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## What the New Deal Can Teach Us About Winning a Green New Deal

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## What the New Deal Can Teach Us About Winning a Green New Deal

### Abstract

Growing awareness of our ever-worsening climate crisis has boosted the popularity of movements calling for a Green New Deal. At present, the Green New Deal is a big tent idea, grounded to some extent by its identification with the original New Deal and emphasis on the need for strong state action to initiate system change on a massive scale. Given contemporary conditions, it is not surprising that people are looking back to the New Deal period for inspiration. However, inspiration is not the same as seeking and drawing useful organizing and strategic lessons from a study of the dynamics of that period.

While there are great differences between the crises and political movements and possibilities of the 1930s and now, there are also important lessons that can be learned from the efforts of activists to build mass movements for social transformation during the Great Depression. My aim in this paper is to illuminate the challenges faced and choices made by these activists and draw out some of the relevant lessons for contemporary activists seeking to advance a Green New Deal.

### Keywords

Great Depression, New Deal, Green New Deal, social change

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Growing awareness of our ever-worsening climate crisis has boosted the popularity of movements calling for a Green New Deal. At present, the Green New Deal is a big tent idea, largely grounded by its identification with the original New Deal and emphasis on the need for strong state action to initiate social-system change on a massive scale.

The New Deal was indeed a big deal and, given contemporary conditions, it is not surprising that people are looking back to that period for inspiration and hope that meaningful change is possible. However, inspiration, while important, is not the same as seeking and drawing useful organizing and strategic lessons from a study of the dynamics of that period.

While there are great differences between the crises and political movements and possibilities of the 1930s and now, there are also important lessons that can be learned from the efforts of activists to build mass movements for social transformation during the Great Depression. My aim in this paper is to illuminate the challenges faced and choices made by these activists in order to draw out some of the relevant lessons for contemporary activists seeking to advance a Green New Deal.

The paper is divided into five chronologically organized sections. The first section describes the early years of the Great Depression and the unwillingness of elites to support any meaningful federal program of economic restructuring. The second examines the rise of the unemployed movement and its role in transforming the national political environment and pushing Roosevelt to initiate new employment and relief programs as part of his 1933 First New Deal. The third critically evaluates those First New Deal programs, highlighting the ways in which they failed to measure up to what working people demanded and needed.

The fourth examines the continuing growth of popular movements—of the unemployed, those on relief, and labor—and their role in forcing Roosevelt to initiate his signature 1935 Second New Deal policies. The fifth critically evaluates those Second New Deal policies, highlighting their shortcomings, and also discusses why movements were unable to force Roosevelt to pursue a more transformative Third New Deal. Each section concludes with a discussion of key lessons from the period and their relevance for today's activists.

## 1. CONFRONTING CRISIS

The US economy expanded rapidly throughout the 1920s, a period dubbed the Roaring Twenties. It was a time of rapid technological change, business consolidation, and wealth concentration. It was also a decade when many traditional industries struggled, such as agriculture, textiles, coal, and shipbuilding, as did most of those who worked in them. Growth was increasingly sustained by consumer demand underpinned by stock market speculation and debt.

The economy suffered a major downturn in 1920-21, and then mild recessions in 1924 and 1927. And there were growing signs of the start of another recession in summer 1929, months before the October 1929 stock market collapse, which quickly led to the unraveling of the US economy and the start of the Great Depression.

### The early years of the Great Depression

The Dow Jones Industrial Average dropped from 381 in September 1929 to forty-one at the start of 1932. Manufacturing output fell by roughly 40 percent between 1929 and 1933. The number of full-time workers at United States Steel went from 25,000 in 1929 to zero in 1933. Five thousand banks failed over the same period. Steve Frazer highlights the extent of the decline as follows: “In early 1933, thirty-six of forty key economic indicators had arrived at the lowest point they were to reach during the whole eleven grim years of the Great Depression.”<sup>1</sup>

The economic collapse hit working people hard. Between 1930 and 1932, the number of unemployed grew from 3 million to 15 million, or approximately 25 percent of the workforce. The unemployment rate for those outside the agricultural sector was close to 37 percent. Danny Lucia captures a sense of the enormous human suffering of the period:

*Workers who managed to hold onto their jobs faced increased exploitation and reduction in wages and hours, which made it harder for them to help out jobless family and friends. The social fabric of America was ripped by the crisis: One-quarter of children suffered malnutrition, birth rates dropped, suicide rates rose. Many families were torn apart. In New York City alone, 20,000 children were placed in institutions because their parents couldn't support them. Homeless armies wandered the country on freight trains; one railroad official testified that the number of train-*

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<sup>1</sup> Steve Fraser, “The New Deal in the American Political Imagination,” *Jacobin*, June 30, 2019, <https://www.jacobinmag.com/2019/06/new-deal-great-depression>.

*hoppers caught by his company ballooned from 14,000 in 1929 to 186,000 in 1931.*<sup>2</sup>

“Not altogether a bad thing”

Strikingly, despite the severity of the economic and social crisis, business and government leaders were in no hurry to act. There was certainly no support for any meaningful federal relief effort. In fact, business leaders initially tended to downplay the seriousness of the crisis and were generally optimistic about a quick recovery.

As the authors of *Who Built America* report:

*when the business leaders who made up the National Economic League were asked in January 1930 what the country’s ‘paramount economic problems’ were, they listed first, ‘administration of justice,’ second, ‘Prohibition,’ and third, ‘lawlessness.’ Unemployment was eighteenth on their list!*

*Some members of the Hoover administration tended to agree. Treasury Secretary Andrew Mellon thought the crisis was “not altogether a bad thing.” “People,” he argued, “will work harder, live a more moral life. Values will be adjusted, and enterprising people will pick up the wrecks from less competent people.”*<sup>3</sup>

President Hoover repeatedly claimed that the economy was “on a sound and prosperous basis.” The solution to the crisis, he believed, was to be found in restoring business confidence and that was best achieved by maintaining a balanced budget. When it came to relief for those unemployed or in need, Hoover believed that the federal government’s role was to encourage local government and private efforts, not initiate programs of its own.

At the time of the stock market crash, relief for the poor was primarily provided by private charities which relied on donations from charitable and

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<sup>2</sup> Danny Lucia, “The Unemployed Movements of the 1930s, Bringing Misery Out of Hiding,” *International Socialist Review*, issue 71 (May 2010), <https://isreview.org/issue/71/unemployed-movements-1930s>.

<sup>3</sup> Joshua Freeman, Nelson Lichtenstein, Stephen Brier, David Bensman, Susan Porter Benson, David Brundage, Bret Eynon, Bruce Levine, and Bryan Palmer, *Who Built America? Working People and The Nation’s Economy, Politics, Culture and Society* (Volume 2: From the Gilded Age to the Present), (New York: Pantheon Books, 1992), 334-35.

religious organizations. Only 8 states had any type of unemployment insurance. Not surprisingly, this system was inadequate to meet popular needs, and by 1932 only about one-quarter of the unemployed were receiving any kind of assistance.

It was not until January 1932 that Congress made its first move to strengthen the economy, establishing the Reconstruction Finance Corporation (RFC) to provide support to financial institutions, industrial corporations, and railroads. Six months later, in July, it approved the Emergency Relief and Construction Act, which broadened the scope of the RFC, allowing it to provide loans to state and local governments for both public works and relief.

However, the act was structured in ways that undermined its effectiveness. For example, the \$322 million allocated for public works could only be used for projects that would generate revenue sufficient to pay back the loans, such as toll bridges and public housing. The \$300 million allocated for relief also had to be repaid. Already worried about debt, many state and local governments refused to apply for the funds.

Finally, as 1932 came to a close, some business leaders began considering the desirability of a more significant federal recovery program, but only for business. Most of their suggestions were modeled on World War I programs and involved government-business partnerships designed to regulate and stabilize markets. There was still no interest in any program involving sustained and direct federal action to help the millions needing jobs, food, and housing.

By the time of Roosevelt's inauguration in March 1933, the economy was clearly in crisis. Roosevelt had won the presidency promising "a new deal for the American people," yet his first initiatives were very much in line with the policies of the previous administration. Two days after his inauguration he declared a national bank holiday, which shut down the entire banking system for four days and ended a month-long run on the banks. The "holiday" gave Congress time to approve a new law which empowered the Federal Reserve Board to supply unlimited currency to reopened banks, which reassured the public about the safety of their accounts.

Six days after his inauguration, Roosevelt, whose campaign for the Presidency also included a pledge to balance the federal budget, submitted legislation to Congress which would have cut \$500 million from the \$3.6 billion federal budget. He proposed eliminating government agencies, reducing the pay of civilian and military federal workers (including members of Congress), and

slashing veterans' benefits by 50 percent. Facing Congressional opposition, the final bill still cut spending by \$243 million.<sup>4</sup>

### Lessons

It is striking that some 3 ½ years after the start of the Great Depression, despite the steep decline in economic activity and incredible pain and suffering felt by working people, business and government leaders were still not ready to support any serious federal program of economic restructuring or direct relief. That history certainly suggests that even a deep economic and social crisis cannot be counted on to encourage elites to explore policies that might upset existing structures of production or relations of power. The clear lesson for Green New Deal activists is that it will take far more than simply establishing the seriousness of our current environmental crisis, especially since it has yet to directly threaten capitalist profitability, to win even elite consideration of a transformative Green New Deal.

## **2: MOVEMENT BUILDING**

It was not until May 1933 that President Roosevelt finally introduced federal job creation and relief programs as part of his First New Deal. And while many factors might have contributed to such a dramatic change in government policy, one of the most important was the growing movement of unemployed and their increasingly militant and collective action in defense of their interests. Their activism was a clear refutation of business and government claims that prosperity was just around the corner. It also revealed a growing radical spark, as more and more people openly challenged the legitimacy of the police, courts, and other state institutions.

