

Liberalism Series - Abstracts

"The Coming Elections from the Point of View of the Roosevelt
Administration and the New Deal" - Schuyler Wallace

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In 1931 there was distress throughout the middle and lower classes of the United States. Whereas in normal times seventy per cent of the farms were owned by independent farmers, only fifty per cent remained in that state. The same trend of proletarianization of the middle class was noticeable in the cities. The savings banks and the insurance deposits were on the verge of collapse. It seemed to the administration that there was danger of revolution.

The New Deal was formulated by middle class interests. The most radical member of the cabinet attacked only profits and not the right to private property. The plan was formed in a hurry and under tremendous pressure. Its purpose was fourfold: first, to halt deflation; second, to prevent the further increase of the proletarianization of farmers and home owners; third, to relieve the unemployment situation; and fourth, to reorganize the economic system on a more practical basis.

The New Deal has succeeded in part. It has temporarily halted deflation and has to some extent relieved unemployment. The Home Owners Loan Act and the Farm Credit Act were passed to relieve agriculture from artificial pressure. The R. F. C. helped to keep the banks from failing, thus aiding many small investors.

Another point in favor of the administration is that it

remains open-minded. Some of its plans may be unsatisfactory in details but it is ready to admit some failure, is still experimental and may be able to work out a solution.

From a practical political point of view there is not much alternative to voting the Democratic ticket. The election of a Republican Congress would result in complete lack of cooperation between the legislative and executive branches of the government, making both parties helpless. Moreover there is no definite Republican policy. The Socialists, if right, are too far ahead of popular opinion to be elected. The Communists have abandoned hope of voting themselves into power.

The theoretic alternatives are also unsatisfactory. The policy of "historic laissez-faire" would mean an imperialistic policy under which we would be dependent on foreign markets for our surpluses. Since Europe is striving to be self-sufficient and controls all the continents except South America, this system would probably lead to war. Fascism could not be enforced with any kind of peace and holds all the dangers of imperialism, while Communism would mean civil war, loss of liberty, and seems impractical.

It seems, therefore, that the only possible peaceful transition to a society which may cope with our present problems must be made under this administration.

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