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An Ambivalent Legacy

Black Americans and the Political Economy of the New Deal

◆

PAUL MORENO

No group in America votes Democratic more than black Americans, who from Reconstruction until the Great Depression had clung just as tenaciously to the Republican Party. Historians usually regard the New Deal as the turning point in this political realignment, but they remain uncertain as to why blacks flocked to the Democratic Party in the 1930s. The racial impact of New Deal policies also evokes controversy.

Hagiography characterized the first generation to interpret the New Deal, as a left-liberal consensus dominated the scholarly community. The hagiographers had little to say about the racial impact of New Deal policies.¹ James MacGregor Burns argued that Roosevelt was slow to see the potential of a voting bloc of minority groups and that blacks liked FDR's personality more than they approved of his policies (1956, 198, 339). Carl Degler depicted the New Deal as a "third American revolution" that included blacks. Though it produced no specific legislative benefits for blacks as such, "The Roosevelt administration did much for the Negro. . . . When low-cost housing went up, Negroes got their share; Negro youths were welcome in the CCC and NYA just as whites were, though in the former the races were segregated. . . . Even-handedly distributed federal relief funds were a gift from heaven to the black man, who was traditionally 'hired last and fired first'" (1959, 397). Many blacks cast their first votes in Agricultural Adjustment Administration (AAA) and National Labor Relations Board (NLRB) elections (Degler 1959, 397). Although

Paul Moreno is an assistant professor of history at Hillsdale College.

1. Nor did the unusual anti-New Deal work by Edgar Eugene Robinson (1955).

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conceding that the New Deal “enhanced the power of interest groups who claimed to speak for the millions, but sometimes represented only a small minority,” William Leuchtenberg concluded, “Negro intellectuals might fret at the inequities of the New Deal, but the masses of Negroes began to break party lines in gratitude for government bounties and nondiscriminatory treatment” (1963, 347, 186).

In short, most hagiographers pointed to black inclusion in an off-handed way; they conceded some shortcomings, but without much sustained analysis. The New Left critique of the New Deal that began in the 1960s took for granted black *exclusion* without shedding any new light on the matter. Paul Conkin quickly noted, “Negroes, politically purchased by relief or by the occasional concern of bureaucrats or Mrs. Roosevelt, remained a submerged and neglected caste” (1967, 73). Barton Bernstein similarly noted that the New Deal “failed to extend equality and generally countenanced racial discrimination and segregation” (1968, 263). Pondering the great shift of blacks to the Democratic Party, Jerold Auerbach identified a fundamental weakness in the New Left critique. “Unless one assumes, as Bernstein, Conkin, and others elsewhere assume, that the New Deal was so diabolically clever that it won the support of those whom it did *not* help, one must conclude that most black (and white) Americans found much in the New Deal to command their allegiance” (1969, 22).

In the next decade, several new works dealt specifically with New Deal racial policy and the impact of New Deal policies on blacks. The first were markedly even-handed and mildly critical (Kirby 1980; Weiss 1983; Wolters 1970).² At the same time, a new wave of ideologically leftist scholars found much of appeal in the New Deal. Unlike the 1960s New Left critics who condemned the shortcomings of New Deal liberalism, these writers pointed out continuity between New Deal liberalism and New Left radicalism (Sitkoff 1978; Sullivan 1996).

At present, discussion of the issue is locked into a left-liberal/left-radical dialogue that is typical of twentieth-century U.S. history (Hamby 1990, 10). In this article, I attempt to bring in the perspective of recent scholarship informed by a classical liberal (or conservative) perspective. Instead of lamenting that the New Deal did not produce full-blown socialism, I consider the possibility that it went too far. The New Deal may not have been “diabolically clever,” but its combination of economic failure and political success can be explained in terms of the public-choice theory of political economy that few historians have employed.

One labor historian, trying to bridge the left-liberal/left-radical gap, notes that radical historians who “emphasize only the organized labor movement’s institutional racism run the risk of obscuring key aspects of black workers’ activism, as well as their distinct ideological perspectives.” On the other hand, this historian points out, left-liberal historians tend to “romanticize their subjects’ thinking and behavior, and

2. In this vein, Francis Allen Kifer’s dissertation, “The Negro under the New Deal, 1932–41,” was written a decade earlier (1961) at the University of Wisconsin, but it remained unpublished.

implicitly deny the consequences of white unionists' strategies" (Arnesen 1993, 56). This observation is true, but, in addition, both radicals and liberals on the left ignore some fundamental points about the larger political, legal, and constitutional order as well as the economics of discrimination—the complex known as “political economy.”³

In this article, I examine the racial impact of New Deal agricultural, industrial (especially labor), and other policies. I conclude that the criticism of New Deal policies is largely valid. The harm that New Deal policies did to blacks increased the perceived need for remedies such as affirmative action in 1960s, and in several respects such policies were adumbrated in the New Deal itself. Finally, I consider why an economic recovery program that was such a failure had such political success, in particular in the black partisan realignment of the 1930s.

New Deal Agricultural Policy

Because most blacks lived in the rural South, New Deal agricultural policy had the greatest and most immediate impact on them. Half of black Americans were farmers in 1932, but only 20 percent of them owned their own land. Because New Deal agricultural policy was shaped to benefit landowners, most blacks were at the bottom of a system that funneled benefits to tenants and sharecroppers through those landowners (Wolters 1970, part 1).

The 1933 Agricultural Adjustment Act (AAA) attempted to raise the prices farmers received for their crops by reducing the amounts they produced. Farmers and the federal government would agree to reduce acreage in selected crops, and farmers would get federal benefit payments, secured by an excise tax on commodity processors (Hosen 1992, 61). Sharecroppers were supposed to receive one-half of such payment, share tenants two-thirds, and cash tenants all of it. This program, involving one million contracts between owners and the government, was impossible to police, and it provided an invitation—often accepted—to fraud.

In 1934, Congress replaced plow-up payments with “rental” and “parity” payments, and gave sharecroppers one-ninth of the latter. After the Supreme Court struck down the first AAA in 1936, that law's successor, the Soil Conservation and Domestic Allotment Act of 1936, raised the sharecropper's share to one-fourth.⁴ Although sharecropper income did rise under the revised law, “The nature of the landlord-tenant relationship presented the landlord with great opportunities for fraud, and under the circumstances it is not surprising that many landlords took unfair advantage” (Wolters 1970, 24).

Landowners would maximize their benefit from acreage-reduction payments if they did not have *any* tenants or sharecroppers at all, so the New Deal's agricultural

3. David Bernstein (2001) does deal with political economy in this sense in his analysis of the effect of New Deal labor regulations on blacks.

