

Franklin D. Roosevelt

In the summer of 1932, I, Franklin Delanor Roosevelt, Governor of New York, was nominated as the presidential candidate of the Democratic Party. In my acceptance speech, I addressed the problems of the Depression by telling the American people, “I pledge you, I pledge myself, to a new deal for the American people.”

Americans lived under a cloud of despair and dark days during this Great Depression. In my first term, my administration sought escape from the personal terror which had stalked Americans for three years. The American people wanted the peace that comes from security in their homes, safety for their savings, permanence in their jobs, a fair profit from their enterprise.

Americans also wanted peace in their communities, the peace that springs from the ability to meet the needs of community life: schools, playgrounds, parks, sanitation, highways—those things which are expected of solvent local government. They sought escape from disintegration and bankruptcy in local and state affairs.

As well, Americans sought peace within the nation: protection of their currency, fairer wages, the ending of long hours of toil, the abolition of child labor, the elimination of wild-cat speculation, the safety of their children from kidnappers.

And, finally, we sought peace with other nations—peace in a world of unrest. The nation knows that I hate war, and I know that the nation hates war.

Today I call the roll—the roll of honor of those who stood with us in 1932 and still stand with us today. Written on it are the names of millions who never had a chance—men at starvation wages, women in sweatshops, children at looms.

Written on it are the names of those who despaired, young men and young women for whom opportunity had become a will-o'-the-wisp.

Written on it are the names of farmers whose acres yielded only bitterness, businessmen whose books were portents of disaster, homeowners faced with eviction, frugal citizens whose savings were insecure.

Written in large letters are the names of countless others who saw their livelihood and lives fritter away in the grip of this Great Depression which was upon our land.

Americans of all parties and all faiths, Americans who had eyes to see and hearts to understand, whose consciences were burdened because too many of their fellows were burdened, who looked on these things and said, “This can be changed. We will change it.”

And we did! Their hopes became our record.

We accomplished much and continued to build our great nation into what she was meant to be! This beacon of liberty and freedom is rising again and creating a better society for her citizens.



In my service as President, we continued to improve working conditions for the workers of America—to reduce working hours, to increase wages that once spelled starvation, to end the labor of children, to wipe out sweatshops.

To end monopoly in business, to support collective bargaining, to stop unfair competition, to abolish dishonorable trade practices.

We continued to work for cheaper electricity in the homes and on the farms of America, for better and cheaper transportation, for low interest rates, for sounder home financing, for better banking, for the regulation of security issues, for reciprocal trade among nations, for the wiping out of slums.

We continued our efforts on behalf of the farmers of America. We did all in our power to end the piling up of huge surpluses which spelled ruinous prices for their crops. We sought better land use, reforestation, the conservation of water all the way from its source to the sea, for drought and flood control, for better marketing facilities for farm commodities, for encouragement of farmer cooperatives, for crop insurance and stable food supplies.

And we also provided useful work for the needy and unemployed. We continued our efforts for young men and women so that they could obtain an education and an opportunity to put it to use. We sought help for the crippled, for the blind, for hard-working mothers, insurance for the unemployed, and security for the aged. Yes, we brought the dream of Social Security to older Americans in 1935.

We protected the consumer against unnecessary price spreads, against the costs that are added by monopoly and speculation. And we continued our successful efforts to increase purchasing power and keep it constant. We had to struggle with the old enemies of peace: business and financial monopoly, speculation, reckless banking, class antagonism, sectionalism, war profiteering.

Some citizens had begun to consider the government of the United States as a mere appendage to their own affairs. We know now that government by organized money is just as dangerous as government by organized mobs.

In my own life, I was no stranger to suffering, though of a different kind. At the age of thirty-nine I was stricken with polio and left partially paralyzed. I have continued to be confined to a wheelchair, able to stand only with the aid of heavy metal braces locked around my legs.