What was an economic and social crisis was fast becoming a political crisis as well. As Adolf Berle, an important member of Roosevelt's "Brain Trust," wrote, "we may have anything on our hands from a recovery to a revolution."<sup>5</sup>

### The Communist Party and the unemployed

The growth and effectiveness of the unemployed movement owes much to the organizing and strategic choices of the US Communist Party (CP). While there is much to criticize about CP policies and activities, especially its sectarianism and aggressive antagonism towards other political tendencies, there is also much we

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<sup>4</sup> David M. Kennedy, *Freedom from Fear: The American People in Depression and War, 1929-1945*, (New York: Oxford University Press, 1999), 138.

<sup>5</sup> *Ibid.*, 117.

can learn about successful organizing from its work with the unemployed in the early years of the depression.

The CP made its decision to organize the unemployed even before the start of the Great Depression. In August 1929, two months before the stock market crash, the CP established the Trade Union Unity League (TUUL) as an alternative to the AFL and called on that body to assist in the creation of a nation-wide organization of Unemployed Councils (UCs).

The CP was following the lead of the Communist International which had, in 1928, declared the start of the so-called Third Period, which was said to mark the beginning of capitalism's terminal stage. The Communist International called on all communist parties to end their joint work with other organizations and prepare for the coming revolutionary struggle. As a consequence, when US unemployment exploded, those without work had the benefit of an existing organization to give them a voice and instrument of action.

The CP's first big effort directed towards the unemployed was the March 6, 1930 demonstrations against unemployment and for relief that drew some 500,000 people in twenty-five cities and was organized under the banner of "International Day for Struggle against Worldwide Unemployment." The New York City demonstration, the largest, was met by police repression, with many demonstrators beaten and arrested. But another New York City protest by the unemployed in October produced a victory, with the city agreeing to boost relief spending by \$1 million. These actions created visibility for the CP's fledgling national network of UCs and helped to build its membership.

The Unemployed Councils of the USA held its founding convention in early July. The following month it issued a statement calling on Congress to adopt its "Workers Unemployment Insurance Bill." The bill called for "payment of \$35 per week for each unemployed worker plus an additional \$5 per week per dependent and the creation of a 'National Unemployment Insurance Fund' to be generated through a tax on all property valued in excess of \$25,000 and incomes of more than \$5,000." A new Workers' Commission, to be elected by working people, was to control the distribution of funds.<sup>6</sup>

To this point, the Unemployed Councils of the USA was dominated by the CP, and its general program and demands largely echoed those of the CP, often including foreign policy declarations expressing support for the Soviet

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<sup>6</sup> Carl Winter, "Unemployment Struggles of the Thirties," *Political Affairs*, vol. 48, no. 9-10 (September–October 1969), 59.



Union. However, in November, acknowledging that this dominance was limiting recruitment, the party agreed to give its organizers more freedom to focus on the issues of most direct concern to the unemployed. In the months that followed, “a wave of rent strikes, eviction fights, and hunger marches involving an estimated 250,000 workers in seventy-five cities and six states swept the country. The Unemployed Councils had become a force to be reckoned with.”<sup>7</sup>

The party’s focus on building a confrontational movement operating both locally and nationally led it to reject a variety of other efforts embraced by some unemployed. As Franklin Folsom describes:

*Early in 1931, some leaders of Unemployed Councils had recommended setting up food kitchens, and Communists helped organize food collections. These were humane acts of assistance to people who needed something to eat immediately. In a few months, however, both the Communists and the Unemployed Councils abandoned the idea, saying it had nothing to do with solving the basic problems of the unemployed. Similarly, Communist and council policy on the subject of looting varied depending on time and place. In the early days of mass unemployment some Communists encouraged the direct appropriation of food. Later the practice was frowned on because it solved no long-term problem and could provoke very costly counteraction.*<sup>8</sup>

Many unemployed also turned to self-help activities to survive. The so-called “productive enterprise” movement, in which unemployed workers sought to create their own enterprises to produce either for the market or barter, spread rapidly. According to one study, by the end of 1932 this movement was active in thirty-seven states, with the largest group in California. The CP and UCs opposed this effort from the start, calling it a self-starvation movement.<sup>9</sup>

### The organization and activity of the UCs

Most UCs were neighborhood centered, since the unemployed generally spent most of their time in the neighborhoods where they lived. The basic unit of the UC was the block committee, which comprised all unemployed local residents

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<sup>7</sup> Marc Horan Spatz, “The Unemployed Councils of the Communist Party in Washington State, 1930-1935,” *The Great Depression in Washington State Project*, University of Washington, Seattle, 2012, [http://depts.washington.edu/depress/unemployed\\_councils.shtml](http://depts.washington.edu/depress/unemployed_councils.shtml).

<sup>8</sup> Franklin Folsom, *Impatient Armies of the Poor: The Story of Collective Action of the Unemployed, 1808-1942*, (Niwot, CO: University Press of Colorado, 1991), 271.

<sup>9</sup> *Ibid.*, 278.

and their family members. Each block committee elected delegates to a neighborhood unemployed council, and these councils, in turn, elected delegates to county or city unemployed councils.

The block committee office served as a social center, where the unemployed could gather and build relationships. Through conversation and even more importantly action they were also able to develop a new radical understanding of the cause of their unemployment as well as appreciation for collective power. As Steve Nelson, a leader of the Chicago UC movement, explained, it was important for the unemployed to “see that unemployment was not the result of their own or someone else’s mistake, that it was a worldwide phenomenon and a natural product of the system.” Thus, “unemployed agitation was as much education as direct action.”<sup>10</sup>

With time on their hands, many of the unemployed were also eager to act in defense of their neighbors, especially around housing and relief. Here is Christine Ellis, a UC organizer in Illinois, talking about what happened at one UC meeting in a black neighborhood on the west side of Chicago:

*We spoke simply, explained the platform, the demands and activities of the unemployed council. And then we said, “Are there any questions?” . . . Finally an elderly Black man stood up and said, “What you folks figure on doing about that colored family that was thrown out of their house today? . . . They’re still out there with their furniture on the sidewalk.” So the man with me said, “Very simple. We’ll adjourn the meeting, go over there, and put the furniture back in the house. After that, anyone wishing to join the unemployed council and build an organization to fight evictions, return to this hall and we’ll talk about it some more.” That’s what we did...everybody else pitched in, began to haul in every last bit of furniture, fix up the beds . . . and when that was all done, went back to the hall. The hall was jammed!*<sup>11</sup>

“No Work, No Rent!” was the common chant at UC anti-eviction actions. And because UCs were part of a national organization, successful strategies in one area were quickly shared with UCs in another, spurring new actions. According to one account, UCs had practically stopped evictions in Detroit by March 1931. It was estimated that in 1932, 77,000 New York City families were moved back into their homes by UCs.<sup>12</sup> At the same time, these were costly actions.

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<sup>10</sup> As quoted in Lucia, “The Unemployed Movements of the 1930s.”

<sup>11</sup> Ibid.

<sup>12</sup> Folsom, *Impatient Armies of the Poor*, 269.

The police would often arrest many of those involved as well as use force to end resistance, leading to serious injuries and in some cases deaths.

UCs also mobilized to help people who were turned down for relief assistance. Normally, UC organizers would gather a large crowd outside the relief agency and send in an elected committee to demand a meeting to reverse the decision. Here is Hosea Hudson, a UC activist in Alabama, describing the approach of the Birmingham UC:

*If someone get out of food and been down to the welfare two or three times and still ain't got no grocery order. . . . We'd go to the house of the person that's involved, the victim, let her tell her story. Then we'd ask all the people, "What do you all think could be done about it?" We wouldn't just jump up and say what to do. We let the neighbors talk about it for a while, and then it would be some of us in the crowd, we going to say, "If the lady wants to go back down to the welfare, if she wants, I suggest we have a little committee to go with her and find out what the condition is."*<sup>13</sup>

In New York, UC members would often organize sit-ins at the relief office and refuse to leave until the center reversed a negative decision. Intimidated by the aggressive protests, local relief officials throughout the country increasingly gave ground and approved relief requests.

With demands for relief escalating, cash-strapped relief agencies began pressing city governments for additional funds. But city budgets were also shrinking. As Lucia reported in his study of unemployed organizing, this was an explosive situation. In 1932, with Chicago's unemployment rate at 40 percent, "Mayor Anton Cermak told Congress to send \$150 million today or federal troops in the future."<sup>14</sup>

Thus, the militancy of the unemployed movement was now pushing mayors and even some business leaders to also press for federal action. This development served to amplify the UCs own state and national campaigns demanding direct job creation and a program of federal relief. These campaigns, by design, also helped generate publicity and support for local UC actions.

For example, in January 1931, a meeting of representatives from the Unemployed Councils of America and the TUUL decided to launch a national petition drive aimed at forcing Congress to pass a Federal Unemployment Insurance

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<sup>13</sup> As quoted in Lucia, "The Unemployed Movements of the 1930s."

<sup>14</sup> Ibid.

bill. The UCs then began door-to-door canvassing for signatures. Approximately a month later a delegation of 140 people was sent to Washington D.C. to deliver the petition to Congress on National Unemployment Insurance Day. Demonstrations in support of the petition organized by UCs were held in most major cities on the same day.

Not long after, the CP set up a new organization, the Unemployed Committee for the National Hunger March, to coordinate a national hunger march on Washington D.C. to demand federal unemployment insurance and “the granting of emergency winter relief for the unemployed in the form of a lump-sum payment of \$150 per unemployed worker, with an additional \$50 for each dependent” as well as “a 7-hour workday, establishment of a union wage pay scale for unemployed workers, payment of a soldiers’ bonus to veterans of World War I, and an end to discrimination against black American and foreign-born workers.”<sup>15</sup> Local conferences selected 1,670 delegates, who converged on Washington from four separate columns in December 1931. Their trip across the country was supported financially and materially by local UCs.

Not surprisingly, the delegates were denied entrance to the capitol building to present their demands. They stayed two days and then started back, holding mass meetings across the country on their return trip to talk about their demands and the need for mass action to win them.

Another National Hunger March took place the following year. This time 3,000 delegates came to Washington D.C. to again present demands for winter relief and unemployment insurance. These marches not only helped to strengthen the movement of the unemployed, they also greatly increased the pressure on elected officials to take some action to restore popular confidence in the government.