4. The disparate racial impact of the 1936 act may make it the first case of what would later be called “environmental racism.”

policy actually displaced large numbers of farmers. Clearly, “Saving the farmer meant saving some farmers at the expense of others” (Weiss 1983, 54), and it was often white farmers who were saved at the expense of blacks. The number of black tenants fell by one-third, black sharecroppers by one-fourth, and white sharecroppers by 37 percent, whereas the number of white tenants rose. Yet Secretary of Agriculture Henry Wallace, intensely fearful of alienating southern white support for the Roosevelt administration, worried that the New Deal might be doing *too much* to help blacks (Sitkoff 1978, 44; Weiss 1983, 54).

Scholars generally agree that New Deal farm policy had a disastrous effect on blacks, despite the bureaucrats’ claims of sensitivity to black hardships. By responding to the politically powerful interests of large landowners, the New Deal political coalition contributed to the “downward mobility” of less well-connected southern blacks (Couch and Shugart 1998, 214; Valocchi 1994, 352). As one economic historian has put it, “The South was planter’s heaven by the late 1930s” (Wright 1986, 233). New Deal agricultural policies amounted to an “American enclosure movement,” pushing blacks off the land in a period when the pull of northern industrial employment was slack. “If orthodox market economists want to find examples of well-intentioned liberal interventions leading to hardships for the poor and vulnerable, they can readily find them in these chapters of southern history” (Mandle 1992, 81).

The farm programs of the 1920s had anticipated the racially disparate impact of New Deal agricultural measures. Robert C. Weaver noted “the abuses of the Federal feed, seed, and fertilizer laws in 1928–29. These abuses were of the same nature as those which confront the AAA in its dealings with Negro tenants” ([1935] 1968, 327). Like so much of the New Deal, its agricultural policies were really just an expansion or acceleration of the “progressive” policies of the 1920s.

Some historians have argued that the effect of such a push may have been “progressive” in the long run, and some have claimed that its ill effects have been exaggerated. Although detractors often cite the figure of one million displaced blacks, the number of black farmers declined less in the 1930s than it had in the previous two decades. Still, “Regardless of the facts, the claim of Negroes that the AAA drove hundreds of thousands of blacks from the land persisted in the 1930s. It gained currency because so much of the first New Deal was in fact discriminatory against blacks” (Sitkoff 1978, 53; see also Mandle 1992).

Industrial and Labor Policy

Associationalist Precursors

New Deal agricultural policies pushed black farmworkers into industrial cities where little employment was available. Indeed, black workers had already faced an inhospitable labor market in the 1920s. Whatever advantages they might have gained by the curtailment of immigrant competition in that decade (one of the incentives in the

northward “great migration” of blacks during the World War I era), other corporatist or “associationalist” tendencies disadvantaged them. The 1920s were not easy years for breaking into northern industrial employment. Mechanization, productivity gains, and industrial concentration produced higher wages for those employed but did not produce a rapidly expanding number of jobs. Northern employers became more quality conscious and accustomed to high-wage employment, “a culmination of long-term trends in business thought and social policy that paralleled the slow maturation of an experienced industrial labor force with lasting attachment to their jobs and communities” (Wright 1986, 206; see also Cohen 1990, 161–70, 184). This difficult environment for industrial labor’s newcomers continued through the Depression decade. “The depression had a differential impact on various sectors of the working class. . . . [A]fter the depths of the depression in 1931–33, long-term unemployment was concentrated among workers without skills or education who were either just entering the labor force or were above age forty-five” (Zieger 1995, 114).

Well into the 1960s, civil rights organizations believed that fair employment and full employment went together; they pursued a “dual agenda” in which the equality claims of blacks would be pursued within a color-blind strategy of class justice (Hamilton and Hamilton 1997). But the New Deal imposed burdens on private-sector employment, frustrating full employment in ways that made fair employment more difficult to achieve. In large part, it continued Hoover’s associational policy, maintaining wages and prices while reducing production and employment. Hoover’s Reconstruction Finance Corporation, the centerpiece of his effort to combat the Depression—and a strategy that was continued by the New Deal—was “dedicated to the effort to maintain the existing corporate structure of American business without major changes or reforms, [and] may actually have retarded recovery” (Ekirch 1969, 45; see also Braeman 1999, 7). Liberal historian Richard Hofstadter noted, “To the commonsense mind the policy seemed to have solved the paradox of hunger in the midst of plenty by doing away with plenty” (1948, 434).

National Industrial Recovery Act

The Roosevelt administration’s first attempt to restore the American economy was the National Industrial Recovery Act (NIRA), a scheme of government-promoted cartelization. The NIRA authorized trade or industrial associations to formulate codes of fair competition and to place them before the president, subject only to the requirement that they not promote monopoly or eliminate or oppress small business. The act provided for minimum wages and promoted collective bargaining in its most memorable section, 7(a), which required every code of fair competition to state “that employees shall have the right to organize and bargain collectively through representatives of their own choosing.” Associations operating under these codes were exempt from federal antitrust laws (Hosen 1992, 198). The act represented a tremendous push beyond the voluntarist schemes of the Hoover years; it amounted

to “an enabling act in a formal constitutional dictatorship.” The act gave trade associations “what they had long sought: the power of industrial self-government under federal sanction and with practically no strings attached” (Kelly, Harbison, and Belz 1993, 486).

It soon became apparent that this code-making power could encourage discrimination against black Americans. The minimum-wage provision led many employers to reduce the employment of black workers or to replace them with whites.

Southern manufacturers sought a regional or a racial wage differential in order to maintain the low-cost labor advantage they had over higher-wage northern operators. The lower productivity of black labor, combined with white prejudice, meant that black workers faced the choice of low-wage employment in an unregulated market or unemployment under a minimum-wage law, and some black organizations seriously considered the benefit of a race-based minimum wage. Robert Moton, the principal of the Tuskegee Institute, advocated it, but groups such as the long-established National Association for the Advancement of Colored People (NAACP) and the Joint Committee on National Recovery, formed to protect black interests in NIRA code making, opposed it, for fear of the stigma that such a differential would impose on black labor (D. Hamilton 1994, 491; Wolters 1970, 103).

The NIRA expanded southern discriminatory practices and widened the economic gulf between black and white workers (Valocchi 1994, 355). The NIRA minimum wage did displace blacks, as did the discriminatory application of occupational categorization—blacks doing the same work as whites would be classified in a lower-paying category. Blacks had often been employed by less-efficient, low-technology producers who were driven out of business by the codes. Liberals were glad to see such “chiselers” and “sweatshops” go, but many black workers went with them (Wolters 1970, 119). Black consumers faced the higher prices the NIRA caused more often than they benefited from the higher wages meant to accompany those higher prices (Sitkoff 1978, 54).

