of the Federal Bureau of Investigation. As discussed in class, there had not previously been a true national police force. There were the US Marshals, and there was the Secret Service, but both of those agencies had limited scope and were not designed as a state security apparatus.

The FBI, however, was meant to be a Soviet or SS style panopticon. Although the agency was started before the New Deal, it was renamed to the Bureau in 1935 and it was during the New Deal that it became the assumption that it is today. It is now impossible to imagine a United States without the extensive 'National Security' measures it has today.

The New Deal was a momentous time in American history, but less radical than it could have been. Many other countries at the time were undergoing even more heavy restructuring. The country did not leave the period unchanged, power became more federalized than before, and the country took on a form familiar to modern Americans.