Underpinning the strategic orientation of the work of the UCs was the CP’s determination to build solidarity between the labor movement and the unemployed and anti-racist unity. The first is highlighted by struggles in Detroit, where most unemployment was the result of auto factory layoffs. There, the UCs and the Young Communist League led several marches to auto plants to protest the inadequate benefits given to laid-off workers. Organizers would also read statements aimed at the workers still employed in the plants, pledging that the unemployed would not scab if workers struck for improved conditions.

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<sup>15</sup> Winter, "Unemployment Struggles of the Thirties," 58.

As for anti-racism work, the CP “made sure that all of its agitation in the unemployed councils included protests against racial discrimination by relief agencies, landlords, and local and federal government. On a more individual level, the Communists’ emphasis on multiracial organizing created situations in which whites and Blacks worked together for a common purpose and created personal bonds.”<sup>16</sup>

#### Other organizing efforts

The CP was not the only left organization working to build a movement of the unemployed. Both the Socialist Party (SP) and the A.J. Muste-led Conference of Progressive Labor Action (CPLA) also created organizations concerned with the unemployed. But they were few in number and initially not engaged in the kind of direct organizing of the unemployed and direct action practiced by the UCs.

The SP created affiliated committees in a number of cities, the largest in Chicago and New York. These committees emphasized educating the public about the causes of unemployment and the need for national action to combat it. The CPLA organized a number of Unemployed Citizen Leagues (UCLs), mostly in the Midwest, following the model of the Seattle Unemployed Citizens League. While the UCLs did include the unemployed, most were focused on promoting self-help activities, including barter and labor exchange, for survival. Many UCLs were also active in local elections, supporting candidates and legislation in favor of extended relief aid and unemployment insurance.

The CP was hostile to these organizations and their activities. In line with their Third Period strategy, the CP considered them to be a danger to the movement they were trying to build and their leaders to be “social-fascists.” Party opposition went beyond denouncing these groups. UC activists were encouraged to undermine their work, sometimes by physical force, other times by infiltrating and disrupting their meetings. This sectarianism clearly weakened the overall strength of the unemployed movement. At the same time, local UC activists would sometimes ignore CP and UC leadership directives and find ways to build solidarity around joint actions on behalf of the unemployed.

The unemployed were not the only group whose organizing threatened the status quo. As Fraser pointed out: “Farmers took to the fields and roads in shocking displays of lawlessness. All across the corn belt, rebels banded together to forcibly prevent evictions of fellow farmers.” The Farm Holiday Association, an

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<sup>16</sup> Lucia, “The Unemployed Movements of the 1930s.”

organization of midwestern farmers founded in 1932, not only mobilized its members to resist evictions, it also supported a progressive income tax, federal relief for the urban unemployed, and federal government control of the banks. “In the South, tenants and sharecroppers unionized and conducted what a Department of Labor study called a ‘miniature civil war.’”<sup>17</sup>

Veterans also organized. World War I veterans from around the country, many with their families, traveled to Washington D.C. in summer 1932. The call for a national Bonus March, although made by a largely anti-communist leadership, was inspired by the CP organized First National Hunger March. The veterans had been promised a bonus to compensate for their low war-time pay, but Congress had delayed payment until 1945. The veterans wanted their money now and set-up camps near the capitol to pressure Congress to act. Their camps were destroyed and the veterans violently dispersed by troops led by Douglas McArthur and Dwight Eisenhower.

In short, the country’s political trajectory was one that concerned a growing number of political and business leaders. Working people, largely anchored by a left-promoted, mass-based movement of unemployed, were becoming increasingly militant and dismissive of establishment calls for patience. Continued federal inaction was becoming ever more dangerous. Recognizing the need for action to preserve existing structures of power, it took Roosevelt only three months to drop his commitment to economic orthodoxy in favor of New Deal experimentation.

### Lessons

The multifaceted crisis we face today is significantly different from the crisis activists faced in the first years of the Great Depression. But there is no question that, much like then, we will need to build a powerful, mass-movement for change if we hope to harness state power to advance a Green New Deal.

There are also lessons to be learned from the period about movement building itself, specifically the CPs organizing and strategic choices in targeting the unemployed and building a national movement of the unemployed anchored by a network of UCs. The UCs helped transform how people understood the cause of their hard times. They also created a local, collective, and direct outlet for action in defense of immediate shared basic needs. The CP also emphasized the importance of organizing those actions in ways designed to overcome important divisions among working people. Finally, the party and the UCs created broader

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<sup>17</sup> Fraser, “The New Deal in the American Political Imagination.”

campaigns for public policies on the national level that were directly responsive to local concerns and actions. This organizing helped create a momentum that built political awareness, leadership capacity, class unity, and national weight around demands for new public initiatives.

The call for a Green New Deal speaks to a variety of crises and the need for change in many different sectors, including food production, energy generation, transportation, manufacturing, social and physical infrastructure, housing, health care, and employment creation. It also projects a vision of a new more sustainable, egalitarian, and democratic society. While it would be a mistake to equate the organizing work in the early years of the depression, which focused on employment and relief, with what is required today given the multifaceted nature of our current crisis, we would do well to keep the organizing experience of the CP in mind as we work to advance the movement building process needed to win a Green New Deal. It offers important insights into some of the organizational and political challenges we can expect to face and helpful criteria for deciding how best to respond to them.

For example, it challenges us to think carefully about how to ensure that our organizing both illuminates the roots of our current multifaceted crises, thereby building anti-capitalist consciousness, and helps to overcome existing racial, ethnic, and gender divisions, thereby building working class unity. It also challenges us to think about how to ensure that our efforts in different geographic areas and around different issues will connect to build a national presence and organizational form that strengthens and unites our various efforts and also projects our overall vision of a restructured society.

### **3: THE FIRST NEW DEAL**

The New Deal is often talked about as if it were a set of interconnected programs that were introduced at one moment in time to reinvigorate national economic activity and ameliorate the hardships faced by working people. In fact, the New Deal actually encompasses two different policy periods, the First New Deal which began in 1933 and the Second New Deal which was launched in 1935.

As noted above, Roosevelt's very first actions were largely consistent with those of the previous Hoover administration. Like Hoover, he sought to stabilize the banking system and balance the budget. At the same time, facing escalating demands for action from the unemployed as well as many elected city leaders, Roosevelt also knew that the status quo had become politically

untenable. Therefore, in an effort to halt the deepening depression and growing militancy of working people, he soon pursued a dizzying array of initiatives, most of which were adopted in his first 100 days in office.

### First New Deal Programs

The majority of First New Deal programs were aimed at stabilizing or reforming markets, which Roosevelt believed was the best way to restore business confidence, investment, and growth. This emphasis is clear from the following list of some of his administration's most important initiatives:

- The Agricultural Adjustment Act (May 1933). The act sought to boost the prices of agricultural goods. The government bought livestock and paid subsidies to farmers in exchange for reduced planting. It also created the Agricultural Adjustment Administration to manage the payment of subsidies.
- The Securities Act of 1933 (May 1933). The act sought to restore confidence in the stock market by requiring that securities issuers disclose all information necessary for investors to be able to make informed investment decisions.
- The Home Owners' Loan Act of 1933 (June 1933). The act sought to stabilize the finance industry and housing industry by providing mortgage assistance to homeowners. It created the Home Owners Loan Corporation which was authorized to issue bonds and loans to help homeowners in financial difficulties pay their mortgages, back taxes, and insurance.
- The Banking Act of 1933 (June 1933). The act separated commercial and investment banking and created the Federal Deposit Insurance Corporation to insure bank deposits, curb bank runs, and reduce bank failures.
- Farm Credit Act (June 1933). The act established the Farm Credit System as a group of cooperative lending institutions to provide low cost loans to farmers.
- National Industrial Recovery Act (June 1933). Title I of the act suspended anti-trust laws and required companies to write industrywide codes of fair competition that allowed for wage and price fixing, the establishment of production quotas, and restrictions on market entry. It also gave workers the right to organize unions, although without legal protection. Title I also created the National Recovery Administration to monitor business compliance. The Supreme Court ruled the suspension of anti-trust laws unconstitutional in 1935. Title II, which established the Federal



Emergency Administration of Public Works or Public Works Administration, is discussed below.

Roosevelt also pursued several initiatives directly responsive to worker demands for jobs and a humane system of relief. These include:

- The Emergency Conservation Work Act (March 1933). The act created the Civilian Conservation Corps which employed jobless young men to work planting trees, reducing erosion, and fighting fires in the nation's forests and parks.
- The Federal Emergency Relief Act of 1933 (May 1933). The act created the Federal Emergency Relief Administration to provide work and cash relief for the unemployed.
- The Federal Emergency Administration of Public Works or Public Works Administration (June 1933). Established under Title II of the National Industrial Recovery Act, the Public Works Administration was a federally funded public works program that financed private construction of major public projects such as dams, bridges, hospitals, and schools.
- The Civil Works Administration (November 1933). Established by executive order, the Civil Works Administration was a short-lived jobs program that employed jobless workers at mostly manual-labor construction jobs.

This is without doubt an impressive record of accomplishments, and it does not include other noteworthy actions, such as the establishment of the Tennessee Valley Authority, the ending of prohibition, and the removal of the US from the gold standard. Yet, when looked at from the point of view of working people, the First New Deal was sadly lacking.

Roosevelt's pursuit of market reform rather than deficit spending meant a slow recovery from the depths of the depression. In fact, John Maynard Keynes wrote Roosevelt a public letter in December 1933, pointing out that the Roosevelt administration appeared more concerned with reform than recovery or, to be charitable, was confusing the former with the latter. Primary attention, he argued, should be on recovery, and that required greater government spending financed by borrowing to boost national purchasing power.<sup>18</sup>

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<sup>18</sup> John Maynard Keynes, "An Open Letter to President Roosevelt," *New York Times*, 1933, New Deal Documents, <http://www00.unibg.it/dati/corsi/6448/24382-A%20letter%20to%20President%20FD%20Roosvelt%20by%20JM%20Keynes.pdf>.