But the limits of the NIRA’s effect on black employment should be acknowledged. The act did not affect domestic service employment, the most common non-agricultural labor among blacks. The National Recovery Administration (NRA) was notoriously unable to enforce code provisions, and the Supreme Court declared the NIRA unconstitutional in 1935. Some black leaders, although acknowledging the NIRA’s short-term harm, believed that it would benefit blacks in the long run by establishing centralized governmental control of the labor market. Clark Foreman noted that “black integration into the national industrial system through a uniform federal labor policy would be of ultimate ‘revolutionary’ import to the ‘Negro problem’” (Kirby 1980, 40–42; Wolters 1970, 254). Still, the act probably does deserve the popular sobriquets “Negro Removal Act” and “Negro Run-Around” because it failed to raise overall employment (Couch and Shugart 1998, xiv; see also Best 1991).

Economists generally agree that the NIRA retarded recovery (B. Bernstein 1968, 269; Braeman 1999, 7; Smiley 1994, 134–36; Vedder and Gallaway 1993,

137–42). It was “predictably counterproductive. . . . Far from directing resources toward new and dynamic market opportunities that would expand output and employment, inefficiency was rewarded. There is reason to believe that the codes actually hindered recovery” (Couch and Shugart 1998, 77). But its ill effects would continue because after it was struck down, the federal government continued its policies in a piecemeal fashion, allowing individual industries to organize themselves in ways that squeezed out black labor (Hawley 1966, 166, 188, 192, 198, 233, 241–46, 268, 277; Wolters 1970, 214). Most of all, the New Deal continued and expanded the NIRA’s labor policy.

Unionism

The New Deal’s greatest impact on the American political economy came from its use of the power of the federal government to promote the unionization of labor. That policy was also among the most significant for blacks. Just as saving the farmer meant saving some farmers at the expense of others, saving the workers meant saving some workers at the expense of others (B. Bernstein 1968, 81; Weiss 1983, 54).

In the nineteenth century, black interest in organized labor peaked in the 1880s and then declined. In 1871, Frederick Douglass wrote an article entitled “The Tyranny, Folly, and Wickedness of Labor Unions” (Foner and Lewis 1978–84, 2: 178). Booker T. Washington also generally opposed organized labor, although toward the end of his life he came to believe that unions might recognize that it was in their interest to stop discriminating against blacks and to play a positive role in black economic life.⁵ W. E. B. Du Bois likewise condemned white employers and white unions in his 1899 book *The Philadelphia Negro*, but he soon switched his allegiance to a union-based system of interracial socialism (Meier and Rudwick 1968, 27–48, 37, 40; Washington 1913). Even in the age of Booker T. Washington, black opinion had begun to grow more skeptical of free-market capitalism and had tried to make overtures—usually unrequited—to organized labor. W. E. B. Du Bois’s embrace of interracial socialism before World War I was the wave of the future (Karson and Radosh 1968; Meier 1963, 46, 203).

The National Urban League, begun as part of the entrepreneurial self-help effort that Washington embodied, had come to support black unionization by 1919. Although fifty-two editors in the National Negro Press Association in 1924 condemned “all forms of unionism and economic radicalism” and advised blacks “to stand squarely behind capital” (Sitkoff 1978, 170), most national black organizations had come to look more favorably on unions by the mid-1920s (Harris, 1982, 4). When the federal government began to promote collective bargaining, black organizations were suspicious that the government might increase the power of white unions to exclude blacks (Wolters 1969, 142).

5. Washington might also have been seeking new allies in response to the loss of federal patronage that came with the Democratic takeover of the federal executive branch in 1913 (Factor 1970, 348).

Why did black workers oppose unionism? Historians have often repeated the claim that employers pitted ethnic groups against one another as a “divide-and-conquer” tactic (Asher and Stephenson 1990, 5–8; W. Harris 1982, 36; Valocchi 1994). Southern planters and northern manufacturers are said to have used “racial divisions in their own work force to undercut the organizing power of labor and to lower the overall price of that labor” (Valocchi 1994, 347). Other economists have explained interethnic conflict in terms of a “split labor market,” as the result of competition among workers with different skill and wage levels (Bonacich 1972). Employers were likely to take account of the disruptive effects of mixing hostile ethnic groups in their workforces, responding to “employee discrimination” (Cohen 1990, 36). A study of the problem in 1939 concluded that however racist employers might be, they “have been willing and often anxious to overlook their emotional aversion and to give Negroes employment in order to expand the labor market.” White employee prejudice made “divide-and-rule” possible (Cayton and Mitchell 1939, x). Nor does it appear that northern industrial employers engaged in wage discrimination against black workers. A 1938 Bureau of Labor Statistics report on the iron and steel industry concluded that although blacks earned less than whites, the difference did not result from racial wage discrimination by employers. Within the system of occupational segregation and hierarchy, blacks and whites usually earned the same wage for the same work (Higgs 1989, 18).

However common employers’ divide-and-conquer tactics might have been, more important is the basic economic fact that strikebreaking was an indication of the advantage that black workers brought to the market: their ability and willingness to work at lower wage rates than incumbent whites. The “reserve army” of black labor threatened any premium being paid to white labor. One of the goals of organized labor was to eliminate such competition so that whites could charge a premium for their labor—what economists call a “monopoly rent.”⁶

The power to coerce labor was the essence of slavery; many late-nineteenth-century black leaders regarded the power of labor organizations to coerce employers and nonmember workers as not essentially different. As Booker T. Washington put it, Negroes “are engaged in a struggle to maintain their right to labor as free men, which, with the right to own property is, in my opinion, the most important privilege that was granted to black men as a result of the Civil War.” It was a struggle that he believed blacks could win and that would diminish interracial conflict. “The effect of this competition is not to increase but to lessen racial prejudice,” he said (1913, 758).

6. David Roediger argues that the “wages of whiteness” were not real, but a kind of psychocultural compensation for lower wages. “Status and privileges conferred by race could be used to make up for alienating and exploitative class relationships.” The white working class actually earned less as a result of its racism (1991, chap. 1, 137, 169).

