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## Book Reviews

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# You Won't Find the Real FDR in These Books!

by Nancy Spannaus

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### FDR

by Jean Edward Smith  
New York: Random House, 2007  
859 pages, hardcover, \$35

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### The Forgotten Man, A New History of the Great Depression

by Amity Shlaes  
New York: HarperCollinsPublishers, 2007  
464 pages, hardcover, \$26.95

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After 60 years of misrepresentation and vilification of the leader, Franklin Delano Roosevelt, who rescued the United States and the world from the threat of world fascism; and at the point when the U.S. desperately needs FDR-style leadership again, it is high time for an FDR revival. But if you are looking for the real Franklin Roosevelt in literature outside that produced by Lyndon LaRouche and his political movement, you won't find it in these books.

Jean Edward Smith is a distinguished and notable biographer, with valuable works on prominent American heroes such as our first Supreme Court Justice John Marshall, and Gen. Lucius Clay, under his belt. And his extensive treatment of FDR certainly provides a wealth of fascinating detail on President Roosevelt's political, personal, and policy life. In a preface which aims to explain why he thought it was crucial to add his biography to the multitude already written, Smith puts it this way:

"Sixty years after his death, it is high time Roosevelt be revisited. The Great Depression, the New Deal, the Second World War are fading memories. The extent to which the United States was threatened is scarcely remembered. The national sacrifice is forgotten. All the more reason to recall that cheerful man who could not walk, who could not stand unassisted, yet who remained serenely confident as he calmly guided the nation into a prosperous, peaceful future."

In fact, Smith is successful in his biography in making

Roosevelt and the realities of his indispensable role in history come alive. But his discussion is seriously flawed by its failure to address the *principles* upon which FDR's policies, foreign and domestic, were based, most importantly, FDR's impassioned opposition to British colonialism.

Amity Shlaes's *The Forgotten Man* is another story. Author Shlaes has a long pedigree with the radical anti-FDR crowd, including stints at the *Financial Times* and *Wall Street Journal*, as well as having won the Frederic Bastiat Prize, and serving on the honorary committee that awards the prize. Bastiat, a rabidly reactionary economist from mid-19th-Century France, is the poster-boy for the financial oligarchy's anti-FDR offensive since Roosevelt's death. Bastiat's book, *The Law*, was published by a Mont Pelerin Society front group in 1950, and has been printed in more than 450,000 copies since that time. Shlaes, now a columnist for Bloomberg News, is also a senior fellow at the Council on Foreign Relations.

Not only is Shlaes's narrative a jumble, filled with clearly politically partisan "explanations" of FDR's New Deal measures, but her political thesis is absolutely ludicrous. Put in the starkest terms, Shlaes is arguing that FDR's campaign commitment to act in the name of "the forgotten man at the bottom of the economic pyramid"—the poor, the old, and workers—was merely a political base-building ploy. The *real* forgotten men, according to Shlaes, were those identified by Social Darwinist William Graham Sumner—the people who pay the bills for social programs. In summary:

"Among the people whom the New Deal forgot and hurt were great and small names. The great casualties [!] included the Alan Greenspan figure of the era, Andrew Mellon, treasury secretary for the Harding, Coolidge, and Hoover administrations.... Another was Samuel Insull, a utilities magnate and innovator to whom the New Dealers assigned the blame for the crash. Yet another was James Warburg.... George Sutherland and James McReynolds, two of the four justices on the Supreme Court who fought back against Roosevelt, were also important. It was [Wendell] Willkie who spoke out most explicitly for the forgotten man on the national stage."

A book on the Great Depression which turns one of the

chief architects of that depression, Andrew Mellon, into a persecuted victim? Now that's *chutzpah*! But underneath all the discursive caveats and anecdotes, that is this book's political message. Shlaes is attempting to revive what she calls Classic Liberalism, i.e., the British System of Adam Smith, where the government is the servant of private financial interests, and economics is totally devoid of principle. Because FDR's measures got in the way of that objective, she trashes them.

