139

NEW OBSERVATIONS

OCCUPYING THE ECONOMY:

A FRESH LOOK AT WHAT THE 1938 TO 1945 ECONOMY CAN TELL US ABOUT THE FUTURE OF AMERICA

A Taboo Overview. "The Good War" and the Late New Deal

Stephen Paul Miller, Guest Editor

ISSN #0737-5387.

Back issues may be purchased at:
Printed Matter Inc.
195 Tenth Avenue New York, NY 10011
To pre-order or support please send check or money order to:
New Observations
P.O. Box 335
Chester, VT 05143
For additional information and to contact the publisher, please email:
mia.feroleto@gmail.com

For more about us:
newobservations.org

PUBLISHER & EDITOR:
Mia Feroleto

The Power of Gold

Stephen Paul Miller has been a friend and colleague of New Observations Magazine for many years. This is not the first time that he has served as guest editor of an issue and has contributed his poetry to a number of projects, most recently our issue on the insurgency at the U.S. Capitol on January 6th, 2021. It is a pleasure to have him turn his efforts to a timely analysis of the America economy after World War II and share his views on how that time period has influenced our current days.

My own life has been greatly influenced by the flow of dollars and cents over the past few years. Truly, it began in the summer of 2006 when I experienced what became the end of my “American Dream” and lost my house in Upstate New York, primarily due to an incompetent lawyer who failed to protect me as his client. What, for many, would have indicated complete ruin, for me became the catalyst to knock me out of my comfort zone and provide the necessity and opportunity to create my most important work in the world.

Recently, I had open-heart surgery to replace my aortic valve. Perhaps the most significant event of my life, it proved to be a lesson in real life navigation through the healthcare system we have constructed for ourselves. In fact, I would have preferred having the surgery the year before, before my condition worsened to the extent that an already fatigued person became completely exhausted. Insurance companies need confirmation, however, that big-ticket items really do need to be covered before they will commit to six-figure expenditures. So, I waited and my condition got worse. Two months post-surgery, I am in a place where there is still healing to be done but my breathing capacity has doubled and I feel much, much better in all areas.

Climate change and COVID have demanded more creativity from all of us than we are accustomed to giving, in terms of solutions for everyday problems and global challenges that we may not survive. President Eisenhower warned us of the “military industrial complex” that could take over, not only our economy, but also our country. We are still spending far too much on defense and, indirectly, offense, when those funds are greatly needed to rebuild infrastructure and to develop a peacetime economy for all Americans of all colors and persuasions.

Catherine Austin Fitts, Assistant Secretary of Housing of Housing and Urban Development during the Presidency of George H.W. Bush, has tracked the financial expenditures of the U.S. government and the trillions of dollars that have been diverted by the government into black projects unknown to the general public. As Fitts states for the record, the act of clawing back these funds would transform the lives of Americans. In 2017, she co-authored a report, with Michigan State University economist Mark Skidmore, which claimed to find $21 trillion in unauthorized spending by the U.S. Department of Defense and U.S. Department of Housing and Urban Development over a 17-year period. The report was subsequently cited by United States Representative Alexandria Ocasio-Cortez as evidence of government funding that could be redirected to healthcare programs. Surely, if people like Catherine Austin Fitts continue to dig they will find further evidence of potential fraud perpetrated at the expense of the American people. These funds alone could go a long way towards transforming daily life in America.

The quarantine of the past year and a half represents a dividing line of before and after COVID. The virus itself inspired us to consider such ideas as universal basic income and stimulus checks for individuals instead of just for businesses. Perhaps this bodes a new way of handling human needs such as food, housing, medical care and the opportunity for an education. Many institutions have closed due the impact of the virus and others have become virtual. Will history consider these changes positive or negative? Time will tell.

For those who are interested, I encourage you to take a look at Cuba during its oil embargo in the 1990s. The country was forced to rethink towns and cities, hospitals and schools and transformed itself from a country of couch potatoes to a sustainable country of community engagement.

If we have, indeed, crossed another line of demarcation, that of entering a more apocalyptic time for humanity, then perhaps our global economic system, as well as the American system, needs a complete overhaul. What that would look like and how it would be funded remains the issue. Converting to a peacetime economy would supply all of the dollars, pounds sterling, yen, and euros needed for the people of the world to live. Is it not time now for us to apply the Post World War II Golden Age of America to everyone? We could all use a little idealism right about now.