Blacks had endured exclusion by white labor organizations for decades (Karson and Radosh 1968). Many observers believed that white unionists were largely responsible for the alleged decline in the number of blacks in skilled trades from 1880 to 1930. The racial strategy of white unionists, Lorenzo Greene and Carter G. Woodson said succinctly, “was to get rid of Negro competition” ([1930] 1970, 23, see also 33, 138, 168, 186, 191, 319, 346; and see Meier 1963, 21). Booker T. Washington noted, “It is natural enough, under such conditions, that union men should be disposed to take advantage of race prejudice to shut out others from the advantages which they enjoy” (1913, 763; see also Meier 1963, 104). Others regard labor discrimination as having been a minor factor, concluding that “even in the absence of unions, it is doubtful that Negroes could have competed with whites” (Marshall 1965, 10).⁷

Around 1900, blacks had a commonsense and empirical understanding of what would later be called “the economics of discrimination” (Becker 1971). This was the essential principle that lay behind Washington’s idea that black economic self-improvement would lead to social elevation—that market forces would undermine discrimination and prejudice. Washington’s chief institutional legacy, the National Negro Business League, was dedicated to this belief, declaring its “faith in the power of business enterprise and money to wipe out racial prejudice” (Frazier 1957, 132). Howard University dean Kelly Miller quipped, “Logic aligns the Negro with labor but good sense arrays him with capital,” but in fact both logic and good sense did so before the New Deal (qtd. in Sitkoff 1978, 170).

The chief defect in Washington’s theory was that it could not work within the system of segregation, which used state power to take away “the opportunity for African-American business to compete in a truly open market. . . . [A]lthough the dollar might have been color-blind, market participation was based on race. Thus, segregation as a program took away both political rights and the right to compete in the marketplace” (Butler 1991, 76). Washington proffered a classic “middleman minority” strategy, but he did not realize that the economic success of middlemen groups was often the source of hostility against them (Butler 1991, 68–76; Butler 1997, 1: 182). Moreover, minority groups lose more than they gain in segregated markets (Becker 1971, 24, 32).

But if Washington’s version of black capitalism did not make sense, his hostility to labor unions did. Herbert Northrup has ably explained the economics of union discrimination in 1943.

In view of the well-known work scarcity consciousness of most craft unionists, it seems more likely that economic self-interest or, as Spero and Harris so well put it, “the desire to restrict competition so as to safeguard job

7. Gavin Wright and Robert Higgs discount the effect of union exclusion in the late-nineteenth-century South, but Higgs argues that it had some effect in the North (Higgs 1977, 85–86; Higgs 1989, 23; Wright 1986, 178).

monopoly,” is the major contributing factor. To exclude Negroes, these craft unionists have discovered, is a convenient and effective method of limiting the number of sellers of a particular type of labor or skill, and that, in turn, enables the white craftsmen to obtain a larger share of the available work for themselves and/or to command a higher wage. (1969, 131)⁸

Nor, he noted, was this action extraordinary. “A great many barriers against economic opportunity are sought by a wide variety of organized groups—farmers, business and professional men, and consumers, as well as labor organizations—and this is only one of several” (1969, 131).

As with agricultural and industrial policy, the racial impact of New Deal labor policy might have been anticipated from the experience of the 1920s. Though the decade was in large part a difficult one for organized labor, railroad unions advanced under federal auspices. Racially exclusive railroad brotherhoods used monopoly power to eliminate black labor in many railroad occupations. Despite repeated efforts by white unionists to oust them, blacks had held a considerable number of skilled and semiskilled jobs on southern railroads before World War I. An equal-pay order by the U.S. Railroad Administration (which had seized the railroads during the war) meant that blacks could not obtain work by agreeing to work for a lower wage than whites. Though the railroads were returned to private hands after the war, the Railway Labor Act of 1926 gave the brotherhoods the legal power that they needed to exclude blacks. As a National Urban League official noted in 1934, “During recent years considerable new federal legislation has been enacted to improve the railroads and to promote the welfare of employees working on them. Concurrently with this legislation, the condition of Negroes engaged in train and yard service has grown steadily worse” (qtd. in D. Bernstein 2000, 242). Despite the hope that New Deal railroad labor legislation would correct it, the abuses of the Railway Labor Act were exacerbated under 1934 amendments. Similarly, in 1932 Congress passed the Norris-LaGuardia Act, prohibiting the federal courts from issuing injunctions in labor disputes—court actions that had helped black workers resist white union exclusion in the 1920s.

Even more explicit was the racial animus behind the Davis-Bacon Act, enacted in 1931. With the onset of the Great Depression, construction workers in cities faced an inundation of unemployed workers who threatened to drive down wage rates. Congress responded with the Davis-Bacon Act, which required the payment of “prevailing wage rates” to labor in federal construction projects in order to reduce the incentive for builders to employ nonunion labor. New York representative Robert Bacon introduced the bill in 1927 to stop contractors who won federal construction contracts in northern states by bringing in low-wage black labor. Congressmen sometimes referred explicitly to the racial composition of these construction crews, but

8. Northrup’s reference is to Spero and Harris 1931.

more often used euphemisms such as “cheap,” “imported,” or “bootleg” (D. Bernstein 1994; Epstein 1992, 46; Sundstrom 1992; Thieblot 1975, 6–10). Northern politicians wanted to preserve high-wage jobs for their constituents. The politicians claimed that they sought to prevent the “exploitation” of the migrant workers, although the effect was to keep those migrants in lower-paying jobs in the South. Davis-Bacon was the latest in a long series of state attempts to prevent black workers from migrating away from southern farm labor (D. Bernstein 1998).

Rather than reduce the discriminatory power of labor unions, the New Deal enhanced union power. The NIRA’s section 7(a) was the first New Deal labor policy, guaranteeing the right of workers to form unions and bargain collectively. The American Federation of Labor (AFL) took advantage of the act’s provisions to increase its membership while it continued to exclude blacks. Du Bois noted that the NIRA had augmented the “sinister power of the AFL” (qtd. in Wolters 1970, 176). NAACP assistant secretary Roy Wilkins wrote in 1934, “While the AFL was seizing upon section 7(a) to carry out the most stupendous drive for membership in its history, it was doing little or nothing to include Negroes in the organizing. As a matter of fact, we strongly suspect, although we cannot prove, that AFL unions have attempted to use section 7(a) to drive Negroes out of certain occupations” (qtd. in Cayton and Mitchell 1939, 414).

Although the national offices of the Urban League and the NAACP hoped that the AFL would soften its position and support the organization of black workers under section 7(a), their local affiliates usually did not. In many cases, they actively undermined the unionization effort. Local black leaders often depended on the philanthropy of industrialists, and they had experienced the discriminatory treatment of white unionists. Some recognized the opportunities for blacks in a free-labor market. “If the Negro exercises his position as a minority group and plays the management against the remaining workers, he will get more thereby,” wrote a Chicago Urban League member in 1934. “I would go further and even suggest that Negroes go in as strikebreakers, provided they were retained when the strike was over” (qtd. in Cayton and Mitchell 1939, 407).