But Americans suffered far more than I have! I would be nothing but a whining fool to complain of my own pains and struggles compared to the years of hardship for Americans during the Great Depression and World War 2. Americans have endured; and we are meeting the present moment—with hope, vigor, and determination! In my first Inauguration speech, I called out to all Americans to see that the “only thing we have to fear, is fear itself!” And Americans rose to that challenge with determined souls and caring hearts!

It is because I have sought to think in terms of the whole nation that I am confident that, today, the people are better than they have ever been!

How did we overcome this vast Great Depression and restore stability and hope to the American people? First, upon taking office on that cold and overcast day in March of 1933, my administration immediately declared a “Bank Holiday”. This action temporarily shut down every bank in the country. Congress then immediately passed the Emergency Banking Act of 1933, lending government money to shaky banks and thereby restoring confidence.

Then, with the bold help of Congress, we created a more permanent solution, the Federal Deposit Insurance Corporation. The FDIC is a government-sponsored insurance program guaranteeing the security of deposits in member banks. If your bank fails, the FDIC reimburses you. This program eliminated the fear of losing one’s life savings and has largely ended bank runs.

We also developed numerous programs over several years to help Americans get back on their feet, including: The Home Owners Loan Corporation, a government lending agency which attempted to save people’s homes by refinancing mortgages and deferring or spreading out mortgage payments.

The Civilian Conservation Corps, a government employment program whereby unemployed young men were put on the government payroll to work on reforestation and conservation projects. The CCC concurrently provided job training skills which prepared the men to step into private sector jobs as soon as the economy recovered. Much of America’s infrastructure, including her roads, tunnels, and bridges, were built with this program.

The Agricultural Adjustment Act. The AAA was our attempt to solve the problem of agricultural overproduction and depressed crop values. Farmers who agreed to limit their acreage in production in line with a national plan to drive up agricultural prices would receive monetary payments from the government. Our hope was to drive up crop prices through government-engineered scarcity.

I must admit that this effort, in conjunction with the Dust Bowl phenomenon of the mid-1930s, was only moderately successful. While the value of farm commodities rose somewhat, 1929 values were not achieved again until World War II. The program also had unintended consequences, such as ending sharecropping in most parts of the country and giving rise to huge agribusinesses companies.

Other programs were:

- The Federal Emergency Relief Act, which established a system of federal relief or welfare payments to the needy throughout the nation.
- The Securities and Exchange Commission, a governmental regulatory commission of the securities markets (stocks, bonds, etc.). The SEC was intended to prevent a recurrence of the speculative credit-based bull market of the 1920s.
- The Public Works Administration, which is a government lending program designed to lessen unemployment by lending funds for the construction of numerous structures throughout the country.
- The National Recovery Administration. This was an attempt to stimulate industrial recovery through centralized planning on a cooperative basis by management, labor, and government economists.

Yes, I have had my critics who accused us of wanting to destroy capitalism. But nothing could be further from the truth!

Big business would not be broken up; rather, its influence would be controlled by enlarging and strengthening organized labor and government. Together, all three would plan out the economy, collectively determining production levels of each product, what it would sell for, how much workers would be paid, and so on. This program was an economic cornerstone of the First New Deal and was anything but anti-big business. Management was assured that if they cooperated, accepted codes of fair conduct, and agreed to preset wage scales, big business would be exempted from antitrust prosecution. It was “regulated monopoly” designed to produce recovery of the industrial sector of the economy through planned shortages.

We achieved all those goals in our first four years. In our second New Deal, beginning in 1937, we did even more for our citizens!

Among these were, The Works Progress Administration, a government employment program with unemployed Americans building roads, airports, parks, writing and conducting plays, writing books, conducting musical concerts, and so on. The WPA relieved unemployment by hiring far more workers than the programs of the First New Deal. Between 1935 and 1941, more than eight million Americans were employed by the WPA. It spent over \$11 billion on 250,000 projects!

