
Book Review

A Defense of the Economic Royalists

by Stuart Rosenblatt

For the Survival of Democracy Franklin Roosevelt and the World Crisis of the 1930s

by Alonzo L. Hamby
New York: Free Press, 2004
492 pages, hardcover, \$30

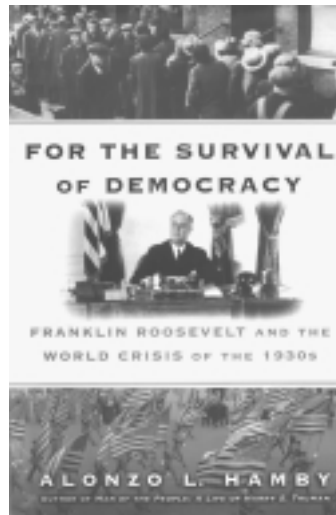
In the current political climate increasingly characterized by debate over the policies of President Franklin D. Roosevelt, Alonzo Hamby's book fails to comprehend the true fight between fascism and the republican, not "democratic," tradition embodied in the Presidency of FDR. It demonstrates the fact that even "pro-Roosevelt" scholars are now genuflecting before the anti-New Deal—and therefore anti-Constitutional—philosophy which has taken over the United States during the last 40 years.

Hamby takes as his subject a comparison of the responses of Germany, Great Britain, and the United States to the deepening global economic depression of the 1930s. He correctly identifies the fundamental choice as fascism or some form of democracy, but, because he is illiterate on the economics of the American System, he ends up denigrating Roosevelt's accomplishments, and giving a totally false picture of the New Deal.

While some sections of the book are useful, its attacks on Roosevelt's economics are outrageous and evil.

For example, the so-called Democrat Hamby says in the postscript that he finds recent books by more "conservative" critics of Roosevelt to be useful, including those of Gary Best and Gene Smiley,¹ and blurts out his ugly (and wrong) criticism of the former President: "The New Deal did in numerous ways hinder the struggle against the Depression. It left the United States saddled with mass unemployment and a sluggish economy after the other developed countries had

1. Gary Best, *Pride, Prejudice, and Politics: Roosevelt Versus Recovery, 1933-38* (New York: Praeger Press, 1991); Gene Smiley, *Rethinking the Great Depression* (Ivan Dee Press, 2002).



achieved recovery by one means or another. [sic! Was Schacht's Germany a recovery?] Moreover the American economic malaise surely deepened and prolonged the world-wide Depressions."

As Lyndon LaRouche has stated, it was precisely Roosevelt's economic buildup during the New Deal that laid the basis for victory in World War II.

Hamby, who currently teaches at Ohio University, is the author of numerous books and

articles, including the now "definitive" biography of Harry Truman, *Man of the People: A Life of Harry S. Truman*. Hamby whitewashes Truman's most venal actions, including his most disgusting action, the dropping of the atomic bomb on Japan in 1945. He defends the atomic annihilation of Hiroshima and Nagasaki as "necessary" and "reasonable," a conclusion that flies in the face of all serious historical scholarship and moral decency.

His support of Truman, a bitter enemy of FDR, therefore colors his less than truthful portrayal of Roosevelt.

Where Ideological Baggage Leads

Hamby's philosophical assumptions are on display throughout the book. They include his embrace of empiricist methodology and "objective analysis," his support for British Liberalism and the sophistry of "democracy." His treatment of economic policy is pervasively tainted by "free-market" assumptions, and relies on thoroughly discredited statistical analyses. From this standpoint, he cannot understand the way in which FDR's reinstatement of the principle of the General Welfare, through re-regulation, the provision of a social safety net, and government-facilitated construction of infrastructure, actually generated the recovery he is at pains to deny.

"Objective analysis" leads him to ridiculous comparisons between Hitler, Roosevelt, Stanley Baldwin, and other British leaders on almost irrelevant issues, such as their common use of the mass media. Using employment statistics, numbers of people on "the dole," etc., Hamby concludes that the British economy was in a stronger recovery in the '30s than was the United States. And despite claiming he hates the Nazi regime, he swallows the myth of the Schachtian "recovery" of Nazi Germany!

More of Hamby's philosophical biases emerge when he poses the correct question underlying the tremendous suc-

cess Roosevelt achieved in combatting both the Depression and the fascist-led war. Why was the United States able to do this? What constitutes American Exceptionalism? Hamby has no idea. He does not understand the Constitutional basis for the United States both resisting fascism, and being able to mobilize, politically and economically, to defeat the fascism to which the European liberal democracies fell prey.