Like the rest of the NIRA, section 7(a) was not highly effective, and the AFL’s craft-orientated leaders were slow to organize the mass-production industrial workforce. Historians have made the dubious assumption that black workers would have benefited from a more vigorous enforcement of the NIRA’s collective-bargaining provisions. However, it appears that “Colored workers were fortunate that section 7(a) did not adequately safeguard labor’s right to organize independent unions” (Wolters 1969, 138; see also Wolters 1970, 182). The AFL exhibited its unwillingness to change its habits on race relations in its 1935 national convention, where its executive council sabotaged a committee recommendation to root out segregation and discrimination (Northrup 1969, 136; Wolters 1970, 176–82). The National Labor Relations Act (NLRA, or the Wagner Act), which created a stronger version of section 7(a), only made these suspicions stronger.

Black leaders lobbied for a nondiscrimination provision in the NLRA. Senator Robert Wagner of New York, having unsuccessfully sought such an amendment in the NIRA, also failed to secure one for his own bill. Quite simply, civil rights organizations had less influence than the AFL in Congress. “The NAACP viewed the passage of the NLRA without any prohibition of discrimination as a serious blow to black workers. The AFL’s gain in control over employment opportunities resulted in increased unemployment among black workers, who were pushed out of or denied jobs requiring union membership” (D. Hamilton 1994, 493).⁹

The breakaway of the Congress of Industrial Organizations (CIO) from the AFL in 1935 gave many people hope that the “new unions” would be more receptive to black workers. In order to keep their numbers down and their wages up, the AFL craft unions had an economic incentive to exclude newcomers from the skilled craft. Industrial unions had to organize a much larger number of unskilled workers, which included large numbers of blacks. They did treat blacks better than craft unions did because they could not afford to let black workers in their industry remain outside of the union, but at a certain point the same principle of artificial scarcity that led craft unions to discriminate on the basis of race would lead industrial unions to act similarly. Industrial unions benefited their members and drove up costs for everyone else. The CIO did not attempt to create “one big union.” Rather, it organized the “core” industries but not those in the “periphery”—where most blacks continued to work. Moreover, entry into the core industrial labor market became more difficult because, with higher labor costs, employers reduced overall employment. And even if the entire national market were unionized, capital and employment would flow to lower-cost countries (Zieger 1995, 68, 305, 348).

The issue of CIO racial policy remains deeply disputed.¹⁰ Former NAACP labor secretary Herbert Hill is among the most scathing critics.

In the 1930s, with the rise of the CIO, the forms of discrimination sometimes changed, but the substance did not. Although CIO unions admitted blacks—in contrast to the craft unions of the AFL, which traditionally excluded them—CIO affiliates engaged in a variety of discriminatory practices after blacks had been admitted. Whether as a result of total exclusion by craft unions in some industries, or of segregated job structures under industrial union contracts in others, black workers were removed from competition for jobs reserved exclusively for whites. . . . [T]he great promise of the CIO, the promise of an interracial labor movement, was never realized. (1989, 191)

9. Wagner “accepted none of the amendments put forth by the Negro organizations” for the NLRA (I. Bernstein 1970, 190).

10. See the vituperative exchange between Nelson Lichtenstein and Herbert Hill in *New Politics* 7 (1998–99).

Most job gains for blacks were attributable to macroeconomic factors, in particular war-related demand for labor, rather than to CIO egalitarianism (Rosen 1968, 190).

Defenders of the CIO admit that the organization ended up imitating many AFL racial practices, but they maintain that “It would be a serious error to underestimate the extent to which the CIO improved the economic position of Negro workers and educated white workers on the color problem” (Wolters 1970, 308). A study of the Chicago working class in the 1930s concludes that the CIO “went further in promoting racial harmony than any other institution in existence at the time” (Cohen 1993, 337). Clearly, CIO egalitarianism eroded over time (D. Bernstein 2001, 96). Reflecting these conflicting interpretations, the leading historian of the CIO calls its wartime record on race relations “positive but problematic” (Zieger 1995, 160). Moreover, although the CIO supported most civil rights legislation, its support for other liberal economic policies raised prices and reduced real incomes of the poorest Americans (Reynolds 1984, 213).

National and state governments’ shift from enforcing property rights and freedom of contract to promoting union power meant that the old black strategy of strikebreaking—in effect, playing white capital and white labor off against one another—was no longer advantageous. “When the New Deal politicized the level of American wages, African-American protest organizations such as the NAACP and NUL were forced to change their strategy from one of confrontation with organized labor to one of conciliation” (Whatley 1993, 550). And that shift brought blacks into the New Deal political coalition.

Communism

After the attacks on the New Deal from the New Left in the 1960s, it became more fashionable to argue that the New Deal was good because it had nurtured the far left. The New Deal brought bright “days of hope” (Sullivan 1996), later darkened by Cold War liberalism (Sitkoff 1978). However mixed the overall record of the CIO, its “left-led” unions were models of racial egalitarianism. This interpretation is part of a wider historiographical debate over whether the American communists were an independent and progressive force in the 1930s (Foner 1998; Naison 1983).

Some historians argue that however the communists might have acted against black interests when the Soviets wanted them to do so, they were “unquestionably a force for egalitarianism in the CIO” (Marshall 1965, 36; see also W. Harris 1982, 124). “No group within the CIO initially crusaded for racial justice more than the communists” (Sitkoff 1978, 181). On the other hand, CIO critic Herbert Hill concludes that “those industrial unions with a predominantly white membership that were controlled for many years by leaders loyal to the Communist party were substantively no different in their racial practices than other labor organizations” (1989, 248; see also Critchlow 1976).¹¹

11. A balanced treatment can be found in the introduction in Rosswurm 1992.

The arguments of recent historians, however, do not seem to overturn the earlier judgments of historians who condemned the communists as exploiting the race issue for their own purposes (Nolan 1951). Like many working-class groups who cooperated with communists, blacks were aware of the communists' opportunism and paid them little attention (Cohen 1990, 309–12; Fishel 1969, 15; Hill 1996, 202; Rosen 1968). Communist association was a drag on the civil rights movement, and the demise of the far left in the early Cold War years helped to pave the way for the successful civil rights movement of the 1950s (Braeman 1999, 26). Communist unionists' chief goal was communist power in the unions, and their "appeal to Negro workers was calculated to secure and consolidate that influence" (Rosen 1968, 196). Although the communists often used the race issue to disrupt defense preparations in the period of the Hitler-Stalin pact, they dropped all concern for fair employment as soon as Hitler invaded Russia, and U.S. defense production became their paramount concern. They denounced labor leaders John L. Lewis, Adam Clayton Powell Jr., and A. Philip Randolph for raising issues of racial justice during the war. Controversy between left-liberal and radical historians about the relative proportions of principle and opportunism probably exaggerates the communists' principled resistance to racism and neglects the fact that their opportunism was in the service of a regime of totalitarian mass murderers (Zieger 1995, 159–60).