Roosevelt also refused to address one of the unemployed movement's major policy demands: the establishment of a federal unemployment insurance fund financed by taxes on the wealthy. And, as we see next, even the New Deal's early job creation and relief initiatives were deliberately designed in ways that limited their ability to meaningfully address their targeted social concerns.

### First New Deal employment and relief programs

The Roosevelt administration's first direct response to the country's massive unemployment was the Civilian Conservation Corps (CCC). Its enrollees, as Roosevelt explained, were to be "used in complex work, not interfering with normal employment and confining itself to forestry, the prevention of soil erosion, flood control, and similar projects."<sup>19</sup> The project was important for establishing a new level of federal responsibility for job creation. Over its nine-year lifespan, its participants created thousands of miles of hiking trails, planted millions of trees, and fought hundreds of forest fires.

However, the program was far from meeting the needs of the tens of million jobless and their dependents. Participation in the program was limited to unmarried male citizens, 18 to 25 years of age, whose families were on local relief, and who were able to pass a physical exam. By law, maximum enrollment in the program was limited to 300,000.

Moreover, although the CCC provided its participants with shelter, clothing, and food, the wages it paid, \$30 a month (\$25 of which had to be sent home to their families), were low. And, while white and black were supposed to be housed together in the CCC camps, where participants lived under Army supervision, most of the camps were segregated, and with whites given preference for the best jobs.

Two months later, the Roosevelt administration launched the Federal Emergency Relief Administration (FERA), the first program of direct federal financing of relief. Under the Hoover administration, the federal government had restricted its support of state relief efforts to the offer of loans. Because of the precariousness of their own financial situation, many states were unable to take on new debt, and were thus left with no choice but to curtail their relief efforts.

FERA, in contrast, offered grants as well as loans, providing approximately \$3 billion in grants over its 2 ½ year lifespan. The grants allowed state and local

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<sup>19</sup> Franklin Delano Roosevelt, "Three Essentials for Unemployment Relief," March 21, 1933, <https://thecivilianconservationcorps.weebly.com/>.

governments to employ people who were on relief rolls to work on a variety of public projects in agriculture, the arts, construction and education. FERA grants supported the employment of over 20 million people, or about 16 percent of the total population of the United States.

However, the program suffered from a number of shortcomings. FERA provided funds to the states on a matching basis, with states required to contribute three dollars for every federal dollar. This restriction meant that a number of states, struggling with budget shortfalls, were forced to keep their grant requests small.

Also problematic was the program's requirement that participants be on state relief rolls. This meant that only one person in a family, almost always the male head of household, was eligible for FERA work. And the amount of pay or relief was determined by a social worker's evaluation of the extent of the family's financial need. Many states had extremely low standards of necessity, resulting in inadequate relief payments which could sometimes be limited to coupons exchangeable only for food items on an approved list.

Finally, FERA was not directly involved in the administration and oversight of the projects it funded. This meant that compensation for work and working conditions differed across states. It also meant that in many states, white males were given preferential treatment.

A month later, the Public Works Administration (PWA) was created as part of the National Industrial Recovery Act. The PWA was a federal public works program that financed private construction of major long-term public projects such as dams, bridges, hospitals, and schools. Administrators at PWA headquarters planned the projects and then gave funds to appropriate federal agencies to enable them to help state and local governments finance the work. The PWA played no role in hiring or production; private construction companies carried out the work, hiring workers on the open market.

The program lasted for six years, spent \$6 billion, and helped finance a number of important infrastructure projects. It also gave federal administrators valuable public policy planning experience, which was put to good use during World War II. However, as was the case with FERA, PWA projects required matching contributions from state and local governments, and given their financial constraints, the program never spent as much money as was budgeted.

These programs paint a picture of a serious but limited effort on the part of the Roosevelt administration to help workers weather the crisis. In particular, the

requirement that states match federal contributions to receive FERA and PWA funds greatly limited their reach. And, the participant restrictions attached to both the CCC and FERA meant that program benefits were far from adequate.

Moreover, because all of these were new programs, it often took time for administrators to get funds flowing, projects developed, participants chosen, and benefits distributed. Thus, despite a flurry of activity, millions of workers and their families remained in desperate conditions with winter approaching.

Pressed to do more, the Roosevelt administration launched its final First New Deal jobs program in November 1933, the Civil Works Administration (CWA), under the umbrella of FERA. It was designed to be a short-term program, and it lasted only 6 months, with most employment creation ending after 4 months. The CWA gave jobs to some 4 million people, most of who were employed in low-skilled construction jobs to improve or build new roads, schools, parks, airports, and bridges.

The CWA was a dramatically different program from those discussed above. Most importantly, employment was not limited to those on relief, greatly enlarging the number of unemployed who could participate. At the end of Hoover's term in office, only one unemployed person out of four was on a relief roll. It also meant that participants would not be subject to the relief system's humiliating means tests or have their wages tied to their family's "estimated budgetary deficit." Also significant was the fact that although many of the jobs were inherited from current relief projects, CWA administrators made a real effort to employ their workers in new projects designed to be of value to the community.

For all of these reasons, jobless workers flocked to the program, seeking an opportunity to do, in the words of the time, "real work for a real wage." As Harry Hopkins, the program's chief administrator, summed up in a talk shortly after the program's termination:

*When we started Civil Works we said we were going to put four million men to work. How many do you suppose applied for those four million jobs? About ten million. Now I don't say there were ten million people out of work, but ten million people walked up to a window and stood in line, many of them all night, asking for a job that paid them somewhere between seven and eighteen dollars a week.<sup>20</sup>*

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<sup>20</sup> Quoted in Jeff Singleton, *The American Dole: Unemployment Relief and the Welfare State in the Great Depression*, (Westport CT: Greenwood Press, 2000), 133.

In point of fact, there were some fifteen million people unemployed. And as the demand for CWA jobs became clear, Roosevelt moved to end the program. As Jeff Singleton describes:

*In early January Hopkins told Roosevelt that CWA would run out of funds sooner than expected. According to one account, Roosevelt “blew up” and demanded that Hopkins begin phasing out the program immediately. On January 18 Hopkins ordered weekly wages cut (through a reduction in hours worked) and hinted that the program would be terminated at the beginning of March. The cutback, coming at a time when the program had just reached its promised quota, generated a storm of protest and a movement in Congress to continue CWA through the spring of 1934. These pressures helped the New Deal secure a new emergency relief appropriation of \$950 million, but the CWA was phased out in March and April.<sup>21</sup>*

In sum, the First New Deal did represent an important change in the economic role of the federal government. In particular, the Roosevelt administration broke new ground in acknowledging federal responsibility for job creation and relief. Yet, the record of the First New Deal also makes clear that the Roosevelt administration was reluctant to embrace the transformative role that many now attribute to it.

Of course, there was a Second New Deal, which included a number of important and more progressive initiatives, including the Works Progress Administration, the Social Security Act, and the National Labor Relations Act. However, as discussed next, this Second New Deal was undertaken largely in response to the growing strength of the unemployed movement and workplace labor militancy. And as we shall see, even these initiatives fell short of what many working people demanded.

### Lessons

One lesson this history teaches is that major policy transformations do not come easily or fully developed. Even during a period of exceptional crisis, the Roosevelt administration was hesitant to pursue truly radical experiments. And the evolution of its policy owed far more to political pressure than the maturation of its administrative capacities or a new found determination to experiment. Thus, if we hope to win a Green New Deal, we will have to build a movement that has the

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<sup>21</sup> Ibid., 134.

political maturity required to appreciate the contested nature of state policy as well as the vision necessary to sustain its forward march.

#### **4: KEEPING PRESSURE ON THE STATE**

The economy had hit bottom in early 1933 and was beginning to recover. But although national income grew by one-quarter between 1933 and 1934, it was still only a little more than half of what it had been in 1929. Some ten million workers remained without jobs and almost twenty million people remained at least partially dependent on relief.

##### The unemployed movement continues to grow

First New Deal programs had offered no meaningful solution to the crisis faced by working people. Thus, the movement of the unemployed continued to grow and broaden. The unemployed organizations sponsored by the SP and CPLA had initially rejected the kind of direct organizing of the unemployed and direct action practiced by the UCs. However, beginning in 1933, both the SP and CPLA changed their approach, and their respective organizations increasingly began to operate much like them.

The SP's Chicago Workers Committee on Unemployment was the first SP organization to embrace direct organizing of the unemployed and direct action. By mid-1933 it had 67 locals in Chicago as well as some in other nearby cities. Committees in other states, primarily in the Midwest, soon followed Chicago's example. And in November 1933, these more activist committees came together to establish a new, Midwest-centered organization, the Unemployed Workers League of America.

The SP's New York committees, following a similar political trajectory, were also growing in number. Several came together in 1933 to form the Workers Unemployed League, which later merged with other organizations in the state to become the Workers Unemployed Union. This group eventually merged with groups in other east coast states to form the Eastern Federation of the Unemployed and Emergency Workers. Socialist Party-led unemployed organizations held multi-state demonstrations in their areas of strength in March 1933 and November 1934 to demand new and more expansive programs of federal relief and job creation.

The Musteites also began their turn to more militant unemployed organizing in early 1933. By July 1933 the UCLs claimed 100,000 members in Ohio, 40,000 in Pennsylvania, and 10,000 more in West Virginia, New Jersey, and North Carolina. That same month, the UCLs formed a national organization to coordinate their work, the National Unemployed League, with UCLs renamed ULs.

The CPLA dissolved itself in December 1933, as activists established a new, more radical organization, the American Workers Party (AWP). Reflecting this change, delegates to the National Unemployed League's second national convention in 1934 formally rejected the organization's past reliance on self-help activities and private relief and declared their opposition to capitalism.

The ULs, like the UCs, engaged in mass sit-ins at relief offices to overturn negative decisions by relief officials. One sit-in in Pittsburgh lasted 59 days. They also organized mass resistance to court ordered evictions, blocking sheriffs when possible or returning furniture to an evictees home if it had been removed. ULs in several cities also engaged in direct appropriation of food from government warehouses in line with their slogan, "Give Us Relief, Or We'll Take It." The AWP, like its predecessor, had a strong presence in the Midwest, but was never able to extend its influence or build networks of ULs outside that region.

