



Harry Kreisler: Welcome to a “Conversation with History.” I’m Harry Kreisler of the Institute of International Studies. Our guest today is David Kennedy who is McLachlan Professor of History Emeritus at Stanford University. He won the Pulitzer Prize for [Freedom from Fear: The American People in Depression and War, 1929 to 1945](#). He is the 2009 Jefferson Lecturer on the Berkeley campus. Professor Kennedy, welcome to Berkeley.

David Kennedy: Thanks, glad to be here.

HK: Where were you born and raised?

DK: I was born and raised in Seattle, Washington.

HK: And looking back, how do you think your parents shaped your thinking about the world?

DK: Well, looking forward to what I think will be the core of our conversation today, my parents were very much victims of the Depression, so the whole aura, or the lessons of the Depression such as they understood them, was very much a part of my upbringing. My parents were married in September of – pardon me, August of 1930, and my father was working at a mining camp in the Cascade Mountains, in the north part of Washington state, a very remote location, snowed in all winter long. It was the day before snowcats, and so on, it was a two-day snowshoe trip to get out of there in the winter to a cleared road. So, anyway, they came back from their honeymoon and the company had built a little two-room annex on one of the buildings for them to live in. My mother was going to be the first woman ever to winter over at the camp. That was the good news. The bad news was that in the same interval the company had gone bankrupt, and my father was unemployed,

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the best I can determine, for seven years until he finally got a job working in the grocery at a PWA project at Grand Coulee Dam in 1937. So, the lessons of my childhood were very saturated and marinated in that kind of immediate background in our family.

HK: What was the impulse to become a historian? Was it just something that came as a result of where you were educated and what interested you?

DK: Well, not really. As I think a lot of these things are, it was quite accidental. I was an undergraduate at Stanford and I came there to be an engineer, and I was an engineering major for a couple of years. And then I encountered, as it happened, not one but two very influential and charismatic history professors, one a guy by the name of Wayne Vucinich who taught east European Balkan history, and then David Potter who was an American historian who had an enormous influence on me. My running joke with them in later years was if they'd let me alone I would've become an electrical engineer and gone to work in Silicon Valley, and that I could've endowed their chairs [laughs], but in fact, they deflected me and I became an historian. Potter, in particular, was highly influential on me.

HK: Where did you do your graduate work?

DK: At Yale.

HK: And you had decided as an undergraduate to be a historian?

DK: Yeah, about halfway through my undergraduate life, history seemed to be the thing to do.

HK: Who did you study with at Yale?

DK: Well, that was the heyday, the golden age, I guess you might say, of the Yale history department, so I studied with some really wonderful masters. Ed Morgan who's still alive and writing – in fact, I just received galley proofs of a book of his yesterday, he's 93 years old and still writing – C. Vann Woodward who is now deceased, John Blum who was my doctoral dissertation supervisor, still alive, and Howard Lamar was another person I worked with a great deal.

HK: What was your dissertation on?

DK: For that time, it was quite an unusual topic. It was a study of the birth control movement in the United States, which necessarily meant it was, in part at least, largely biographical about Margaret Sanger who's the woman who started that movement and headed it for many, many years. So, it was a topic in women's history at a time when women's history hadn't yet become fashionable, and it was about a topic other than high politics and strategy and diplomacy, when those were still the regnant things that people studied. So, I won't share with you – I won't burden you with how many bad jokes I had to suffer [laughs] for the writing of that dissertation about what the devil was I

doing with such a topic, but it turned out to be, in fact, absolutely, endlessly fascinating because it took me into areas of religious history, medical history, legal history, and so on. So, I don't regret it at all.

HK: And that's a characteristic of your work, really, that you really look at cultural matters, social matters, economic, military history, and so on, as you do this broad sweep, which – another example of that would be your book on World War I.

DK: Well, as a matter of fact, by some strict definition I'm not really an historian. My Ph.D. program was actually American studies, not history.

HK: I see.

DK: And in my case, that meant that my curriculum, or my program of study, course of study, was two parts history, one part economics and one part literature. And I put that together deliberately. From the outset I wanted a broader angle of vision on the entirety of the American experience than I thought I could get just in the history department itself. So, there's a certain method, and a rather deliberate method, to that kind of training, and I hope, as you say, that that's characterized my work, as well.

HK: Which raises an interesting question because I want to talk to you a little about being a historian, and that is, how do you come to your topics, basically. Is it the times that you live in? Is that one aspect of choosing to work, say, on what you did in the first instance on your dissertation?