The Fair Labor Standards Act

The last major element of New Deal labor policy, the Fair Labor Standards Act (FLSA) of 1938, also had a disparate racial impact. Northern industrialists wanted some recompense for the higher wage costs that the NLRA imposed on them, and the FLSA established a national minimum wage. It was as much a sectional as a humanitarian enactment. "Black industrial workers were among the casualties of this line of policy. Just as an economist would predict, when jobs were made scarce by upward pressure on wages, racism became easier to indulge, and blacks were the first to be laid off" (Wright 1986, 223). The Labor Department reported that thirty to fifty thousand workers, mostly southern blacks, lost jobs within two weeks of the statute's implementation (D. Bernstein 2001, 101).

New Deal legislation made permanent what had emerged in the Depression and had never been seen before: a racial gap in unemployment rates. It is notable that during the 1930s the racial *effects* of discrimination and prejudice increased even while prejudice and discrimination themselves decreased (Thernstrom and Thernstrom 1997, 103). This discrepancy can be attributed to "changes in the legal and regulatory environment in which labor markets operate. . . . The imposition of wage floors and laws against wage discrimination can serve to increase the unemployment consequences to minorities of any given amount of discrimination" (Vedder and Galloway 1993, 274).

Ancillary New Deal Policies

Although neither the NIRA nor the NLRA contained any statutory provision for nondiscrimination, other New Deal legislation did, but it was mostly ignored. The Civilian Conservation Corps (CCC) statute contained an equal-treatment provision, but the state of Georgia had to be threatened with a cutoff of funds to compel it to stop excluding Negroes. The army, administering CCC camps, maintained segregation and a quota ceiling on the number of blacks enrolled (Salmond 1969). The Tennessee Valley Authority (TVA) similarly discriminated against black labor and black communities. “The agency maintained a policy of institutionalized segregation and discrimination against blacks, which kept African-Americans from deriving more direct benefit from the authority’s employment or education programs” (Walker 1998, 417; see also Grant 1990).

Social Security presents the especially interesting case of a New Deal program that most often is accused of not having done enough for blacks, when in fact leaving them alone might have been in their best interest.¹² In 1935, Congress established a contributory old-age-pension and unemployment-insurance system administered by the federal government (usually called “Social Security”). It also created a means-tested and state-administered noncontributory public assistance program (usually called “welfare”) for dependent children, the poor, the elderly, and the blind. Blacks were initially largely excluded from Social Security because it did not cover agricultural and domestic-service workers. It has been argued that blacks relied on the stigmatized “welfare” program, with “a profound negative effect on the way in which society views African-Americans” (D. Hamilton 1994, 499).

At the same time, however, it is an exaggeration to attribute Social Security’s exclusion of most blacks primarily to racism. A recent analysis has concluded, “If one takes a closer look at the rationale for excluding agricultural and domestic workers from social insurance, the waters become muddied in ways that cast serious doubt on a race-based explanation” (Davies and Derthick 1997, 220). Other social-welfare states had adopted similar exclusions for administrative and actuarial reasons. It is misleading to emphasize the racial factor; in fact, it is altogether unsurprising that domestic service and agricultural exclusions should have been made. In many cases, excluded groups “would not desire to be included in this new scheme of compulsory taxation” (Davies and Derthick 1997, 224). Blacks had good reasons to want to be excluded: the exclusion of blacks from Social Security helped to maintain overall black employment, in preference to “welfare” or unemployment, just as their exclusion from a minimum-wage law would have prevented higher rates of black unemployment.¹³

12. To paraphrase Frederick Douglass ([1862] 1984, 374).

13. Once the majority of blacks had become covered by Social Security, the fact that black life expectancy was less than white life expectancy meant that blacks were subsidizing the pensions of nonblacks.

Many observers regarded access to relief as the principal reason for blacks' loyalty to the Democratic Party, and critics of the New Deal claimed that Democrats were buying blacks' votes with relief money. Yet there was a strong *negative* correlation between the black population proportion and the distribution of federal largesse by region in the Works Progress Administration, Civil Works Administration, Federal Emergency Relief Administration, and the New Deal agricultural programs (Best 1991, 77; Couch and Shugart 1998, 214; Weiss 1983, 200).

Most studies of work relief conclude that blacks received less than they needed but more than a proportionate share. However, New Deal programs also had side effects that harmed black interests. "The institutionalization of discrimination is perhaps best seen in the New Deal's housing programs" (Valocchi 1994, 360). Public housing promoted segregation, "disrupted the normal pattern of socioeconomic differentiation within ghetto neighborhoods," (Wye 1972, 622) and spread slum conditions. The general shift from private to public enterprise also retarded black economic development. Public works "depressed the Negro job structure to lower levels by employing Negroes in occupational categories below those which had been open to them in the private sector of the economy" (Wye 1972, 622).

These effects derived not only from federal policies, but from the "little New Deals" in the states. Urban renewal in New York showed a similar tendency to overrun black neighborhoods and to promote economic investments that did not benefit blacks. The urban underclass appeared "when work disappeared," in sociologist William Julius Wilson's phrase (1996), and that work was often driven out by the antibusiness policies of urban liberalism (Caro 1975; Cohen 1990, 276; Schwartz 1993, 38–58;). One of the black neighborhoods to be destroyed by "urban renewal" was the Haiti section of Durham, North Carolina, the capital of black enterprise (Butler 1991, 193). Federal Housing Administration and Veterans Administration policies also subsidized "white flight" (Banfield 1974, 16).

Robert C. Weaver, among the most ardent defenders of the New Deal's record on race, knew that "Because its power was so extensive, government could do even more harm to the black community's welfare by following ill-conceived policy than by taking no action at all" (qtd. in Kirby 1980, 129). Housing policy was one of the first policies in which race-conscious action to remedy the ill effects of the New Deal was called for in the 1960s.