Not only did unemployed organizing continue after passage of First New Deal programs, the movement slowly began to unify, as unemployed activists from the three different political tendencies increasingly began working together. The extent and militance of unemployed activism made it difficult for governments—local, state, and national—to rest easy.

### Relief worker organizing

New forms of organizing also began. For all their shortcomings, First New Deal programs did significantly expand the number of people on relief. So, beginning in 1934, the CP started organizing relief workers, followed not long after by the SP and AWP. The CP sponsored Relief Workers Leagues (RWLs) targeted those receiving FERA relief funds as well as those employed by the CWA. In addition to organizing grievance committees to fight discrimination, especially against African American, single, and foreign-born workers, the RWLs fought for higher pay for relief work with cost of living adjustments, free transportation to work sites, and free medical care and a moratorium on electric and gas charges for those on relief.

They also sent delegations to Washington D.C. to protest wage discrimination as well as low wages and organized in support of the CP's call for a national Unemployment Insurance Bill. Local RWL members also joined with the unemployed in marches on state capitol buildings and on picket lines outside welfare offices to demand more employment opportunities and more money for relief. League members were especially aggressive in protesting the termination of the CWA. Although not as large or as developed as the unemployment movement, the organization and activities of relief worker organizations were not easy to ignore and made it difficult for the Roosevelt administration to tout the success of its First New Deal programs.

### Organizing for a national Unemployment Insurance Bill

The CP also continued its efforts in support of a national Unemployment Insurance Bill. The CP and the UCs had declared February 4, 1932 National Unemployment Insurance Day, and they held demonstrations and marches in a number of cities that day. It was also the major demand of the second National Hunger March in late 1932. On March 4, 1933, the day of Roosevelt's inauguration, they again organized demonstrations for federal unemployment insurance.

Undeterred by Roosevelt's lack of action, the CP authored a bill, the Workers Unemployment and Social Insurance Bill, that was introduced in Congress in February 1934 by Representative Ernest Lundeen of the Farmer-Labor Party. In broad brush, the bill proposed social insurance for all the jobless, the sick, and the elderly without discrimination, and at the expense of the wealthy. It was strongly backed by SP and Musteite organizations of unemployed as well as the UCs.

### Trade union organizing

As the economy continued to recover, and the unemployed were increasingly able to find jobs or gain relief, left groups began shifting their attention towards organizing the employed. As one UL activist who later became a CIO organizer explained, the goal was not a permanent organization of the unemployed. "We wanted the day to come when unemployed organizations would be done away with and there would only be organizations of employed workers."<sup>22</sup>

A number of unions, hoping to build on the NIRA's Section 7a, which many workers were encouraged to believe meant that the President supported

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<sup>22</sup> Folsom, *Impatient Armies of the Poor*, 349.



unionization, as well as worker anger over employment conditions, launched lightning fast organizing drives. And with good success. For example, it took the United Mine Workers only one day after the NIRA became law to sign up some 80 percent of Ohio miners. And it was able to press its advantage, aided by a series of wildcat strikes, to quickly win gains for its members. The Amalgamated Clothing Workers of America and the International Ladies' Garment Workers' Union also grew fast, with each winning significant employer concessions following a series of short strikes.

The following year saw an explosion of trade union organizing, including three major successful union struggles. The first was in Toledo Ohio, which at the time was a major center for automobile parts manufacturing. Organizing began in the summer 1933 at several parts plants. In February 1934 some 4000 workers went out on strike. It appeared that the strike would be settled quickly when one of the largest companies, Electric Auto-Lite, decided to oppose the agreement. Other companies quickly followed Electric Auto-Lite's lead and the strike resumed. With Electric Auto-Lite hiring scabs and maintaining production, it appeared the strike would be lost. Then, in May, the local UL of the American Workers Party intervened.

It organized a mass picket line around Electric Auto-Lite even though the courts had issued an injunction against third-party picketing. The local sheriff and special deputies arrested several picketers, beating one badly. In response, the UL and the union organized a bigger blockade of some 10,000 workers, trapping strikebreakers inside the factory.

The "Battle of Toledo" was on. In an effort to break the blockade, the sheriff and deputies used tear gas, water hoses, and guns. The workers responded by stoning the plant and burning cars that were in the company parking lot. The National Guard was called out, and in the fighting that followed two picketers were killed. Unable to break the strike, the plant was forced to close. After two weeks of Federal mediation, the company and the union reached an agreement: the company recognized the union, boosted its minimum wage, and hiked average wages by 5 percent.

At almost the same time as the struggle began in Toledo, another major union battle started in Minneapolis. In February 1934, the Trotskyist-led Teamster Local 574 organized a short successful strike, winning contracts with most of the city's coal delivery companies. The victory brought in many new members, both truckers and those who worked in warehouses. In May, when employers refused to bargain with the union over new contracts, some 5000 walked off their jobs. The

union, well prepared for the strike, effectively shut down commercial transport in the city, allowing only approved farmers to deliver food directly to grocers.

The Citizen's Alliance, composed of the city's leading business people, tried to break the strike. Police and special deputies trapped and beat several of the strikers. The union responded with its own ambush. The fighting continued over two days. A number of deputies and strikers were badly hurt, some from beatings and some from gunshots; two strikers died. But the strike held. The National Guard was called in an attempt to restore order, and while they brought a halt to the fighting, their presence didn't end the strike.

Other unions, especially in the building trades, began striking in solidarity with the Teamsters, with many activists talking about organizing a general strike. After several weeks, with federal authorities applying pressure, the employers finally settled, signing a contract with the union.

A general strike did take place in San Francisco. Passage of the NIRA had, much like in the coal industry, spurred a massive increase in union membership in West Coast locals of the International Longshoremen's Association (ILA). Led by left-wing activists, these locals began, in March 1934, organizing for a coastwide strike to win a shorter workweek, higher pay, union recognition, and a union-run hiring hall. The threatened strike was soon called off by the top East Coast-based leadership of the ILA, following a request from Roosevelt. These leaders then secretly negotiated a new agreement with employers that met none of the workers' demands.

The San Francisco longshoremen rejected the deal and struck on May 9. They were quickly joined by dockworkers in every other West Coast port as well as many sailors and waterfront truckers. All totaled some 40,000 maritime workers stopped working.

Battles between the police and strikers resisting their employers use of strikebreakers led to injuries in several ports and the death of one striker. Roosevelt tried again to end the strike, but without success. On July 3, employers decided to use the police to break the picket line in San Francisco, and succeeded in getting a few trucks through. They tried again on July 5, leading to a full-scale battle between the police and strikers. Two strikers were shot and killed on what became known as Bloody Thursday.

On the following day San Francisco longshoreman called for a general strike. Teamster locals in both San Francisco and Oakland quickly voted to strike

despite the opposition of their leaders. On July 14, after a number of other unions voted for a general strike, the San Francisco Labor Council endorsed the action. Some 150,000 workers went out, essentially bringing economic activity in the city, as well as in Oakland, Berkeley and other nearby municipalities, to a halt. Police tried to break the strike by arresting strike leaders, but the workers held firm. General Hugh S. Johnson, head of the National Recovery Administration, denounced the strike as a “bloody insurrection” and “a menace to the government.”

After three days, city union leadership, fearful of the growing radicalization of the strikers and worried about escalating threats from employers, called off the strike. Local ILA unions were forced to accept federal arbitration, but in October, the arbitrator gave the workers most of what they had demanded.

These struggles showed a growth in worker militancy and radicalism that sent shock waves throughout the corporate community as well as the government. As Fraser explains:

*General strikes are rare and inherently political. While they last, the mechanisms and authority of the strike supplant or co-exist with those of the “legitimate” municipal government. . . . Barring actual revolution, power ultimately devolves back to where it came from. But the act of calling and conducting a general strike is a grave one. It may have no revolutionary aspirations, yet it opens the door to the unknown. That these two strikes [in Minneapolis and San Francisco] happened in the same year — 1934 — is a barometer of just how far down the road of anti-capitalism the working-class movement had traveled.<sup>23</sup>*

Corporate leaders did not just roll over in the face of this growing activism. As the authors of *Who Built America?* describe:

*After the employers’ initial shock over Section 7a had worn off, executives in steel, auto, rubber, and a host of other industries followed a two-pronged strategy to forestall unionization: they established or revived company unions to channel workers discontent in nonthreatening directions, and they vigorously resisted organizing drives.<sup>24</sup>*

Textile employers were among the more ruthless in their response. The largest strike in 1934 began in September when 376,000 textile workers from Maine

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<sup>23</sup> Fraser, “The New Deal in the American Political Imagination.”

<sup>24</sup> Freeman et al., *Who Built America?*, 365.

to Alabama walked off their jobs. The employers hired spies, fired union activists, and had workers evicted from their company housing. With the support of a number of governors, they also made use of the National Guard to break strikes. Many strikers were injured in the violence that followed, some fatally. The employers rejected a Roosevelt attempt at mediation and after three weeks the union leadership ended the strike, having suffered a major defeat.

While a few unions were able to take advantage of the NIRA, most were not. In fact, by early 1935, five hundred AFL local unions had been disbanded. Section 7a's statement promising workers the right to organize freely turned out to be largely meaningless. It was supposed to be enforced by a tripartite National Labor Board, but the board was given no real enforcement power, and it often refused to intervene in unionization struggles. A number of industries, such as auto, were not even covered by it. By 1935, growing numbers of workers were calling the National Recovery Administration (NRA), which had been established by the President to oversee the NIRA, the National Run Around.

#### Mounting pressure for a Second New Deal

With his First New Deal, Roosevelt demonstrated a willingness to experiment, but within established limits. For example, he remained determined to limit federal budget deficits and minimize federal responsibility for relief and job creation. Thus, his early initiatives failed to calm the political waters.

Economic improvements, while real, were not sufficient to satisfy working people. Unemployment remained too high, relief programs remained too limited and punitive, and possibilities for improving wages and work conditions remained daunting for most of those with paid employment. Consequently, left-led movements continued to successfully educate, mobilize, and radicalize growing numbers of working people around demands increasingly threatening to the status quo.

