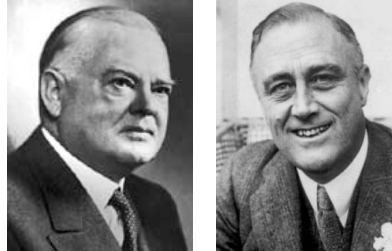


Hoover vs. Roosevelt



Presidential Celebrity Death Match 1932

	Herbert Hoover (March 4, 1929 – March 4, 1933)	Franklin D. Roosevelt (March 4, 1933 – April 12, 1945)
<i>Personality traits that came to bear on his philosophy of govt.:</i>	<p>Born to Quaker parents in Iowa, father was a blacksmith, both parents died before HH was 9 yrs. Old, raised by uncle, attended night school for high school, graduated from Stanford University. Worked for private engineering firms until WWI, when he became head of the U.S. Food Administration and later head of the American Relief Administration in Europe. Secretary of Commerce under Harding and Coolidge.</p> <p>Believed in “rugged individualism”</p> <p>Believed that people need to pull their own weight</p> <p>Self-reliance, made his own fortune/luck</p>	<p>Born and raised in a wealthy NY family, attended Groton and then Harvard (editor of the Crimson), married Eleanor (political power couple – his cousin!!! She was his 5th cousin once removed but still...) Attended law school, worked in corporate law. NY governor, Asst. Sec. of the Navy in WWI, then Governor of NY. Maintained a long-standing affair with “Mrs. Johnson” (Eleanor’s social secretary.)</p> <p>Suffered from polio crippled in 1921. FDR never accepted his permanent paralysis.</p> <p>“The only thing we have to fear is fear itself”</p> <p>Surrounded himself with able, intellectual crop of men and men and women to tackle the Depression – otherwise known as the “Brain Trust”</p> <p>Likeable, personable, broad smile, enthusiastic, energetic</p>
<i>Philosophy on govt.:</i>	<p>Pro-American work ethic, champion of capitalism, pro-business, pro-American work ethic.</p> <ul style="list-style-type: none"> - Believed humans are responsible for their own condition (if poor, unemployed it is your own fault; if wealthy, employed, provided for it is as a result of hard work) <p>Believed that changes in the business cycle are natural – booms in the stock market are totally natural as are depressions (inevitable and not to be tampered with). As a result, he was not inclined to meddle when the economy experienced a downturn.</p>	<p>Favored deficit spending/priming the pump (spent more money than the govt. made in an effort to stimulate the economy)</p> <ul style="list-style-type: none"> - FDR supported the theory of Keynesian economics whereby the govt. starts the engine of the economy by spending \$ - belief being you have to give some to get some (also known as “priming the pump”) <ul style="list-style-type: none"> o Prove you trust the economy enough to put money in before others will do the same. Then once they have faith, others will invest, the economy will pick back up, allowing the govt. to pay back their debt. - Money came from federal borrowing and bonds (debt) which the