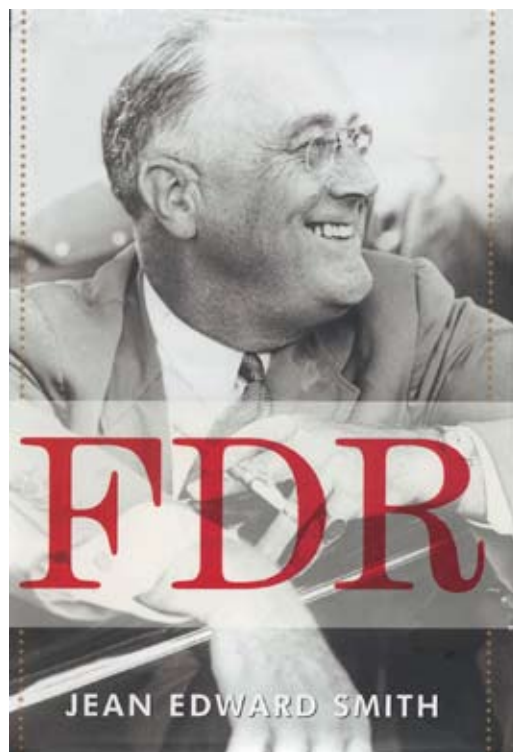
### The Question of Principle

What Shlaes and her backers hate, and what Smith appears not to understand, is that Franklin Roosevelt was not simply a terrific politician who experimented his way through the Depression, and brought the United States into a position to lead the defeat of Hitler's Germany. FDR was a man of principle, to be specific, the principle which is expressed in the Preamble to the U.S. Constitution.

That principle can be defined as the commitment of the U.S. government to the General Welfare of the American population, and its posterity. Such a commitment sharply differentiates the American System of economics and governance, in concept, from Anglo-Dutch Liberalism. As Lyndon LaRouche put it in his just-released platform for the 2008 Presidential elections, "in modern British culture since the accession of James I, the term 'Liberal' signifies, essentially, and precisely, the virtual elimination of moral considerations based on universal principles." FDR, for all the mistakes he made, rejected such Liberalism, like Abraham Lincoln before him. He was determined that government would act to improve the living standards of all its citizens, and other citizens around the world, and he was determined to out-manuever, or otherwise defeat, all the forces that stood in his way.

### FDR versus Empire

*EIR* has taken the lead in emphasizing the profound difference in outlook between Franklin Roosevelt and British Prime Minister Winston Churchill during their World War II alliance, but the evidence for their conflict over the question of "saving the British Empire" and of relations with Russia is not at all hard to find. The most explicit explication of that conflict, however, is found in the 1946 book *As He Saw It*, which was written by FDR's son Elliott as an explicit intervention against the Truman Administration's ongoing betrayal of the



promises and visions which President Roosevelt had made for preserving world peace after the war.

Elliott Roosevelt's two most extensive reports on the FDR-Churchill conflict concern their meetings in Argentina, Newfoundland, in the Spring of 1941, and in Casablanca, Morocco, in January 1943. The Argentina meeting was the venue for the crafting of the Atlantic Charter, which clearly, in the context of FDR's determination to free the colonies after the war, was intended to commit the postwar world to that objective.

Elliott reports a direct confrontation between FDR and Churchill on the matter of Britain's "Eighteenth-Century methods," which FDR said had to be eliminated in favor of developing backward nations. When Churchill demanded FDR define what he meant by "18th-Century methods" (it was, after all, the

century of the American Revolution), Roosevelt replied: "Whichever of your ministers recommends a policy which takes wealth in raw materials out of a colonial country, but which returns nothing to the people of that country in consideration." Elliott reports that there was never any resolution to the argument, which continued the next day with Churchill exclaiming, "Mr. President, I believe you are trying to do away with the British Empire. Every idea you entertain about the structure of the postwar world demonstrates it."

Quite a dramatic exchange. But when Smith writes about the very same meeting, he never mentions a word about the conflict—despite the fact that he footnotes Elliott Roosevelt's book on other aspects of the meetings. This is truly the equivalent of ignoring the proverbial elephant in the room.

In covering the meetings between FDR and Churchill in Casablanca, Elliott Roosevelt again reports extensively about his father railing against the imperial system. In private conversation with Elliott, FDR put forward this view: "The thing is ... the colonial system means war. Exploit the resources of an India, a Burma, a Java; take all the wealth out of those countries, but never put anything back into them, things like education, decent standards of living, minimum health requirements—all you're doing is storing up the kind of trouble that leads to war." Elliott also reports that FDR intended to confront Churchill with the inhuman conditions the President had seen in the British colony of Gambia, where, as Elliott quotes his father, "those people are treated worse than the livestock."

"Churchill may have thought I wasn't serious, last time,"

Elliott quotes his father. “He’ll find out, this time.”

Yet, again, Smith’s coverage of the Casablanca meeting, which also included Roosevelt’s discussions with the Sultan of Morocco about developing his country, instead of permitting foreign exploitation, in the postwar period—in Churchill’s presence—does not mention a word of the substantive conflict on the question of imperialism.