DK: Well, I think it varies a lot from historian to historian, scholar to scholar, and in my case it varies from project to project. The dissertation research, which ended up being published as a book, rather artlessly titled, Birth Control in American: The Career of Margaret Sanger – actually that was a kind of second choice. For odd reasons that needn't concern us here, I suppose, at that time in my life I could speak pretty good Italian and I thought I would become a historian of Italian immigration to the United States and do a comparative study of the consequences of Italian migration to the United States and Argentina, which, it turns out, is a country that received a lot of Italian immigrants. For a variety of reasons that didn't work out and in conversations with various people at Yale they probed, "Why do you want to work on immigration?," and so on, and the short answer was, "Well, what fascinates me is how absorptive this society is, how it can receive people who arrive absolutely on the margins, in the outer fringes of the society, and over a generation or two or three, they make their way into the – weave their way into the general fabric of the society. So, the light went on in somebody's head and they said, "Well, what about women?" This is 1964 or '5, so it was before the feminist movement had really picked up momentum, and by the same token a light went on in my head, "Well, you could write something like that," or "You could study that in general subject, in the case of women, not just immigrants." So, then the question became how to get a handle on it and it turned out I learned that Margaret Sanger had not one but two archival collections of her papers, one at the Library of Congress and one at Smith College, in which

no one had worked, so then it just went on from there. I wrote a later book about the First World War, which I think almost surely grew out of my engagement with, and preoccupation with, the Vietnam War in the 1960s and '70s. That's when I started work on that book. Why did I get started on the book about the Great Depression and World War II? Well, the answer to that one is very clean cut because it was published in a series edited by Vann Woodward and published by Oxford University Press, and they asked me to write that volume in that series. So, that's a simple one.

HK: And you wrote the book – when did the book come out, the Depression book?

DK: 1999.

HK: How long did it take you to write it?

DK: Well, by some manner of speaking I was at work on it for eleven years. That's how long it was on my desk, but I do teach virtually every day, and have other obligations, so it wasn't eleven years' full-time work, but it was a long time.

HK: Before we talk about the Great Depression and that period of the war afterward, I'm curious, what skills do you think a student should have to become a historian?

DK: Well, I don't think there's any definitive answer to that but I'll tell you a story. I taught for a year at Oxford University in England, and I got to know a group of fifteen to twenty or so undergraduates pretty well. And to be frank, I was a little disillusioned. The quality of their historical thinking, their imaginative range – they just seemed to me not very interesting students, and there were two exceptions to this. I learned only many months later, toward the end of the academic year, that those two exceptions were in a very small, special program at Oxford in history and economics. So, that reinforced a notion of mine that history by its very nature is synthetic, and it's eclectic and holistic, or should be, at least. And one of the prophylaxes that we can adapt to ward off kind of narrow parochialism just talking to each other, I think, is to expand our disciplinary toolkit, economics, or philosophy, or political science, or religious studies, or literature, or whatever it might be, and it just gives us more to work with and more perspectives on a topic. So, I think any young student, young scholar, starting out, ambitious to make a career in history would do well to learn some of the vocabulary and protocols of one or two disciplines beyond history itself.

HK: Which actually points to my next question, which is, when you look a book like your book on Freedom from Fear, it's an accumulation of a massive amount of data, but the data is then transformed into a sense of the time and a sense of the sweep of history. Is that the secret to the craft of history?

DK: Well, this was drummed into me by a lot of my mentors at Yale, particularly John Blum and C. Vann Woodward, who would say repeatedly that if we're only talking to ourselves, we've not

doing our duty. It's obligatory on us, as historians, that we speak to the broadest educated readership possible. And that means we have to master the craft of narrative. So, I try to drum this into my graduate students as well, that narrative is our friend, and narrative has its own conventions and its own necessities, and they need to be understood, and you need to know how to use that instrument well. The histories that we remember, from Thucydides and Herodotus' forward, are the ones that tell a good story and embed analysis within the narrative framework. I just think that's absolutely imperative.

HK: Let's talk now about Freedom from Fear and what we can learn about the Great Depression and the New Deal response. I guess the first question is, on what dimensions is the current economic crisis comparable to the Great Depression and to what extent are they not comparable?

DK: Well, let's start with some of the more easily measurable things. One thing is, we should begin by saying if we date the onset of the Great Depression of the '30s from the stock market crash in 1929, which is actually not the best place to start, but that's where it's conventionally started, and if we date the origins of the current crisis from, let's say, the collapse of Lehman Brothers in September of 2008, if we lay the timelines alongside each other we're now about five months into this crisis. If we take the clock back to the 1930s, that means we're at approximately March of 1930. So, among the things – if we're going to compare these two events we have to compare the very early period of the Depression with where we are now, and among the thoughts that it leads to is that at that moment in the spring of 1930, nobody knew that the capital G, capital D, Great Depression was what was coming at them over the horizon, so ignorance about exactly what's going on, what its causes are, what its scale is, what its momentum is, what its duration is likely to be. History is remembered backward but it's lived forward, and people in the spring of 1930, I would say, in fact, well into 1931, did not understand exactly what it was that had swept over them. So, we don't know what the future holds. We have better data than they did about things like the unemployment numbers, and so on, and we think we're more sophisticated in terms of economic theory, we think we have a better institutional structure in the government, in this country and others, we have better multilateral institutions internationally. All that's true but we don't know precisely what the deepest dynamic of this crisis is and exactly...