Also noteworthy as an indicator of the tenor of the times was Upton Sinclair's 1934 run for governor of California. His popular End Poverty in California movement advocated production for use and not for profit. Among other things, it called for the state to purchase unused land and factories for use by the unemployed, allowing them to barter what they produced, as well as pensions for the poor and those over sixty years old, all to be financed by higher taxes on the wealthy and corporations.

More right-wing political movements were also gaining in popularity, feeding off of popular disenchantment with government policy. For example, Senator Huey Long from Louisiana criticized Roosevelt for creating huge bureaucracies and supporting monopolization. In 1934 he launched his Share Our Wealth Plan, which called for a system of taxes on the wealthy to finance guaranteed payments of between \$3000 to \$5000 per household and pensions for everyone over sixty. He also advocated a thirty-hour work week and an eleven-month work-year. His Share Our Wealth Clubs enjoyed a membership of some seven to eight million people, mostly in the South but also in the Midwest and mid-Atlantic states.

Frances Townsend, a retired doctor from California, had his own proposal. His Townsend Plan called for giving every person over 60 who was not working \$200 a month on the promise that they would spend it all during the month. It also called for abolishing all other forms of Federal relief and was to be financed by a regressive national sales tax. Within two years of the publication of his plan, there were over 3000 Townsend Plan Clubs, with some 2.2 million members, pressing Congress to approve it.

Despite political differences, all these movements—at least initially in the case of the movements promoted by Long and Townsend—tended to encourage a critical view of private ownership and wealth inequality and most business leaders blamed Roosevelt and his New Deal policies for this development. They were especially worried about the possibility of greater government regulation of their activities. In response, a number of top business leaders resigned from Roosevelt's Business Advisory Council in 1934 and began exploring ways to defeat him in the presidential election of 1936.

In sum, by 1935 Roosevelt was well aware that he needed to act, and act decisively to reestablish his authority and popularity. In some ways his decision to launch a more worker-friendly Second New Deal spoke to his limited choices. Most business leaders had now made clear their opposition not only to his administration but to any new major federal initiatives as well. In fact, in May 1935, the Supreme Court ruled the National Industrial Recovery Act unconstitutional. It did the same with the Agricultural Adjustment Act in January 1936.

A do-nothing policy was unlikely to win back business support or strengthen Roosevelt's political standing given the economy's weak on-going economic expansion. Thus, as Fraser points out:

*The Roosevelt administration needed new allies. To get them it would have to pay closer attention to the social upheavals erupting around the country. The center of gravity was shifting, and the New Deal would have to shift with it or risk isolation.*<sup>25</sup>

Roosevelt's response was the Second New Deal. His political acumen is well illustrated by the fact that the three signature achievements of the Second New Deal—the Works Progress Administration, Social Security Act, and the National Labor Relations Act—not only responded to the demands of the mass movements organized by left political forces, but did so in a way that allowed him to take back the initiative from the left.

However, as we see next, while the Second New Deal represented a major step forward for working people, each of these signature initiatives again fell short of what progressive movements demanded. Unfortunately, changing political and economic conditions greatly weakened the left over the following years, leaving it unable to sustain its organizing and pressure on the state. As a consequence, not only was there no meaningful Third New Deal, the reforms of the Second New Deal have either ended (direct public employment), come under attack (social security), or been greatly weakened (labor protections).

### Lessons

This history holds a number of important lessons for those advocating a Green New Deal. One is that contemporary popular movements are not likely to win and secure full implementation of their demands for a Green New Deal at one moment in time. This means that organizing work must build popular awareness that our political leaders will most likely respond to our efforts with reforms designed to blunt or contain demands for transformative change.

Another is that the process of system-transformation is not likely to be advanced by advocating for modest demands in the belief that these can be easily won and that successive governments will be predisposed to extend and deepen them over time. This means that our movements must put forward the most progressive demands that can win popular support at the time while preparing movement participants for a long and complex struggle.

Another lesson from the New Deal experience is that movement building itself must be a dynamic process, changing in response to political and economic

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<sup>25</sup> Fraser, "The New Deal in the American Political Imagination."

developments. It was the movement of unemployed that spearheaded the political pressures leading to the First New Deal. First New Deal policies and the economic recovery then changed the organizing terrain, leading to new organizing of relief workers and trade unions.

At the same time, there were strong threads tying these movements together. One of the most important was that participation in one movement, for example the unemployed movement, provided an educational experience that helped create organizers able to spur the work of the newer movements, for example the labor movement. And because all these movements owed much to the work of left political groups, there was a common vision that also tied them together and encouraged each to support the struggles of the other as well as join in support of even bigger demands, such as for a new system of social insurance.

Advocates of a Green New Deal need to pay careful attention to this organizing experience. Given the Green New Deal's multidimensional concerns, achieving it will likely require organizing in many different arenas which may well require, at least at an early stage, organizing a number of different movements, each with its own separate concerns. The challenge will be finding ways to ensure coordination, productive interactions, and an emerging unified vision around big transformative demands.

## **5: THE SECOND NEW DEAL**

When people talk about the innovative and transformative policies of the New Deal, they normally mean the core programs of the Second New Deal: the WPA, the Social Security Act, and the National Labor Relations Act. As innovative as these programs were, they were largely forced on the Roosevelt Administration by left-led mass movements and were, by design, meant to blunt more radical demands for change. In short, they were important reforms, but no more than reforms, and as such they offered only partial solutions to the problems of the time. Sadly, workers today continue to suffer from their limitations.

### Works Progress Administration

One of the most important Second New Deal programs was the Works Progress Administration (WPA). Established in May 1935, it employed some 9 million people to work on public projects, primarily on the construction of public buildings and roads. Federal Project Number One, a much smaller program that also operated under the WPA umbrella, employed musicians, artists, writers, actors

and directors in a variety of literacy, media, drama, and arts projects. These included the Federal Writers' Project, the Federal Theatre Project, the Federal Music Project, and the Federal Art Project.

Roosevelt's decision to replace the Federal Emergency Relief Administration with the WPA was a clear sign that he recognized that his First New Deal employment and relief programs had done little to satisfy fast growing left-led movements that were demanding a federal jobs program under which unemployed workers would be directly put to work, at union wages, producing a wide range of needed goods and services. The WPA operated its own projects in cooperation with state and local governments, which were required to cover some 10 to 30 percent of their costs. In some cases, the WPA took over ongoing FERA relief programs. But, despite its impressive accomplishments, it also fell short of movement demands.

The WPA combined elements of both FERA and the CWA but was far more like the former than the latter. For example, in contrast to the CWA, participation in WPA projects required a state means test. Thus, unemployment alone was not enough to qualify a person for the program. Moreover, as under FERA, participants were subject to demeaning monitoring of their spending habits and living conditions.

Again, unlike the CWA, little effort was made to match workers' skills with jobs. Workers were divided into two broad categories of skilled and unskilled. The unskilled were assigned construction jobs even if they had no construction experience. The skilled were assigned a variety of writing or teaching jobs regardless of whether they had experience in those areas. The program did pay market wages. However, limits were put on maximum allowable hours of weekly employment in addition to an overall limit on total earnings.

WPA employment was also limited. Its average monthly employment was approximately 3 million workers. The CWA, at its peak, employed over 4 million a month. The WPA, like FERA, employed only about one-third of the unemployed. Moreover, because of unstable program financing, even those employed by the WPA would sometimes suffer layoffs.

The unemployed movement wanted a permanent federal employment program that would guarantee full employment. And they wanted that program to employ people to produce needed goods and services as a direct counter to private production. This was far from the vision of the Roosevelt administration. As Harry Hopkins, chief administrator of the WPA, explained:



*Policy from the first was not to compete with private business. Hence we could neither work on private property, set up a rival merchandising system, nor form a work outlet through manufacturing, even though manufacturing had contributed to relief rolls hundreds of thousands of workers accustomed to operating machines and to doing nothing else for a living.*<sup>26</sup>

Operating under these limits, the WPA had little choice but to focus its efforts on the construction of public buildings and roads. Post offices accounted for close to half of the more than 3000 public buildings constructed.

Moreover, despite its limitations, the unemployed had to fight to sustain the program. Congress decided to provide funds for the program one year at a time. Sometimes allocations fell short of planned spending, resulting in layoffs. Other times, militant demonstrations by an alliance of unemployed groups forced Congress to approve supplemental appropriations.

The number of public works projects and WPA participants began a steady decline starting in 1939. The next year the Roosevelt administration decided to reorient program activity to projects of direct use to the military, including construction of base housing and military airfields as well as expansion of naval yards. The WPA was quietly terminated in 1943, with unemployment problems seemingly solved thanks to the demands of wartime production. Sadly, the unemployed never developed the political weight or broader social movement needed to push the government into embracing a more expansive and permanent program of national planning and public production.

### The Social Security Act

The Social Security Act is widely considered to be the New Deal's crown jewel. According to his Secretary of Labor, "[President Roosevelt] always regarded the Social Security Act as the cornerstone of his administration . . . and . . . took greater satisfaction from it than from anything else he achieved on the domestic front."<sup>27</sup>

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<sup>26</sup> John F. Henry, "Reflections on the New Deal: The Vested Interests, Limits to Reform, and the Meaning of Liberal Democracy," *Levy Economics Institute*, Working Paper No. 905, May 2018, [http://www.levyinstitute.org/pubs/wp\\_905.pdf](http://www.levyinstitute.org/pubs/wp_905.pdf), 21.

<sup>27</sup> Franklin D. Roosevelt Presidential Library and Museum, "'Our Plain Duty': FDR and America's Social Security," *FDR online library*, <https://www.fdrlibrary.org/our-plain-duty>.

Roosevelt appointed a Committee on Economic Security in July 1934 with the charge to develop a social security bill that he could present to Congress in January 1935 that would include provisions for both unemployment insurance and old-age security. An administration approved bill was in fact introduced in January and Roosevelt called for quick Congressional action. The bill was revised in April by a House committee and given a new name, "The Social Security Act." After additional revisions the Social Security Act was approved by overwhelming majorities in both Houses of Congress, and the legislation was signed into law by the President on August 14, 1935.