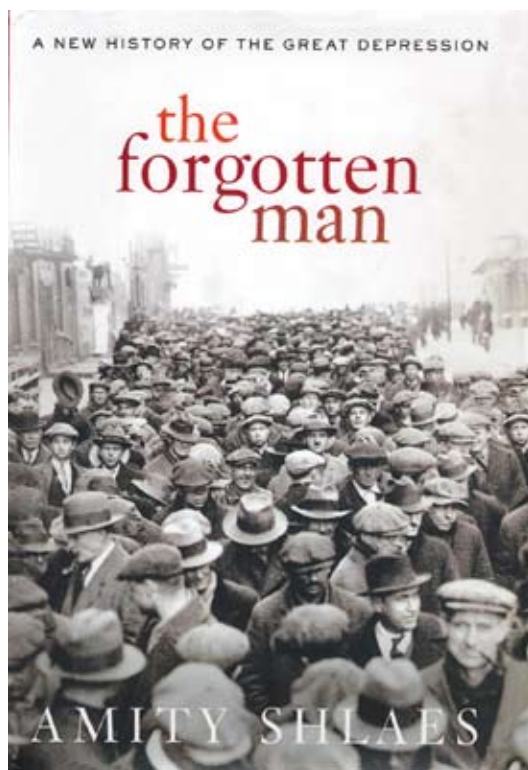
Smith gives some hints of the differences between FDR and Churchill on some strategic matters: Churchill’s aversion to supporting Moscow and to the Cross-Channel invasion, compared to Roosevelt’s determination to aid the Soviets; Churchill’s determination to do everything possible to bring the United States into the war, even if it meant more bloodshed for the Americans. But Smith clearly has access to the materials which show the principled basis for the opposition between FDR and Churchill—and he does a disservice to his readers by omitting it from his discussion.

## The View from Wall Street

While Smith’s *FDR* is worth reading, despite its flaws, Shlaes’s book is not—unless you want to take a look inside the mind of that grouping which has done its level best to dismantle every measure which Franklin Roosevelt took to defend and extend the General Welfare. Shlaes has obviously been told to avoid “extremes” in leveling her attacks—she says that it was the stridency of the Republican attacks on FDR in 1936 that prevented them from making more headway. Yet, almost every bit of bankers’ tripe that was ever used against Roosevelt finds its way into her narrative.

Take, for example, the von Hayekian line that FDR’s New Deal was “socialist,” or “communist.” Shlaes denies outright that this is her view. But she devotes a whole chapter to a “junker” made to Moscow in 1927, by a group that included Rex Tugwell, one of FDR’s braintrusts, and other New Deal advocates, and uses the positive contacts between New Dealers and the Soviets throughout the rest of the book as a running thread.

Other areas of attack abound. One was that Roosevelt’s assertion of Federal government control of the nation’s gold supply was simply a whimsical “experiment”—rather than the assertion of national sovereignty against the bankers’ stranglehold over the economy, which it was. Another is



FDR’s TVA project, and his drive to bring the predatory utility industry under control. Shlaes attacks with a vengeance FDR’s policy of providing ample, cheap electric power as a public right, and chooses to make a champion out of utility executive Wendell Willkie, for fighting to protect his company, Commonwealth and Southern, from being regulated by the Public Utilities Holding Company Act.

But Shlaes takes the cake with her attacks on the President for going after the multi-millionaires who had not only brought on the Depression, but were continuing to sabotage the recovery of the U.S. economy, and to promote fascist economic policies for the United States (not to mention, supporting the fascist governments in Europe). She admits the plutocrats refused to pay taxes—but that was what anyone would do, she claims, and besides, the Roosevelt Administration

was changing the law to persecute the wealthy. But she refuses to admit that Wall Street’s business operations resulted in the ruin of millions of Americans, and she attempts to whitewash Andrew Mellon, who had supervised the brutal austerity of the Hoover years. Shlaes glorifies Mellon for planning to hand over his private art collection to the National Gallery of Art, even at a time when the Roosevelt Justice Department was prosecuting him for tax evasion.

The bottom line of Shlaes’s argument is that FDR’s New Deal had destroyed the traditional American liberal system of private enterprise, by trampling on Sumner’s “forgotten man,” and dramatically increasing the role of government. Not surprisingly, she simply ignores the historical reality of the American System tradition, best represented by Presidents Washington and Lincoln, and which FDR was bringing back to life. All the better, her backers figure, since they are absolutely determined that the principles of the American System of Economics never take over the United States, or any other country, again.

There is no reason to believe that Shlaes will succeed. The onrushing panic over the disintegration of the world financial system, and the world physical economy, which has been brought about by abandoning FDR’s principled methods, will have the powerful, salutary effect of cleansing minds of this tripe—and turning people back toward demanding that their government carry out its Constitutional responsibility to the general welfare. And that shift won’t come a moment too soon.