HK: The present one, yeah.

DK: ...yes, this one, and where it might take us. So, I think we have to be very cautious about these things. So, the factor of the unknown, I think, is in a sense the most comparable element between the two moments.

HK: Now one of the points that you make – and it's very clear in your narrative – is the ideas to understanding evolved over time. And so, now we in our present crisis can talk stimulation but back then, both Hoover and Roosevelt were groping for an answer and they were still, both of them, tied to old ideas, and maybe Hoover more so than Roosevelt.

DK: Well, Hoover certainly more so than Roosevelt, but I agree with you, absolutely, that we can see some of the same, or quite similar, ideological and intellectual constraints operating on both of them. And there's, I suppose, another example here of some economic policy analog to the old maxim about how generals always fight the last war. Herbert Hoover, in 1929-1930, thought, not without reason, that what he was looking at was a crisis similar in kind and on the same scale to the very sharp recession that he had dealt with as Secretary of Commerce in 1921-1922, which he had turned around fairly quickly. That was among the things that contributed to his very large reputation; he was the miracle man who had turned this recession around after World War I. And he'd done it by calling corporate leaders, and state and local officials, into Washington D.C. and urging them to accelerate capital investment projects and hold wages steady, and so on and so forth, and that worked. And that's what he did in 1929-1930 and it didn't work. So, what do we do now? What's our remedy now? We look back to the last crisis that we think is comparable to this one and we reach for the same set of tools that seemed to work then, big stimulus package and liquefying the banking and credit structures, and so on. All the things that were invented as new policy tools in the 1930s now look to us to be the appropriate instruments, but whether they will prove to be, we don't know.

HK: Now as you discuss the achievements of the New Deal, it's striking, the extent to which, in looking at the current crisis, in the last couple of decades our leaders have really been dismantling some of the institutions that were the great achievements of the New Deal – thinking here of the SEC, the extent to which the security of the housing market was destabilized by securitization, strangely enough. Talk a little about that, because, can we use fairly your book to look at this dismantling process that we've witnessed and that apparently led to the current crisis?

DK: Well, first of all, this whole apparatus of, more or less, new government institutions that came into being in the 1930s – most of them date to the New Deal, although some date to the Hoover period, actually, like the Reconstruction Finance Corporation, but the Security and Exchange Commission, the Social Security Act, Fair Labor Standards Act, Federal Deposit Insurance Corporation, and so on, those are all New Deal creations. They worked very well for, let's say, two or maybe even three generations, for half a century, well down toward the end of the 20th century. Those institutions introduced elements of stability and risk reduction into the economy that account in part for the remarkable prosperity and growth of the American economy in the decades after World War II. And I do believe, beginning in the 1980s – and not to make any bones about it, but this was part of Ronald Reagan's great political message - government is not the solution, government is the problem.

HK: Continuing through Clinton though.

DK: Yes, absolutely. And that created a certain inclination to weaken, or certainly not to update and strengthen, these oversight and regulatory institutions, and so on, and I do think that is a contributory factor to the predicament that we're now in, that we got into excessive commodification [sic] of credit and risky lending of a sort that those older institutions were meant to

prevent. But if you weaken those constraints the result, you might say, is predictable. And so, we are, in a sense, in a predictable predicament.

HK: Now when you look back at what the New Dealers thought about the world that they were encountering, and you go back to Roosevelt's speech at the Commonwealth Club, which you discuss extensively, one of the themes of the New Deal was that America had come to the limits of its productive power and that the effort had to be made to re-jigger the system. Now it's kind of interesting that if we're fair to Reagan and to Clinton, and so on, they thought that ending regulation, deregulating, was a way to insure a new wave of prosperity. So, there's something about the human condition here, and the limits of institutions, but it's a similar kind of problem. Right?

DK: Well, yes. Up through the 1930s – or let's just confine it to the 1930s – the regnant economic orthodoxy was something called the mature economy thesis, and many, many very prominent economists believed that advanced industrial societies had reached a plateau of development and the best you could hope for going forward was to keep things going more or less at that level and distribute the benefits a little more evenly, and that would itself be stabilizing, but no one cogently, or in any informed way, foresaw the enormous growth capacity of this and other economies that was demonstrated during, and especially after, World War II. So, they lived in a wholly different intellectual world from what we've come to take for granted. Governments now talk about growth daily; growth is their mission, to promote economic growth. And that wasn't necessarily the case. Economic stability and prosperity, those were objectives, but the idea that the economy could grow at a three to four percent annual rate, year in, year out, over decades, and so on, which has been the case for most of the western societies and the Asian tigers since World War II – that just wasn't on the screen. So, yes, I agree with you, that there was a certain reasonable and defensible rationale behind the ideas that Reagan, and to a certain degree Clinton, brought forward, that we've now arrived at a point where growth is its own growth, is its own self-sustaining economic mechanism, and government should get out of the way and let that happen. Well, appealing as that is as an abstract idea, I think we've seen how it can lead to excesses that could make trouble for everybody.