The Social Security Act was a complex piece of legislation. It included what we now call Social Security, a federal old-age benefit program; a program of unemployment benefits administered by the states; and a program of federal grants to states to fund benefits for the needy elderly and aid to dependent children. It was a cautious beginning, as explained by Edwin E. Witte, the Executive Director and Secretary of the President's Committee on Economic Security:

*Because we were in the midst of a deep depression, the Administration and Congress were very anxious to avoid placing too great burdens on business and also to avoid adding to Government deficits. It was these considerations that resulted in the low beginning social security tax rates and the step-plan of the introduction of both old-age and unemployment insurance and also in the establishment of completely self-financed social insurance programs, without Government contributions—to this day a distinctive feature of social insurance in this country.<sup>28</sup>*

Before examining the way Roosevelt's concerns for the well-being of business placed limits on the timeliness, coverage, and support provided by these programs, it is important to recognize that, as with the WPA, Roosevelt's commitment to social security was largely a response to the efforts of the CP, which had authored a far more progressive bill, one that would have significantly shifted the balance of class power towards workers.

The CP began pushing its Workers Unemployment Insurance Bill in the summer of 1930, and it, as well as the UCs, worked hard to promote it over the following years. In February 1934, Representative Ernest Lundeen of the Farmer-Labor Party introduced the CP-authored Workers Unemployment and Social Insurance Bill in the House of Representatives. In broad brush, as Chris Wright summarizes, the bill:

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<sup>28</sup> Edwin Witte, "Birth and Early Days of Social Security in the US," *Social Security History* website, <https://www.ssa.gov/history/ew25.html>.

*provided for unemployment insurance for workers and farmers (regardless of age, sex, or race) that was to be equal to average local wages but no less than \$10 per week plus \$3 for each dependent; people compelled to work part-time (because of inability to find full-time jobs) were to receive the difference between their earnings and the average local full-time wages; commissions directly elected by members of workers' and farmers' organizations were to administer the system; social insurance would be given to the sick and elderly, and maternity benefits would be paid eight weeks before and eight weeks after birth; and the system would be financed by unappropriated funds in the Treasury and by taxes on inheritances, gifts, and individual and corporate incomes above \$5,000 a year. Later iterations of the bill went into greater detail on how the system would be financed and managed.<sup>29</sup>*

The bill enjoyed strong support among workers, employed and unemployed. Thanks to the efforts of labor activists it was soon endorsed by 5 international unions, 35 central labor bodies, and more than 3000 local unions. Rank and file worker committees also formed across the country to pressure members of Congress to pass it.

When Congress refused to act on the bill, Lundeen reintroduced it in January 1935. Because of public pressure, the bill became the first unemployment insurance plan in US history to be recommended by a congressional committee, in this case the House Labor Committee. However, it was soon voted down in the full House of Representatives, 204 to 52.

Roosevelt strongly opposed the Lundeen bill and it was to provide a counter that he established his Committee on Economic Security in July 1934 and pressed Congress to approve the resulting Social Security Act as quickly as possible. Roosevelt's Social Security Act fell far short of what the Workers Unemployment and Social Insurance Bill offered, and it was strongly opposed by activists and organizations of the unemployed.

The part of the bill that established what we now call Social Security suffered from five main weaknesses. First, it was to be self-financing because of administration fears of deficit spending, a decision which placed downward pressure on benefit levels. Second, it was to be financed by equal contributions

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<sup>29</sup> Chris Wright, "The History of the Workers' Unemployment Insurance Bill," *MRonline*, September 21, 2018, <https://mronline.org/2018/09/21/the-history-of-the-workers-unemployment-insurance-bill/>.

from workers and employers. Thus, workers had to shoulder half the costs of the program.

Third, the system was not universal. The act covered only workers in commerce and industry, about half the jobs in the economy. Among those left out were farm and domestic workers.

Fourth, the act provided for monthly retirement benefits payable only to the primary worker in a family when they retired at age 65 or older. Moreover, the amount received depended on the value of wages earned in covered employment starting in 1937.

Finally, the act mandated that monthly benefit payments would not begin until 1942. A 1939 amendment did allow benefit payments to begin in 1940 and added child, spouse, and survivor benefits to the authorized retirement benefits.

In sum, this was a program that offered too little, too late, and to too few people. And while improvements were made over the years, the current system pales in comparison to the kind of humane retirement workers would have enjoyed if the workers' movement had been powerful enough to secure passage of its preferred bill.

The unemployment system established as part of the Social Security Act was also structured in ways unfavorable to workers compared with the proposed benefits of the Workers Unemployment and Social Insurance Bill. Rather than set up a comprehensive national system of unemployment compensation, the act established a federal-state cooperative system that gave states wide latitude in determining standards.

More specifically, the act levied a uniform national pay-roll tax of 1 percent in 1936, 2 percent in 1937, and 3 percent in 1938, on covered employers, defined as those employers with eight or more employees for at least twenty weeks, not including government employers and employers in agriculture. Only workers employed by a covered employer could receive benefits.

Covered employers were given a federal credit on up to 90 percent of the tax if they paid their credit amount into a certified state unemployment compensation fund. The act left it to the states to decide whether to enact their own plans, and if so, to determine eligibility conditions, the waiting period to receive benefits, minimum and maximum benefit levels, duration of benefits, disqualifications, and other administrative matters. It was not until 1937 that

programs were established in every state as well as the then-territories of Alaska and Hawaii. And it was not until 1938 that most began paying benefits.

In the early years, most states required eligible workers to wait 2 to 4 weeks before drawing benefits, which were commonly set at half recent earnings (subject to weekly maximums) for a period ranging from 12 to 16 weeks. Ten state laws called for employee contributions as well as employer contributions.

Just like with social security, over the following years the program was modified in a number of positive ways, including by expanding coverage and benefits. However, the unemployment program established by the Social Security Act fell far short of the universal, progressively funded social safety net that workers were demanding.

### The National Labor Relations Act

In the spring of 1934, Senator Robert Wagner introduced a bill to establish a new labor relations board that, unlike the one established by the First New Deal's National Industrial Recovery Act, would have enforcement authority. Few in Congress supported the bill; President Roosevelt also opposed it.

Wagner reintroduced a revised version of his bill a year later and to a dramatically different outcome. In May 1935 it received unanimous support in the Senate Labor Committee, followed by strong support in both the Senate and House. As reported by the authors of *Who Built America?*, President Roosevelt remained opposed to the bill up until the very end:

*"It ought to be on the record," his labor secretary noted, that the bill was "not a part of the President's program. It did not particularly appeal to him when it was described to him." But when the US Supreme Court struck down the NIRA in May and Wagner's National Labor Relations bill was passed by one house of Congress, FDR finally endorsed the bill.*<sup>30</sup>

In broad brush, the National Labor Relations Act established a set of laws and regulations designed to guarantee the right of private sector workers to peacefully organize into trade unions of their choosing and engage in collective bargaining and actions such as strikes. The act also created the National Labor Relations Board to organize and oversee the process by which workers decide on

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<sup>30</sup> Freeman et al., *Who Built America?*, 376.

whether to join a union as well as determine whether collective bargaining agreements were being fairly bargained and enforced.

The turnaround in support for the NLRA owes much to the growing militancy of workers, especially the 1934 explosion of worker victories in Toledo, Minneapolis, and San Francisco. This dramatic growth in worker militancy, solidarity, and radicalism sent shock waves throughout the corporate community as well as the government. And it was to head off the further radicalization of the labor movement that the Congress and Roosevelt agreed to support the NLRA and its mechanisms to regularize the unionization process. In the words of Fraser:

*The Wagner Act helped institutionalize a form of industrial democracy that steered clear of any frontal assault on the underlying political economy. It legitimated collective bargaining, imposed responsibilities on both management and trade union officialdom, and worked to establish peace on the shop floor.*

*Union leaders were to police their members, instilling a disciplined commitment to the terms of the contract. Control of life on the shop-floor remained with management. Militants who thought otherwise were soon enough reigned in. The much-maligned (not without cause) trade union bureaucracy was, after all, the fruit of a mass movement, an institution, created where there had been nothing, the slowly solidified residue of fiery desires.<sup>31</sup>*

For a few years, it appeared that worker militancy—a willingness to directly challenge corporate rights with no concern for issues of legality—would continue despite the NLRB’s existence. For example, in early 1936 rubber workers in Akron, Ohio disregarded both union leadership and a court injunction to surround the eleven-mile perimeter of a Goodyear plant with pickets. They shut down the plant in protest over wage cuts and layoffs of activists and rejected federal attempts at mediation. When word came that the sheriff might come with armed deputies to open the plant, the strikers armed themselves. Finally, after four weeks, Goodyear settled, agreeing to reinstate the fired workers, reduce the workweek, and recognize the authority of union shop committees.

Not long after, inspired by the rubber workers, auto workers began staging walk-outs and strikes at several different Chrysler and GM plants over firings and unionization. The biggest action came at the end of 1936 with the Flint sit-down strike. The workers held the plant for 44 days, during which time they fought off

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<sup>31</sup> Fraser, “The New Deal in the American Political Imagination.”

attempts by armed police to evict them and ignored injunctions issued by the courts demanding that they leave. In the end GM agreed to recognize the UAW as the exclusive bargaining representative for all GM workers.

The number of strikes grew dramatically from 2,014 in 1935 to 4,740 in 1937, with workers increasingly winning unionization not through the machinery of the NLRA, but through direct action. For example, the number of sit-down strikes lasting more than a day grew from 48 in 1936 to some 500 in 1937.

Unfortunately, this upward trajectory of militant, class conscious activity would not be sustained. The reasons are complex. One part of the explanation concerns the evolving political orientation of the CP. Responding to the new strategic orientation of the Communist International, which now stressed the importance of building coalitions with all progressive and liberal forces to check the rise of fascism, the CP began pursuing an anti-fascist popular front policy that included support for Roosevelt's 1936 re-election and the New Deal more generally.