As a result of this lack of understanding, Hamby argues that the United States and Great Britain are natural allies, because of their commitment to shared values, when in fact the opposite has been true. The two countries have been, and continue to be, mortal enemies, as systems, precisely because one is a republic and the other an oligarchical state, with not even a written constitution. The U.S. wartime alliance with Britain was arranged by Roosevelt as a temporary pact to defeat the common enemies of mankind. Churchill entered into the deal solely to prevent the conquest of Britain by a German fascist, though he was not averse to the principles of fascism, as evidenced by his earlier support for Franco and Mussolini.

Historical Illiteracy

Hamby has no conception of the real history of the United States, and its Hamiltonian American System.

The American school was protectionist in both foreign and domestic economic policy, and stressed the development of infrastructure, manufacturing, and the cognitive potentials of the individual. As stated in the Constitution's Preamble, our national purpose is to promote the General Welfare of all the citizens.

All of these elements were magnificently employed during the first eight years of the Roosevelt Administration, and led to the greatest development of U.S. infrastructure in our history.

Hamby certainly gives lip service to FDR's infrastructure projects, and even acknowledges that he, personally, was educated in a school built by FDR, but he is unable to comprehend the remarkable difference between the impact of the Tennessee Valley Authority (TVA) and the pathetic make-work projects, or worse, under Baldwin and Chamberlain. And he is an immoral blockhead on Hitler's "Economic Miracle" of the 1930s.

Nor does Hamby understand that Hitler's fascism was a project of the international Anglo-Dutch establishment, the synarchist bankers, who were seeking a worldwide dictatorship in the 1930s, and who saw the American Constitutional system as their principal enemy. Thus Hamby is unable to perceive the guiding hand and ideas behind MacDonald, Hitler, Mussolini, and their American counterparts such as du Pont and Morgan. He ends up as an apologist for the proto-fascist policies of MacDonald and Baldwin, while defending the appeasement strategy of Chamberlain. It was

"regrettable," but wholly "understandable," he says.

Hamby's lack of understanding of the fascist threat posed by the Morgans, Mellons, Liberty League, du Ponts, and others, combined with his bias against the Roosevelt economic ideas of protectionism and regulation, lead him to become almost an enemy of the President he seems to ardently admire.

Hatchet Man for Wall Street

It is clear from the title that Hamby does admire Roosevelt, and the book is filled with significant quotes from FDR's various speeches, all of which do inspire him. The title of the work is taken from the FDR's 1936 speech accepting the Democratic nomination, which is truly one of FDR's most remarkable pronouncements.

That said, the virtually schizophrenic Hamby brazenly supports FDR's enemies, especially the "economic royalists."

He defends the utilities in their assault on FDR's brilliant moves to regulate the industry, even though the debacle of Enron and other power deregulation today lie right before him. He defends the bankers against FDR's attacks on them for both causing the crash of '29 and the ensuing Depression, and he attacks parity for farmers, and defends free trade religiously. He insists that "businesses create the economic recovery and they can't be over regulated." He even defends the financiers against FDR's wealth tax, and supports Andrew Mellon in the famous battle fought with FDR over his tax evasion!

His biggest blindspot emanates from his inability to grasp the true importance of infrastructure development and physical economy. Thus he chooses to fixate on the political side of the Works Progress Administration (in creating a large "class" of political appointees and employees on "the dole"), rather than on the amazing accomplishments of the physical projects from TVA to highway construction, rail construction, and other programs that saved our nation. And he denounces the New Deal as having been a failure, because unemployment was still running in double-digit figures at the end of FDR's second term.

Ultimately, this book is nothing more than a very quiet hatchet job against FDR, on behalf of the same banking families against which the President valiantly fought.

In the addendum to the book, Hamby exudes the cultural pessimism that flows from his analysis, concluding that while Roosevelt was the greatest leader of the period, "Hitler unfortunately made the biggest difference. Imposing his will and nihilistic values on a great nation that might otherwise have simply experienced a run-of-the-mill right wing dictatorship [!], he led it into history's greatest inferno. What leader before him so changed the world?"

The fact that Franklin Delano Roosevelt miraculously saved the *world* from fascism, simply escapes the ideologically blinded Hamby.