HK: And it's really interesting how the theme that emerges, when you summarize what the New Deal accomplished, was transparency, making information available, which was a key to a kind of minimalist regulation that did not seek to undermine the economic system. And of course, that's what we're hearing now about, when we talk about credit swaps, about all the new mechanisms that have been developed.

DK: Well, the New Deal, for seventy years or so, has served as a kind of shorthand in our national political dialogue for big government. That's just what people think when they hear the phrase "New Deal." But in fact, if you really examine the New Deal in its particulars, you get down to short strokes about what they really did, what's remarkable to me, what I tried to convey in Freedom from Fear, is how assiduously the architects of these New Deal policies worked to make these innovations, like Social Security and the Securities Exchange Commission, and so on, minimally invasive on the prerogatives and the operations of the free market. So, the year of big government,

as we think of it, really may have its deep origins in the New Deal, but the New Deal itself was very cautious about expanding government authority in wholesale ways. Again, compare what happened in this country, in the Great Depression, to what happened in western Europe where whole industries, wholesale sectors of the economies, in the continental countries and in Britain were nationalized, the railroads, the automobile industry, the airline industry, transportation, telecoms, everything, at one time or another in virtually every major European advanced industrial country were nationalized. There's nothing comparable here with the single and rather partial exception of the Tennessee Valley Authority. So, we never went that road at all. We didn't nationalize the banks, we didn't nationalize General Motors and Ford, we didn't nationalize the railroad system, and so on. We have in our political DNA as a society – we don't want to go down that road very far. Even the New Deal, it seems to me, respected the prerogatives of the free market to a considerable degree.

HK: And it's interesting that Roosevelt was tied, bound, imprisoned by some of the old ideas, so at critical points in the evolution of the New Deal he went back to old ideas and cut the budget so that he wouldn't have deficits and he could balance the budget.

DK: Well, he was less wary than Herbert Hoover of deficit spending and of expanding the federal debt but he was not unworried about that, he was concerned about it. So, he always insisted it was a complete fiction and made no actuarial or fiscal sense that the deficits of the New Deal years were not on the regular budget, they were part of an emergency budget, that's what he would call it, but the fact is they're debts nonetheless. The design of the Social Security system, which is peculiar to this country – it's dependent wholly on payroll taxes assessed on workers and their employers, it's virtually the only – western, at least – social security system that is not financed in whole or in part out of central treasury revenues, and that's at Roosevelt's insistence. There's a wonderful passage in the memoir of Francis Perkins, his Secretary of Labor, who was the cabinet officer given the political responsibility for overseeing the drafting and the management of the Social Security Act, and she tells us in her memoir that when she first met with this committee of economic and actuarial experts – it was called the Committee on Economic Security, it was headed by a then prominent economist at the University of Wisconsin named Witte – she told them – and this is one of those smoking gun passages, it seems to me, in the record that tells us how they were thinking – she said, I told them they had to keep in mind the needs of our country, our legislative habits and the prejudices of our people – that's the phrase she used in instructing them how they should put this thing together. And what she meant by that principally was what Roosevelt told her, this will not be a dole, it will not be an entitlement of the sort that you just get it because you turn 65 years old, it'll be tied to your work record, and you will contribute out of your own payroll into the tax system that supports this, and there'll be no Treasury money in this thing whatsoever. So, there's another index of how wedded he was to what you might call the enduring precepts of our political culture, we're wary of central power, we're wary of big government, and even though we undertake a big government initiative, like Social Security was, we try to do it in a way that minimalizes [sic] the government presence as much as possible.

HK: A key element of your narrative is the political genius of Franklin Roosevelt, and in the first instance you compare him to Hoover, and in the case of Hoover we have a humanitarian, an engineer, an internationalist who basically couldn't move to the next level. So, talk a little about the fact that on the one hand, Hoover gets a bum rap, but on the other hand, you show that he really was making an effort to respond to the crisis.

DK: Yeah. Well, to use an old cliché, the Depression was a lemon crate and Franklin Roosevelt made lemonade out of it, and Herbert Hoover just never figured out how to handle it. But I do think there's something – there's a deeper subject here about what we might call, broadly speaking, the political arts. This has fascinated observers from the time of Aristotle and Machiavelli right down to the present, what makes for effective political leadership, and it's an elusive question. There's no formulaic answer, no algorithm that lets us answer that. Roosevelt was a lifetime politician and he was an extremely capable politician, and there's some element of mystery of what exactly made him such an effective politician. Hoover was, I think even his sharper critics would acknowledge, one of the most intelligent men in the United States. He's one of the biggest personalities this country has produced in the last century or so. He had enormous accomplishments to his credit: organizing the food relief program for the Belgians during World War I; running the Food Administration in the United States during World War I; arguably the most effective Secretary of Commerce ever, during the 1920s; huge empirical knowledge of the details of the banking system and the capital markets in this country; a very good engineer, made a fortune as a young man, producing real things, doing real things, mining projects in Australia and China. So, there's no question about his competence and his intelligence, but he was a lousy president and he was a lousy political figure. Roosevelt, who was dismissed by a lot of people as – Walter Lippman, famous columnist, once called him an amiable boy scout, a column that Lippman probably later should've been made to eat without salt – people underestimated him. But he had some kind of elusive political genius that made a big difference.