The Wagner Labor Relations Act. Referred to as organized labor’s Bill of Rights, the act was an attempt to equalize the power of big business by giving government support to unionization. The act gave a governmental guarantee regarding the rights of collective bargaining by a union chosen by employees under the supervision of the National Labor Relations Board and legalized peaceful strikes and boycotts. Labor unions tripled their membership, from a low of 3 million members in the early 1930s to about 9.5 million in 1941. Labor unions thus became an acceptable part of American society during the Great Depression, thanks to our administration. The Public Utilities Holding Company Act outlawed the pyramiding of control of gas and electricity companies and gave federal commissions the power to strictly regulate the rates and financial practices of these companies. The Rural Electrification Administration allowed the loaning of funds to rural communities and cooperatives to either manufacture or buy electricity and construct transmission lines to bring electricity to rural areas, ninety-five per cent of which were still without electrical services in the 1930s.

The Social Security Act led to the creation of the Social Security system. The law created a government sponsored old-age and survivors insurance and a federal-state plan of unemployment insurance.

I would be remiss in not mentioning, in our goals and achievements, the creation of the Tennessee Valley Authority. In 1933, I recommended to Congress legislation to create the Tennessee Valley Authority, a corporation clothed with the power of government but possessed of the flexibility and initiative of a private enterprise. It should be charged with the broadest duty of planning for the proper use, conservation, and development of the natural resources of the Tennessee River Valley drainage basin and its adjoining territory for the general social and economic welfare of the Nation. This Authority would also be clothed with the necessary power to carry these plans into effect.

In the watershed of the Tennessee River, therefore, I had come to consider the facts of devastating floods that had existed for many generations—floods that washed away houses and roads and factories, floods that took great tolls of human lives—floods that threatened the very security of Chattanooga itself and of many other communities on this river, on the Ohio River and even down in the lower reaches of the Mississippi River. I had studied the washing away of the wealth of soil on the main stem of the river, on its many main tributaries, and up in the creeks and hills in the higher valleys. I had seen water commerce impeded by shoals and by

winding variable channels. I had understood the waste of potential hydroelectric energy.

I had seen forests denuded or burned—but worst of all, I had seen the splendid people living in parts of seven states fighting against nature instead of fighting with nature.

Many hard lessons have taught us the human waste that results from a lack of planning. Here and there a few wise cities and counties have looked ahead and planned. But our nation has just grown. It is time to extend planning to a wider field, in this instance in one great project of several states directly concerned with the basin of one of our greatest rivers, the Tennessee River.

For decades the Tennessee River Valley’s desperately poor farmers had struggled to eke out a living from barren farmland. More than two-thirds could not read or write. Fewer than one in ten of their homes had electricity. The unnavigable Tennessee River routinely flooded its banks, destroying crops and damaging homes. Malaria affected 30 percent of the people.



In the early 1930s, a few companies controlled the nation’s power resources. They were charging higher rates and funneled their vast profits to companies that owned the utilities, rather than keeping the cost of electrical power lower. And companies refused in most cases to run lines in sparsely populated rural areas. Or, if they did, they charged impossibly high rates!

This in a true sense is a return to the spirit and vision of the pioneer! If we are successful here then we can march on, step by step, in a like development of other great natural territorial units within our borders.

The water power of the State should belong to all the people. The title to this power must rest forever in the people. No commission—not the legislature itself—has any right to give, for any consideration whatever, a single potential kilowatt in virtual perpetuity to any person or corporation whatever. It is the duty

of our representative bodies to see that this power is transferred into usable electrical energy and distributed at the lowest possible cost...and no inordinate profits must be allowed to those who act as the people’s agent in bringing this power to their homes and workshops.