Toward Proportionalism

Although recent treatments have depicted the New Deal as a rehearsal for the civil rights movement, the New Deal made the civil rights movement more *necessary* as much as it made it more *likely*. The 1960s can be seen as the bitter harvest of what was sown in the New Deal. The New Deal gave antiblack interests more political power, and its effects required more far-reaching remedies and increased the likelihood that those remedies would be color-conscious ones. The "present effects of past discrimi-

nation” were greater in 1965 than they would have been without New Deal economic policies, so “mere equality”—the removal of existing barriers—then seemed insufficient to remedy those effects. The accumulation of seniority among white labor unionists over the previous generation, for example, served in the 1960s as the most cogent argument for affirmative action (Cooper and Sobol 1969; Gould 1967; Note 1967).

Various producer interests forged the New Deal: big business, well-connected farmers, organized labor. “In labor circles, the major goals were higher wages and job security, not fuller employment” (Hawley 1966, 277). As a weak interest group, blacks were bound to suffer in the short run. Still, the central government, acting as a “broker” among various interest groups and propping up disadvantaged ones as “countervailing powers” against overweening ones, might in the long run benefit blacks. Thus, by 1941, FDR began to respond to pressure to assure “fair employment” to minorities as government spending on defense increased overall employment. As Owen Fiss later explained,

The need for a fair employment law arises in part from the existence of other laws (such as minimum wage laws, laws protecting union hiring halls, laws limiting profit levels, and laws limiting entry) that impair the effectiveness of the market; by interfering with the market, these laws impair the capacity of the merit principle to protect itself. The need for a fair employment law, to the extent that it arises from statutes with a contrary effect, may simply reflect society’s reluctance to abandon these other forms of government regulation—it wishes to have its cake and eat it too. (1971, 251)

Perhaps the most remarkable facet of the New Deal is not the way its counterproductive racial effects justified the demand for the countervailing force of affirmative action in the 1960s, but the extent to which such race-conscious policy was already present in it.

Most New Deal agencies set a goal of color blindness and failed to meet it, allowing black subordination to continue and spread. Harold Ickes, among the most sensitive to the race problem, summarized his perspective in a 1936 speech to the NAACP: “Under our new conception of democracy, the Negro will be given the chance to which he is entitled—not because he will be singled out for special consideration, but because he preeminently belongs to the class that the new democracy is designed especially to aid” (230). In general, New Deal liberals believed that class-conscious programs would ameliorate racial problems. The most important class interest group to emerge from the New Deal, industrial union members, similarly embraced color-blind solutions when they considered the problem of racial discrimination (Kirby 1980; Zieger 1995, 85).

There were exceptions among the New Dealers, unionists, and especially black organizations themselves. Local black organizations were the first to call for a race-

conscious jobs program in the “Don’t Buy Where You Can’t Work” movements that spread across ghetto areas after the Depression began. In those campaigns, blacks picketed employers in their neighborhoods and demanded a percentage of jobs, often in response to the displacement of black workers under NIRA minimum wages. After many years of litigation, the Supreme Court affirmed the right of these groups to picket without being enjoined by federal courts under the Norris-LaGuardia Act. In one of the first civil rights decisions by the Court after the Court-packing crisis, a small but significant concession had been made: although the New Deal expanded the power of organized labor and although that power was often used against black interests, blacks’ right to equal treatment might derive from it (Moreno 1996).

Most New Dealers opposed any race-specific measures to prevent discrimination, let alone preferential treatment on the basis of race. Interior Secretary Ickes did form a committee of bureaucrats, led by Clark Foreman and Robert C. Weaver, specifically concerned with Negro problems. One of the plans that the Interdepartmental Group Concerned with the Special Problems of the Negro Population devised was a provision that federal contractors under the Public Works Administration (PWA) guarantee that a specific percentage of their payrolls be paid to Negro workers (Kruman 1975; Weaver 1936).

The PWA plan was unusual, but other New Deal programs used standards of racial proportionalism. Relief was sometimes distributed on the basis of race rather than on the basis of need. In Jacksonville, Florida, relief was distributed by racial proportion of population even though blacks were three times more likely to be on relief. Thus, fifteen thousand black families received 45 percent of the funds, whereas five thousand white families received 55 percent (Fishel 1969, 10). Blacks were limited to 10 percent of CCC jobs (Fishel 1969, 14; Salmond 1969). The TVA attempted to match its construction workforce to local racial distributions, and Weaver extended the PWA system to the Public Housing Administration’s tenant-selection program (Kifer 1961, 66). In all of these cases, there was a marked uneasiness about using race to combat racism. “Paradoxically, although TVA acknowledged having a racial quota for unskilled employment, it denied having an overall racial policy and insisted that it followed a policy of nondiscrimination in regard to race” (Grant 1990, 19–24; Kifer 1961, 280). Mainstream labor unions avoided race-specific negotiations, but communist unions sometimes embraced the principle of racial proportionalism. The Transport Workers Union in New York won the support of black civic organizations when it negotiated a 50 percent quota for blacks in 1941. Chicago Packinghouse Workers forced the Swift company to hire blacks in proportion to their numbers in the Chicago population (Cohen 1990, 334; Freeman 1989, 255–56; Greenberg 1991, 204–5; C. Hamilton 1992, 89–104; Sitkoff 1978, 184).

The greatest step that the federal government took to promote economic fairness for blacks was the creation of the president’s Fair Employment Practices Committee (FEPC), under an executive order that prohibited racial discrimination in defense-industry employment. This step resulted not from the efforts of organized

labor or mainstream civil rights organizations, but from A. Philip Randolph's black-only March on Washington Movement. President Roosevelt's initial idea was to use racial quotas to ensure racial equality. "There is evidence that on May 26, 1941, he wrote a memorandum to William S. Knudsen, the director-general of the Office of Production Management, which contained a rather naive plan for dealing with the problem. The cryptic memo dictated to a secretary read: 'Knudsen-Hillman OPM. To order taking Negroes up to a certain % in factory order work'" (qtd. in Morrison 1969, 68, and Goodwin 1994, 249). Robert Weaver, who constructed the PWA quota system, warned against its use in a period of job expansion. "Fortunately," he wrote of the FEPC quota proposal, "the proposals to apply minimum percentage clauses in such a period were not heeded, and other more realistic devices were adopted" (1946, 14).

The FEPC consciously rejected racial proportions as either proof of or a remedy for discrimination (Garfinkel 1969; Moreno 1997, 66–73; Reed 1991; Ruchames 1952). The FEPC did not last beyond the war, and Congress failed to create a permanent peacetime agency. Several states, beginning with New York in 1945, enacted fair-employment laws that continued the color-blind, equal-treatment, individual-rights standards of the FEPC. Although the alternative, color-conscious, equal-outcomes, group-rights model was submerged in the immediate postwar years, its return in the late 1960s can be seen as both the fruit of New Deal political economy and a return to some race-specific New Deal programs.