HK: At one point you make a comparison that if some bankers came in to see Hoover he could go over all their data and their books and analyze it, whereas in the case of Roosevelt, if you brought him a political map of the country he could show you who the bosses were and where the votes were.

DK: Exactly. This is an anecdote that goes back to the thirties and I think it's accurate. It certainly captures something that is true about both these figures, that Hoover, if you pointed to a county on the map, anyplace, Nebraska, Iowa, Missouri River, it might be, he could tell you what was the state of the banking system in that county because he'd internalize the data. Whereas Roosevelt – it was a power trick that he played. He'd have somebody draw a line across the map of the United States and he would trace his finger along the line and tell you exactly whether Democrats or Republicans, or whoever was in control here, and here, and here, and who was the congressman, who was the senator, who was the local boss, all the rest of it. Well, there're two different ways to approach the business of governing, and one proved effective and the other wasn't.

HK: I was left with the sense that it was as if Roosevelt had read your book – [laughs] but of course, it hadn't been written – so that he – because again and again, although you say that it was said of Roosevelt that he didn't read books, but he talked to everybody, he listened. He always wanted to have his ear to the ground, and he had a remarkable sense of timing.

DK: Yes. Well, let's go back to the mystery of this political leadership again, and particularly the way, in the 1930s, it had to do with the ability to use or not use well, the newest communication media of that day, which was the radio. Radio was about ten years old by the time the Depression comes along. The first broadcast, I think, was in the early 1920s. Coolidge used the radio – I believe Coolidge's inaugural was the first that was broadcast on the radio – Hoover used the radio fairly regularly to talk to the public, and so on, but when Roosevelt came along and initiated these "fireside chats," of which he delivered thirty over the course of his presidency, it was a wholly new way to make political use of that medium. After the first fireside chat that he gave in March 1933, in the following week, in one week, the White House received over 400,000 unsolicited letters from people who heard that broadcast. I've seen a lot of these at the Hyde Park Roosevelt Library, a lot of them are written on lined school tablet paper, butcher paper, all kinds of ungrammatical spelling, very original, and so on. Ordinary people just felt this connection. In the Hoover White House there had been one employee to handle mail from just random citizens who wrote. After this first week in Roosevelt's White House, they had to hire more than a hundred people to handle that correspondence. So, Roosevelt did something. Again, its precise definition eludes us but he touched people, he got in touch with them, he communicated with them and made them feel loyal, he attracted their interest, and their energy, and their affection in ways that are mysterious but proved very, very effective.

HK: And as a politician, a premier politician, he was seeking to build a long-lasting coalition, and he didn't have all the ideas at hand but he was kind of really ready to try everything and to move on it, and then if it didn't work try something else.

DK: Well, he said things like that, that if one thing doesn't work let's try something else, and the people demand action, action, action, and so on. And that has become part of his mystique and historical reputation. In a way, I think it's too bad that that's the case because in my view he was quite strategic and quite a visionary, and he had a vision of where he wanted to take the country as a whole, and I think the core element in that vision was security, making life more stable, less risky, more predictable, for bankers, and home mortgage lenders, and individuals in old age, and the unemployed, and the sick, and so on, everybody. And I think another part of his vision, as you just said, was to build a political coalition that would cement this more strategic vision for the society as a whole into place, keep it politically protected for at least a generation or so, which he did. He formed the fabled New Deal Coalition which dominates national politics at least into the 1960s, if not even later. That's a pretty impressive achievement. Again, here's a metric of how deliberate this was. We make a mistake if we think he was simply opportunistic and didn't have a plan. In the twelve years of the Harding, Coolidge and Hoover administrations, the three Republican administrations of the 1920s – those three presidents, all together, over twelve years appointed

exactly eight Catholics to the federal judiciary. In the first two terms of Roosevelt's administration, eight years, a shorter period of time, he appointed more than fifty Catholics to the federal judiciary. Well, what does that tell us? There was a long-term, coherent strategic vision of recruiting to the Democratic Party the political loyalties of these new immigrant communities that had arrived about a generation earlier, around the turn of the century, which were heavily Catholic in character. That's his working class, ethnics, and Catholics, and Jews, who come into the Democratic coalition and make the regnant, the dominant coalition for the next three decades.

HK: And as a sailor, and as a politician, he had to navigate between the left and the right, and also between the institutions that he had to live side by side with under our constitutional system. I want to talk a little about that, because you say something, in talking about his relationship to the left, Huey Long, Father Coughlin who was what we consider a conservative today, and a demagogue, but who advocated some things that were progressive. You say that "Roosevelt, instead of bending to the left, capitalized on it." So, explain that because I think that is very important.