In this creation of the Tennessee Valley Authority, we were able to improve the navigability and to provide for the flood control of the Tennessee River; provide reforestation and the proper use of marginal lands in the Tennessee Valley; provide for the agricultural and industrial development of said valley;

I signed the Tennessee Valley Authority Act on May 18, 1933, creating the TVA as a federal corporation. The new agency was asked to tackle important problems facing the valley, such as flooding, providing electricity to homes and businesses, and replanting forests. Other TVA responsibilities written in the act included improving travel on the Tennessee River and helping develop the region’s business and farming.

The establishment of the TVA marked the first time that an agency was directed to address the total resource development needs of a major region. TVA was challenged to take on—in one unified development effort—the problems presented by devastating floods, badly eroded lands, a deficient economy, and a steady out-migration. The most dramatic change in Valley life came from the electricity generated by TVA dams. Electric lights and modern appliances made life easier and farms more productive. Electricity also drew industries to the region, providing desperately needed jobs.

Today, TVA is the largest public power company in the United States. The agency also manages the nation's fifth-largest river system in order to control flooding, make rivers easier to travel, provide recreation, and protect water quality. As a federal public power corporation, the TVA serves about 80,000 square miles in the southeastern United States. This area includes most of Tennessee and parts of six other states – Alabama, Mississippi, Kentucky, Virginia, North Carolina, and Georgia.

TVA's facilities for generating electric power include 29 hydroelectric dams, a pumped-storage plant, and 3 nuclear plants; as well as coal-fired, combustion-turbine, natural gas, and nuclear plants; and diesel and solar energy sites. These facilities provide over 27,000 megawatts of dependable generating capacity. TVA provides electric power to local, municipal, and cooperative power distributors through a network of over 16,000 miles of transmission lines.

In a speech I made in Philadelphia in the campaign of 1936, I said the following:

“There is a mysterious cycle in human events. To some generations much is given. Of other generations much is expected. This generation of Americans has a rendezvous with destiny. In this world of ours in other lands, there are some people, who, in times past, have lived and fought for freedom, and seem to have grown too weary to carry on the fight. They have sold their heritage of freedom for the illusion of a living. They have yielded their democracy. I believe in my heart that only our success can stir their ancient hope. They begin to know that here in America we are waging a war against want and destitution and economic demoralization. It is more than that; it is a war for the survival of democracy. We are fighting to save a great and precious form of government for ourselves and for the world”.

In closing, let me share a portion of my third inaugural address from January 1941:

These later years have been living years—fruitful years for the people of this democracy. For they have brought to us greater security and, I hope, a better understanding that life's ideals are to be measured in other than material things.

Most vital to our present and to our future is this experience of a democracy which successfully survived crisis at home; put away many evil things; built new structures on enduring lines; and, through it all, maintained the fact of its democracy.

No, democracy is not dying.

We know it because we have seen it revive—and grow.

We know it cannot die—because it is built on the unhampered initiative of individual men and women joined together in a common enterprise—an enterprise undertaken and carried through by the free expression of a free majority.

We know it because democracy alone, of all forms of government, enlists the full force of men's enlightened will.

We know it because democracy alone has constructed an unlimited civilization capable of infinite progress in the improvement of human life.

We know it because, if we look below the surface, we sense it still spreading on every continent—for it is the most humane, the most advanced, and in the end the most unconquerable of all forms of human society.

A Nation, like a person, has a body—a body that must be fed and clothed and housed, invigorated and rested, in a manner that measures up to the standards of our time.

A Nation, like a person, has a mind—a mind that must be kept informed and alert, that must know itself, that understands the hopes and the needs of its neighbors—all the other Nations that live within the narrowing circle of the world.

A Nation, like a person, has something deeper, something more permanent, something larger than the sum of all its parts. It is that something which matters most to its future—which calls forth the most sacred guarding of its present.

In the face of great perils never before encountered, our strong purpose is to protect and to perpetuate the integrity of democracy.

For this we muster the spirit of America, and the faith of America. We do not retreat. We are not content to stand still. As Americans, we go forward, in the service of our country, by the will of God.