	<p>Laissez-faire approach towards business and the economy Favored a balanced budget (expenses do not exceed revenue/earnings)</p>	<p>govt. planned to slowly pay off with money brought in through taxes</p> <p>Believed it was the gov't's job to be involved in people's lives and to improve their quality of life.</p>
<p><i>Actions taken to help solve the economic crisis:</i></p>	<p>Believed in voluntary action – felt that individuals should not be forced to care for the poor. Instead, action should come from those who want to help (i.e., he opposed the idea of direct relief)</p> <ul style="list-style-type: none"> - Established the <u>President's Organization on Unemployment Relief</u> (POUR) to generate private contributions for destitute and jobless poor. <p><u>Hawley-Smoot Tariff</u>: placed a 42% tax on imports. Designed to get Americans to buy domestic-made products, however, any benefit was negated by the negative international response</p> <p>Promoted federal public works projects like the Hoover Dam (building of dams on major waterways in U.S.; created some jobs. By the end of his term, \$2 billion was spent on public roads, buildings, etc.) Unfortunately, it wasn't enough to help.</p> <p><u>Federal Farm Board</u> lent money to farm cooperatives whose purpose was to buy crop surpluses. Kept the prices of tobacco, wheat, cotton and corn steady. The cooperatives then stored the surplus and sold it abroad.</p> <p>Supported the idea of government aid to banks and businesses, not to individual citizens. Hoover was unwilling to help individuals directly with relief because he believed it encouraged laziness, not requiring people to work for their money.</p> <p>He asked Congress to create the <u>Reconstruction Finance Corp.</u> (1932): \$2 billion lent to needy banks, big insurance companies and other businesses at the top of the economic system.</p> <ul style="list-style-type: none"> - Theory: if lent \$ to businesses at the top, benefits would be felt by everyone. If lent \$ to save a bank, save some jobs, save many people's savings, save their homes. (trickle-down economics) - Only partially successful <p>Hoover's shame: the <u>Bonus Army</u> fiasco</p> <ul style="list-style-type: none"> - Many WWI veterans lost their jobs during the Depression and lobbied for the payment of their veterans' bonuses (due in 1945) early. - Congress passed a bill (over Hoover's veto) allowing them to 	<p>Ready to experiment with government involvement and controls on business.</p> <p>While in office, he started a practice referred to as the <u>Fireside Chats</u>, weekly radio chats, in which FDR reassured the American public, spoke to Americans about programs, which were being created, etc. They helped people feel more connected to the president than ever before.</p> <p>Plan to cure the Depression was known as the <u>New Deal</u> (a series of government funded agencies designed to provide the American people with relief in the form of aid and new jobs, as well as reform those problems which led to the Depression.)</p> <ul style="list-style-type: none"> - Multi-faceted approach which included both direct federal action and money to provide relief from the depression. - 3 stages of the New Deal: relief, recovery, and reform (started with programs designed to provide relief to those who needed it most, start working on recovery in the form of jobs programs, and then address the more long-term need of reforming the system to protect against future depressions.) - <u>Alphabet Soup</u>: nickname for the many New Deal programs created by FDR. The programs all had long complicated names which were then shorted into smaller acronyms like the CCC, TVA, FDIC, etc. <p>Supported the ideas of <u>direct relief</u>: welfare, or immediate relief in the form of cash payments (something Hoover was unwilling to give)</p> <p style="text-align: center;"><i>MORE ON THE NEW DEAL TO COME IN CLASS.</i></p>

	<p>borrow up to 50% of the bonus due to them. This concession did not satisfy the veterans.</p> <ul style="list-style-type: none"> - In May of 1932, 17,000 veterans marched on Washington and took up residence in a shantytown called Bonus City. - In mid-June, the Senate defeated the bonus bill, and many veterans returned home. However, some militant ones stayed to protest. - Hoover refused to talk to the leaders and called in the U.S. Army. The army rolled in with tanks, guns, and tear gas to take care of the militant veterans. <ul style="list-style-type: none"> o Two Bonus marchers were killed, and several others were injured. o “What a pitiful spectacle is that of the great American Government, mightiest in the world, chasing unarmed men, women and children with Army tanks ... If the Army must be called out to make war on unarmed citizens, this is no longer America,” commented one Washington newspaper. - Hoover did not understand why the Bonus marchers would have marched all the way to Washington to “gain a handout” when they could be at home working hard. 	
<p><i>Public perception:</i></p>	<p>Hoover was blamed by many for not responding to the Great Depression. Many felt that he approached the Depression with an attitude that was impractical for the emotional and physical needs of the American populace at that time.</p> <p>He was generally perceived as an unsympathetic character who didn’t care about the poor and unemployed. Widely believed that he only cared about the haves and as a result, he ignored the have-nots.</p> <p>Shantytowns that popped up near all large cities were called “Hoovervilles” and the privies “Hoover villas.”</p> <p>In the end, Hoover’s legacy was one of bitterness and misery—whether that is deserved or not is up for interpretation.</p>	<p>Re-elected a record 4 times consecutively (there was no term limit set until after Roosevelt’s administration.)</p> <p>Promised change in 1932 election (although he was vague about the changes he planned). In comparison to Hoover, FDR appeared to be willing to do whatever was necessary to address the problems of the Depression.</p> <p>People felt more connected to him than they had previously to any president (this was in part due to his radio chats and the many programs he put into place to help the poor.) The popular sentiment was evident in the number of letters received by FDR and his wife, Eleanor, over the course of his administration. They received 300,000 letters alone in his first year in office!</p> <p>He did have his critics – some opposed the massive deficit spending and more liberal approach to governing of the FDR administration. Also, in 1938, FDR prematurely predicted that the Depression was over. As a result, he drastically cut funding to programs, Social Security finally kicked in which meant people started seeing money withdrawn from their paychecks, and the Federal Reserve began raising interest rates. All of these actions led to a downturn in the economy after years of slow and gradual improvement.</p>