DK: Well, again, I go back to what I said a moment ago. I think Roosevelt did have a vision, and I think he articulated the vision to himself and his associates in the 1920s, before the Depression ever came along, particularly about making life more secure with things like old age pensions, universal health care which was one of his aspirations, unemployment insurance, stabilize the banking system, and so on. So, those people who think that he invented all this stuff in the middle of the 1930s as a way to stop the momentum coming from his left in the person of Huey Long or Father Coughlin, I think they've got it all wrong. The vision is there well before that. But when these characters emerge on his left, Long in particular, it becomes a way he can move and discipline the Congress to go with his program lest the implicit message was, lest if you don't get with my program you're going to come under really irresistible pressure to do something far more drastic and probably a lot more risky coming from Senator Long of Louisiana, or whomever. So, he could make political use out of the existence of those people, but I firmly do not believe that the reform program that he articulated and implemented in the thirties happens because of them. I don't think that's accurate at all.

HK: And in fact, as you've said earlier, when it comes to coming to a program of social security, which is a response to Townsend in California, Huey Long and to a certain extent Coughlin, he understood what the American system could tolerate as represented by its institutions. So, it was a pension system unlike [those] the other countries of the world had adopted.

DK: Yes. Well, one way to summarize that would be to say that in the United States old age pensions, what we know as the Social Security system, is brought to the public and essentially accepted by the public as a property right, whereas in other societies very comparable arrangements are understood to be civil rights, they simply accrue to you because of your membership in the society. That's not the way we put our system together, it's not the way we think of it. In fact, the Committee on Economic Security that drafted the original Social Security legislation did not like this financing scheme. They repeatedly said to Francis Perkins and Franklin Roosevelt, this is not a

sound way to do this, we should finance this out of general revenues. And Roosevelt repeatedly said, don't pursue that idea, I'm not going to buy it. And so, again, it's the prejudices of our people and what will be politically tolerable and regarded as legitimate in our political culture. I do think there is such a thing as political culture. Different countries, different peoples have different cultures and they have different definitions of what's legitimate.

HK: And there were also problems on the right. Interestingly you point out that what we have come to call Reagan Democrats – in a way, the first emergence of that constituency comes during this period, and the people that Father Coughlin was addressing, and then you also point out that when Roosevelt was trying to get his legislation through there were conservative Democratic senators, I think one named Bailey, who actually wrote a manifesto, which is one of the first statements of what we've come to understand as the conservative movement in our time but really has its roots in history.

DK: Well, modern conservatism, by and large, as we usually understand it, in a sense has its origins in the 1930s insofar as one of its foundational principles is opposition to large or enlarged government. There's really no philosophical basis for that of any really very meaningful sort until government gets big enough to have something to oppose. So, modern conservatism, especially of the Reagan variety of government is not the solution, government is the problem, really has its roots in the 1930s. And you mentioned Reagan Democrats. Reagan Democrats are really – there're at least two different flavors of those, it seems to me. The constituent element in one turns out to be the children of those immigrant communities that were brought into the Democratic Party in the 1930s and stayed there for a generation or so, but their children moved to the suburbs and became property owners, and didn't belong to unions anymore, and changed their political stripe to a certain degree, and that's what Ronald Reagan and conservative Republicans made political hay out of in the last couple of decades, or more, of the century. But the other component of Reagan Democrats is the South, and when the South changes its political allegiance from its historic loyalty to the Democratic Party and becomes, at least in federal or national politics, a Republican stronghold, as it's been now for thirty years, that changes the whole political complexion of the country. And that switch has largely to do with reactions to the racial politics of the 1960s, and particularly the civil rights movement and affirmative action programs. That was the wedge that allowed the Republican Party to capture that disaffected southern constituency and make it change parties. This takes us back, of course, still to this day, a highly controversial matter about Franklin Roosevelt and the New Deal because he would not touch, in any very direct way, the racial issue. There is one exception to that but by and large he didn't, and he was pressed repeatedly by people in his inner circle, and by Norman Thomas, the head of the American Socialist Party, to take on the issue of racial equality in the South. And he repeatedly said, if I do that I will arouse such opposition from these barons who because of the seniority system dominate the Congress that my whole program will go down the drain, we'll get nothing done whatsoever.

HK: You point out – and this relates to our discussion here of the conservative movement and its origins – that Roosevelt, in the later part of the New Deal, chooses to attack business, and you point

out though that it never really mattered much in terms of the policy that resulted, that this was a political strategy that emerged out of personal pique, his dissatisfaction with the class that he had come from. So, talk a little about that, because that was also the genius of his politics but it created this hatred of him by the business community.