This new orientation also translated into an increasingly conservative line regarding labor activism. CP activists were encouraged not only to support the new CIO union leadership but also to oppose militant organizing tactics. As Frances Fox Piven and Richard A. Cloward describe:

*The Communists, by now well into their Popular Front phase and some of them into the union bureaucracy as well, endorsed the call for union discipline. Wyndham Mortimer issued a statement early in 1937 saying: "Sit-down strikes should be resorted to only when absolutely necessary." And the Flint Auto Worker, edited by Communist Henry Kraus, editorialized that "the problem is not to foster strikes and labor trouble. The union can only grow on the basis of established procedure and collective bargaining."*<sup>32</sup>

At the same time, corporate leaders were taking direct aim at the new labor reforms. One of their first big victories was a 1938 Supreme Court ruling that said companies had the right to hire permanent replacement workers when workers went on strike. The following year it ruled sit-down strikes illegal, even if undertaken in response to an illegal corporate action.

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<sup>32</sup> Frances Fox Piven and Richard Cloward, *Poor People's Movements: Why They Succeed, How They Fail* (New York: Vintage, 1978), 156.

States also joined in. In 1939, as Piven and Cloward report:

*state legislatures began to pass laws prohibiting some kinds of strikes and secondary boycotts, limiting picketing, outlawing the closed shop, requiring the registration of unions, limiting the amount of dues unions could charge, and providing stiff jail terms for violations of the new offenses. By 1947 almost all of the states had passed legislation imposing at least some of these limitations.*<sup>33</sup>

Finally, corporate leaders also launched an anti-Communist attack against union activists, especially those in leadership positions in the newly created unions of the CIO. Their efforts were amplified by House Un-American Activities Committee hearings which began in 1938. The 1947 Taft–Hartley Act codified all these developments, outlawing wildcat strikes, solidarity or political strikes, secondary boycotts, secondary and mass picketing, and closed shops, as well as requiring union officers to sign non-communist affidavits as a condition for their union to secure NLRA rights.

In sum, as left and union leadership began to rely ever more heavily on the NLRA to win gains for workers, corporate and political elites were aggressively narrowing the acceptable boundaries of legal action. As a consequence, although there would still be periods of worker militancy, the frequency of rank and file-led actions, open rebellion against the law, and moments of cross-union and class solidarity became increasingly rare. Thus, the NLRB succeeded, as its supporters had hoped, in creating a more stable system of labor relations that was consistent with and supportive of capitalist production.

### The movement's decline

The workers movement of the 1930s was a mass movement that, thanks to left leadership, encouraged class solidarity and support for a program of radical social change. The movement was powerful enough to force the Roosevelt administration into adopting successively more progressive programs that, although flawed, did improve working and living conditions for many.

However, even as its different political tendencies began to unify, for example creating a national organization of the unemployed, the movement began to suffer a loss of militancy and vision that left it unable to further influence political

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<sup>33</sup> Ibid., 165.



developments. As a consequence, the reforms of the Second New Deal came to define the limits of change.

In 1934 the UCs tightened their organizational form, finally adopting a written constitution. In early 1935, Socialist Party unemployed organizations and a number of ULs joined together to create a national organization of the unemployed, the Workers Alliance. The following year, the Workers Alliance reached agreement with the UCs and several other small unemployed organizations to form a new, larger national organization of the unemployed, the Workers Alliance of America (WAA).

The WAA, critical of the WPA, continued to fight for the unemployed and those on relief. For example, when the Roosevelt administration announced planned cuts in WPA employment for 1937, the WAA organized a number of sit-ins and demonstrations at city relief offices throughout the country. The President, under pressure from big city mayors, rescinded the cuts.

However, defending an existing program is not the same as winning a new, improved one. And this the movement could not do for several reasons. One is that the rank and file base of the unemployed movement was shrinking because of the growth in the economy and the expansion in relief opportunities. Another is that many of the movement's most experienced activists were now employed as organizers in the growing trade union movement.

A third reason is that changes in the relief system undermined the movement's ability to mobilize the unemployed and win gains through collective action. The system had become professionalized, with relief officials in city after city establishing rules about the size of delegations that would be allowed in offices and the number of times each week that delegations could seek meetings with officials. Moreover, relief office workers were instructed not to meet clients if they were accompanied by a delegation or grant relief if a delegation was present in the office.

This left local unemployed organizers in the position of either accepting the new ground rules to ensure that their members received relief or continuing their mass activity hoping that their old strategy would be more effective in winning gains. Increasingly, members advocated for the former, leaving organizers with no choice. In fact, as a sign of the growing sophistication of the New Deal relief effort, a number of relief offices actually offered jobs to local activists with the unemployed movement with the promise that they could help make the system

work more efficiently and effectively for those seeking relief. In many cases, those offers were accepted.

Perhaps the most important reason for the movement's growing political weakness was the Communist Party's decision to pursue an alliance with the Roosevelt administration as part of its anti-fascist popular front policy. This led the party to organize support for Roosevelt's 1936 election and his New Deal policies, and to deemphasize oppositional and militant mass actions in support of social transformation in favor of more established political activity such as petition drives and lobbying for improvements in existing programs.

In fact, hoping to win Roosevelt's good will, the CP often organized rallies designed to show worker support for the WPA and other New Deal programs. Roosevelt was actually invited to give the main speech at the WAA's second annual convention. When he turned down the invitation, the honor was given to the WPA's Director of Labor Relations. In 1938, WAA locals even campaigned for pro-New Deal candidates.

Increasingly the WAA became integrated into the New Deal. As Piven and Cloward point out:

*The [WAA became] recognized as the official bargaining agent for WPA workers, and alliance leaders now corresponded frequently with WPA administrators, communicating a host of complaints, and discussing innumerable procedural questions regarding WPA administrative regulations. Some of the complaints were major, having to do with pay cuts and arbitrary layoffs. Much of the correspondence, however, had to do with minute questions of procedure, and especially with the question of whether WPA workers were being allowed to make up the time lost while attending alliance meetings. Alliance leaders also wrote regularly to the president, reviewing the economic situation for him, deploring cuts in WPA, and calling for an expansion of the program.*<sup>34</sup>

The WAA continued to make demands on the administration, drafting their own bills calling for greater public spending and employment at union wages, advocating for their own far more sweeping social insurance program, and calling for the establishment of a national planning agency to oversee a permanent public works program. But the movement no longer threatened Roosevelt, and its demands were largely ignored. The WAA dissolved itself in 1941.

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<sup>34</sup> Ibid., 86.

The labor movement, riding the growth in the economy, soon replaced the unemployed movement as the most powerful social force for change. However, for reasons noted above, it also underwent its own moderation despite the efforts of rank and file activists. For example, CIO leaders established Labor's Non-Partisan League in 1936 to support President Roosevelt's reelection and his New Deal program. World War II; the post-war vicious anti-communist attacks on all critics of capitalism, especially in the labor movement; and the strength of the post-war economic expansion finally buried the promise of a radical transformation. There would be no Third New Deal.

### Final lessons

The New Deal experience holds a number of important lessons for those advocating a Green New Deal. First, the existence or even recognition of a crisis cannot be counted on to motivate a change in government policy if that change threatens the status quo. It took years of mass organizing to force the federal government to acknowledge its responsibility to respond to the devastating social consequences of the Great Depression. The challenge will be even greater today since, as opposed to the 1930s, business leaders continue to enjoy lucrative opportunities for profit-making.

Second, a broad-base mass movement that threatens the stability of the system can force a significant change in government policy. The driving force for change in the 1930s was the movement of unemployed, and its early power came from the CP's ability to establish a network of local UCs that provided unemployed workers with the opportunity to better understand the cause of their hard times, build class solidarity through collective actions in defense of local needs, and become part of broader campaigns for public policies on the national level that were directly responsive to their local concerns.

It is likely that activists for a Green New Deal will have to engage in a similar process of movement building if they hope to force a meaningful change in government policy. Despite the fact that we face a number of interrelated social, economic, and ecological crises, activists must still find ways to weave together different local organizations engaged in collective actions in defense of local needs into a nation-wide political force able to project a vision of responsive system change as well as define and fight for associated policies.

Third, government responses to political pressure can be expected to fall far short of movement demands for transformative change. The Roosevelt administration's First New Deal programs fell far short of what working people

demanded and needed. It took sustained organizing to win a Second New Deal, which while better, was still inadequate. If the movement for a Green New Deal succeeds in forcing government action, it is safe to assume that, much as in the 1930s, the policies implemented will be partial and inadequate. Thus, movement activists have to prepare participants for a long, and ongoing campaign of mobilization, organizational development, and pressure.

Fourth, because of the importance of government policy and the natural attraction of wanting to exert personal influence on it, movement activists must remain vigilant against becoming too tied to the government bureaucracy, thereby losing their political independence and weakening the movement's capacity to continue pushing for further changes in state policy. WAA leaders understandably wanted to influence New Deal policy, but their growing embrace of the Roosevelt administration, pursued for broader political objectives as well, ended up weakening the movement's organizational strength and effectiveness and perhaps even more importantly, vision of a more egalitarian and democratic society. Green New Deal activists can be expected to face the same kind of pressures if a progressive government comes to power and begins to initiate its own reform program and movements must be alert to the danger.

Fifth, and finally, movements have to be careful not to become too policy oriented. The New Deal included a number of different programs each designed to address different problems. This created a natural tendency for the different movements that comprised the broader social movement to narrow their focus and concentrate on finding ways to respond to the policy shortcomings that most concerned their members. Thus, while the unemployed, those on relief, and those fighting for unionization initially shared a sense of common struggle, over time, in large measure because of their success in winning reforms, that shared commitment to the broader social movement for societal change weakened.

This is a challenge that the movement for a Green New Deal can also expect to face if it is successful enough to force meaningful government reforms, especially given the multiplicity of the challenges the country faces. The only way to minimize this challenge is to ensure that movement organizing, from the very beginning, encourages participants to see the need for the broader transformative change inspired by the notion of a Green New Deal, and to draw from their struggle an ever more concrete understanding of how that change can be advanced and how real improvement in their lives depends on its achievement.