The Black Political Realignment

Economic historians have found no gain, and perhaps some loss, for blacks in the 1930s in terms of per capita income (Higgs 1989, 13–14).¹⁴ If the New Deal was so detrimental to black interests, why did blacks begin to turn to the Democratic Party?

An important part of the explanation is the almost complete lack of alternatives in the 1930s. The debate then (and among historians since) was between left liberals and left radicals; there were virtually no libertarian spokesmen of any influence (and none of them concerned primarily with racial issues). The Republican Party had in large part accepted progressive principles in the 1920s; thus, the New Deal continued many of Hoover's policies. Even less was there any libertarian sentiment among blacks.¹⁵

Black "conservatism" was of a traditional rather than a classical liberal bent. "Southern black conservatism emphasized collective rather than individual rights, and saw progress for blacks taking place within black institutions, rather than by integra-

14. A recent analysis (Darity, Dietrich, and Guilkey forthcoming) found slippage also in black occupational status from 1920 to 1940.

15. Some black newspapers, benefiting from segregated audiences and labor markets, embraced a right-to-work editorial policy. Because white unions excluded black workers, the black newspapers were able to pay those workers less.

tion into white society” (Eisenstadt 1999, 52). Despite his emphasis on industrial education, Booker T. Washington’s ideology has been described as “peasant conservatism” (Harlan 1983, 437). He evinced “a deep suspicion of the marketplace and market forces as a tool for positively reconstructing black life” (Eisenstadt 1999, 72).

At a time when many Americans were disillusioned about “business civilization,” blacks were especially so. The 1930s completed the rejection of Washington’s creed of bourgeois self-help. Among black intellectuals, scorn of enterprise and capitalism was the rule. Economist Abram Harris (1936) and sociologist E. Franklin Frazier (1957) dismissed black entrepreneurship as a destructive “myth” (see also Kenzer 1997, 4).

Republicans made a vain effort to point out the discriminatory effects of New Deal agencies and argued that blacks would be better off in a full-employment economy. Republicans

argued that New Deal policies were based on the assumption of a permanent and large reservoir of the unemployed, which would include most blacks; that, as a result of New Deal programs, blacks would be permanently excluded from productive gainful employment; and that the New Deal relief rolls functioned as modern reservations to which blacks would be confined as wards of the federal government. It was a sophisticated argument, but there was no way it could appeal successfully to the majority of blacks in the 1930s. . . . [I]t was nearly impossible to expect a beneficiary of the New Deal to step back in 1936 and take the long view of the Republican argument. (Weiss 1983, 197)

It is also important to note that the great move of blacks into the Democratic Party in the 1930s was not complete or permanent. Wendell Willkie may have won as much as half of the black vote in the 1940 presidential election, and as late as 1960 Richard Nixon received about one-third of the black vote (Kenneally 1993, 134, 139).¹⁶ Not until the Democrats embraced the Civil Rights Act of 1964 was the black electoral transformation complete.

The crisis of the New Deal coalition that resulted from that embrace was already present in the New Deal years. Roosevelt’s unwillingness to antagonize his southern white supporters was the chief limitation on New Deal racial policy. Southern segregationists were suspicious of the political following that federal relief had built up among blacks, and they were ready to believe that Roosevelt’s 1937 Court-packing plan was designed “to cement this growing Negro allegiance by appointing judges who would upset southern racial patterns. . . . To southern irreconcilables . . . the court plan sought not only to destroy the last bulwark against the New Deal but it was

16. Weiss says that the Democrats won 67 percent of the black vote in 1940, a decline from 71 percent in 1936 (Weiss 1983, 294).

also the first step toward the destruction of white supremacy” (Patterson 1967, 98–99; see also Kirby 1981, 33). Historian defenders of Roosevelt’s racial record argue that “the Supreme Court’s increasing willingness to protect the civil rights of blacks stemmed from the crisis of the Court in 1937 and the subsequent revolution in constitutional law” (Sitkoff 1978, 230), but this argument exaggerates the effect of Roosevelt’s appointees to the Court and overlooks the precedents in civil rights and civil liberties jurisprudence that preceded the New Deal (Braeman 1988; Cushman 1998).

Most historians agree that blacks fared poorly in the “broker state” that the New Deal established. “The New Deal was essentially an attempt to solve the nation’s economic problems democratically, but such a ‘democratic’ system usually gives the greatest benefits to those who are best organized” (Wolters 1970, x). In this sense, solving economic problems democratically means solving them politically rather than economically via market freedom. “The pluralistic policies practiced by Roosevelt worked to the disadvantage of the poor and unorganized black community. Weak Negro rights organizations inevitably fared meagerly in a system assigning privileges on the strength of the group demanding them” (Sitkoff 1978, 46). This point is the one emphasized by public-choice theory—that government regulation tends to benefit those with power at the expense of those with less political power (D. Bernstein 2001, 5). To the extent that the New Deal helped *some* elements of large social groups (farmers, workers, or minorities), public-choice theory helps to explain how inequality *within* the black community developed after the New Deal.

Some commentators have viewed the New Deal as black America’s investment in the future, involving short-term steps back for long-term steps forward. Thus, sociologist Kenneth Clark remarked,

It was an indication of the folk wisdom on the part of Negroes that they worshipped the Roosevelts in spite of the fact that FDR never clearly defined civil rights goals. This might be a reflection of their intuitive understanding that problems of racial equality had their roots in economic problems, and that, once the political power of the federal government had been harnessed for the attainment of economic equity, its use for the attainment of racial justice became inevitable. (qtd. in Weiss 1983, 221)

Or, perhaps the New Deal does reveal the cruel irony of liberal politics—that it seduced the weak by rhetoric and political organization (B. Bernstein 1968, 88; Cohen 1990, 289, 366).

John B. Kirby’s evaluation of the New Deal as “an ambivalent legacy” is perhaps the best. Gunnar Myrdal assumed that by raising the socioeconomic condition of blacks, the New Deal would reduce white prejudice. “But, in retrospect, the ‘ground’ established in the 1930s and 1940s contained a number of soft areas which, despite the enormous progress black Americans have made since the 1940s, continue to be sources

of some difficulty” (Kirby 1981, 220). The racial problems that the New Deal ignored or exacerbated became the focus of the next acts in the drama of American race relations—the civil rights movement of the 1950s and the black revolution of the 1960s—and they made more likely the subsequent development of affirmative action.

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