DK: Well, again, it's a little bit of a mysterious matter because as you rightly say, the real, concrete, palpable results of this were quite negligible. One that's always pointed to is the so-called "soak the rich" tax that he advocated in 1936, and it had a very, very high marginal rate. The highest marginal rate, I think, might have been 90%, but the fact is, in the United States at that time there was exactly one taxpayer whose income was over the threshold where that marginal tax rate actually kicked in. It was John D. Rockefeller, Jr. So, this was a rhetorical ploy. It really wasn't confiscatory toward the wealth of the rich in any meaningful way. So, we have to understand it as something that operated at a different political level, and the best that I've ever been able to figure out, and there is something mysterious about it to me, is that this was a way of consolidating a certain set of political resentments that animated political behavior in much of the working class and the unemployed who took some satisfaction out of having a named enemy, and Roosevelt gave it to them in the form of the rich and the wealthy, and the prosperous, and so on. And I think this was a rather risky and dangerous political game, actually, and the usual accusation is he was creating or fomenting class warfare. I think that puts it too strongly but it does capture some kernel of truth in the matter. It also, as many of his advisors told him, will prejudice the case, or the probability, for economic recovery, as long as you're rattling your saber at these people they're not going to start private investment again, and that'll retard economic growth. There was something to that. So, there was an economic cost that was to be paid for this political strategy.

HK: You point out something very important which clearly relates to our present time, and that was there were two problems for Roosevelt. One was dealing with the Depression but the other was creating the structural long-term reforms, and the Depression was an opportunity to do the long-term work. The contradiction here was that if you solve the Depression immediately, then it might work against your long-term goals. So, you're turning on a dime here.

DK: Yeah, this is a delicate question of understanding and interpretation. When I was writing Freedom From Fear, I actually spent several weeks looking for some documentary evidence that would be the smoking gun for the thesis that his priority was not ending the Depression but using this crisis to put reforms in place. The closest I could come to that is actually a pretty persuasive document, easily accessible as a matter of fact. It's his second inaugural address in January of 1937, which I always recommend to students, and to teachers to take to their students, because it's very instructive. He begins that address by talking about recovery from the Depression, and as any president would on such an occasion – he's just been re-elected by a huge margin and he's reminding people they're better off than they were four years ago when he first came into office – that part is absolutely predictable, standard political boiler plate. But then there's this remarkable sentence that when I first read this it just kind of popped off the page at me. He says – and I can quote this almost exactly – "But these signs of returning prosperity could be portents of political disaster."

Now imagine that, a president saying, yeah, we're better off and we're recovering economically but this could be a portent of disaster. Well, what did he mean by that? He goes on, a paragraph or so later, to utter one of his most famous lines, frequently quoted, about how I see one-third of a nation ill nourished, ill housed, ill clad, and so on. The important thing to understand when you read the speech in its entirety, and understand its context, is that that one-third of a nation were not – he was not talking about the victims of the Depression and the people who'd gone unemployed in the last few years. He was talking about what he thought was one-third of the American people who had been left out of the American great barbecue, or whatever you want to call it, for a century, since the onset of the industrial revolution in this country in the early 19th century. It was that deep structural problem of bringing those people into the mainstream of the society – that was the big question – the big challenge. And if prosperity returned too quickly he was afraid he would lose the moment of opportunity to really put a program that would firmly bring that one-third of a nation into the center of American life, he would lose that opportunity forever.

HK: You compare Roosevelt to Lincoln and you say that to a certain extent had McClellan in the first years of the war won decisively, then at that point the Union might have been restored but with slavery, so that it was really time, that is, the time of failure, that moved Lincoln toward the Emancipation Proclamation and a decisive victory. And you compare that to Roosevelt. Talk a little about that.

DK: Well, the comparison with Lincoln and McClellan, and the Civil War, was something I learned from another book in the series, the Oxford History of the United States, in which Freedom From Fear was published, a book by James McPherson called Battle Cry of Freedom, which is the definitive history of the Civil War for our generation. And I was fascinated by his analysis of what's called the peninsula campaign early in the Civil War, and had McClellan's forces succeeded in taking Richmond in 1862 and ended the war within months of its beginning, it's at least arguable – because Lincoln's war aims were not yet to abolish slavery, merely to restore the Union – and it's arguable that if the Union won decisively in 1862, the Union would've been restored, slavery would've been intact and what the future would've held for that institution and for the African-American population is anybody's guess. So, by the same token, let's just say the fabled Hundred Days in March 1933 had managed somehow or other to restore the economic health of the country in fairly short order so that by the end of 1933, let's say, nine months or so after the Hundred Days, things were more or less back to business as normal. In that scenario would there have been a New Deal, as we know it? I don't think so. The really durable things that come out of the New Deal, like the Social Security Act, the Wagner Act, the banking legislation of 1935, Fair Labor Standards Act, which [includes] the Minimum Wage Act and also prohibits child labor – all those things date from 1935 and after. So, it took the protracted crisis to open or create the political space in which Roosevelt could get these things done, and if the economy had been quickly restored in 1933 I think it's quite arguable that we would not have gotten that big reform program and the country would've looked very different thereafter.

HK: If we compare that situation with the present situation, after reading your book – and I recommend that everybody out there watching this read the book – one is left with the sense that it's really the long-term perspective in the face of a crisis like this – and to the extent you get caught in quibbles in the day-to-day stuff, the day-to-day responses, the day-to-day trying to bring in the conservatives, for example, in today's situation, that you're not getting the big picture, because when all is said and done, Roosevelt and the New Deal didn't get us out of the Depression until war came but they put in place institutions, Social Security, SEC, FDIC, that changed our relationship to government. So, is that the lesson for the Obama administration and for the voters who are watching him?

DK: Well, the short answer, I think, is yes, but there're considerable risks in this and they're not just political risks. You might say more broadly they're moral risks. I mean, how politically feasible is it, and how morally allowable is it, to let a crisis fester just so you can put in place longer-term reforms? Now some of that I'd be prepared to get behind, but a deliberate protraction of a crisis in which people are really suffering from unemployment, and so on – that's a pretty tough thing to advocate full-throatedly [sic]. Rahm Emanuel, now President Obama's Chief of Staff, has been widely quoted in the last few weeks as saying that a crisis is a terrible thing to waste. This reminds me of an old maxim, or old saw, that the Chinese character for a crisis, I'm told, is a fusion of the two ideographs or characters for "danger" and "opportunity." Whether that's literally true, I'm not sure, but it's a nice reminder that a crisis does hold both the possibility of danger and the possibility of opportunity. So, balancing those, how much danger can we tolerate in order to optimize the opportunities that are on offer – that's a very, very delicate moral and political calculus.

HK: But in the context of this long-term perspective it's really kind of not the most appropriate comparison to say, okay, what is achieved in the first hundred days.

DK: Well, my own personal view is – I know this is unfashionable these days, but I think that the hundred days, the way we've kind of anointed the hundred days as the benchmark for whether any president, when he comes into office, is regarded as on the right track or successful – we've done a great disservice to presidents in the political system. And this folklore that's built up around Roosevelt's hundred days, and how it's created expectations for everybody thereafter, I think is really a disservice. [In] the original Hundred Days in 1933, the Congress passed fifteen major bills. That's the substance of it. Off the top of my head I can't remember all fifteen of them but I think only two of them survived the 1930s, the Federal Deposit Insurance Corporation legislation and the Tennessee Valley Authority. Most of the others are things that go out of business very, very soon. The National Industrial Recovery Act is declared unconstitutional within two years. The Agricultural Adjustment Act is declared unconstitutional within two years. The Federal Emergency Relief Administration, the Civil Works Administration, the CCC, all are gone by the end of the decade or shortly thereafter. So, the Hundred Days is really not a terribly great lesson for us, or model for us, if we really look to effective long-term institution building, and really deeply changing, stabilizing the political culture. The hundred days just doesn't do it.

HK: How do you think that history such as this that you've written, Freedom From Fear, should inform our thinking about current policy, or is that beyond your ambitions as a historian?

DK: No, I think one of the subtexts of Freedom From Fear – maybe it's not all that sub, maybe it's a little more explicit – is that in my view, the reforms that came out of the New Deal were good and positive developments in the longer-term evolution of this society. I think making life less risky for millions of people is a pretty good objective. I'd even be willing, if it came to that, to give up something on the dimension of economic growth if it meant more stability for people. So, I think that's one enormously important and positive thing that comes down to us from that time. That's number one. Number two, I think, is [that] the New Deal worked over time to legitimate a larger role for government, which is our one collective instrument as we deal with things like this, after all. I think that's good, within certain boundaries. So, I guess a third thing is that the Great Depression experience demonstrated that our society can suffer great shocks, great insults to our prosperity and health as a society and we can get over them, this too shall pass, that these things aren't necessarily the end of western civilization as we know it.

HK: One final question. If you had the opportunity, and you may have had, to speak to a closed circle of Obama's top advisers, what would be the one or two things that you would like them to get out of this book, if they didn't have time to read it?

DK: Well, I suppose the central thing I would like to say is what we were just talking about a moment ago, that this is a moment of opportunity, as well as danger, as I think Rahm Emanuel and others understand, this is a rare chance to get some things accomplished that have been on the national political agenda, actually, for generations but have not been accomplished – I think first of all, universal health care. We're the only western society, or mass industrial society, that doesn't have such a thing. It's high time we did. It will enhance our competitive advantage in world markets, if we spread the cost of health care across the society as a whole instead of sticking individual corporations with them, as we've just seen in the automobile industry, and it'll make our people happier and healthier. It's high time for that, and I think this is a moment of fluidity, when the system is more malleable than normal times and we should take advantage of that.

HK: On that note, Professor Kennedy, I want to thank you for being here today. I want to show your book because really, in an hour we can't do justice to it. So, everybody out there should go out and buy it. And thank you, again, for being here today.

DK: Thank you, Harry.

HK: And thank you very much for joining us for this "Conversation With History."

[End of Interview]