I would like to thank Stephen Paul Miller for this inspiring contribution to our future and Diana Roberts for her design talents and skills.

Peace!
Mia Feroleto

OCCUPYING THE ECONOMY:

A FRESH LOOK AT WHAT THE 1938 TO 1945 ECONOMY CAN TELL US ABOUT THE FUTURE OF AMERICA

By Stephen Paul Miller *for Christopher Breiseth, Anita Feldman, and Lois Baron*

INTRODUCTION

I was drawn to this project because it is the most important thing I could write about. Progressives look to the 1933-1938 New Deal as an economic model. However, it was only after 1938, when most historians and economists believe the New Deal ended, that an unrecognized "Late New Deal" in many ways reshaped America. The kind of maximal employment programs followed by the 1938-1945 Roosevelt administration shook America. They would have been sustained by the near passage of the 1945 Full Employment Bill, in which underemployment would have automatically caused the government to invest in programs to improve the lives of Americans: a Universal Bill of Rights, which would have extended the benefits primarily limited to white male veterans to everyone; and price controls that are now needed in such areas as health care, insurance, pharmaceuticals, and higher education. That Covid-19 spending has so far exceeded that of World War II underscores the relevance of what FDR said at the outset of the Late New Deal in 1938, "We have at our disposal the national resources, the money, the skill of hand and head to raise our economic level—our citizens' income. Our capacity is limited only by our ability to work together. What is needed is the will. The time has come to bring that will into action with every driving force at our command." Obviously, now as then, we can meet the crises at hand, which now include climate change and socioeconomic inequality.

Never before or since the Late New Deal has American industry accommodated the workforce "as is." This statement, however, must be extended. More than merely accommodating the workforce, the government also proactively opened the industrial sector to minorities and women. This active accommodation allowed the prewar "oversupply" of agricultural workers, among others who had been excluded from industrial production, to be retrained on the job as participants in innovative workplace programs that turned unskilled workers into skilled ones. The economic plan guiding the wartime economy also developed "human infrastructure" by, for example, providing daycare centers to facilitate the transition of many women into the defense industry. The Roosevelt administration helped to proactively open the industrial workplace for the first time to African Americans and other minorities, women, the elderly, the disabled, and others. A federal ban on defense industry discrimination engendered a more robust form of "full employment" than that term now denotes, since wartime workers did not tend to be underemployed as part-timers or unwilling nonparticipants in the workforce. In addition, worker-friendly regulations provided wage floors, overtime pay, and unionization rights.

In the late thirties and the early forties America moved from a prevalent guiding paradigm, or culturally dominant trope, of zero-sum scarcity to one of higher expectation based upon growth and abundance. The post-1938 Late New Deal years, moreover, were the nation's only period of significantly downward wealth redistribution. Although there was virtually no income redistribution during the pre-1938 New Deal, in the Late New Deal the incomes of the poorest two-fifths of the nation's families rose by more than sixty percent, which was considerably higher than the rise in the incomes of wealthier families. Labor historian Nelson Lichtenstein called this "the most progressive distribution of income in the twentieth century." "Probably never before in history," wrote economist Charles C. Killingsworth, "had the opportunities been as good for the low-skilled, poorly educated workers who remained in civilian life." This was the only time when America's economy "sustain[ed] … true full employment." The average American's income rose 30 percent.

"America's future," wrote Howard Zinn, "is linked to how we understand our past." Contemporary Americans tend to neglect facts and rely on unexamined assumptions for their understanding of American workers' expectations during the post-1938 "Late" New Deal administration. It was during the second half of Roosevelt's twelve-year presidency, I'd argue, that Americans' use of such terms as "economic security" and "prosperity" had to meet a newly high standard. "The mobilization had lifted the standards of most labor-force participants," wrote historian James T. Sparrow, "fostering a mounting sense of entitlement to a government-sanctioned American standard of living." The same scholars who acknowledge the powerfully progressive effects of the Late New Deal, however, deny how progressive this period was. Although no war brought similar economic benefits, many observers misread the prosperity of the war years as a mere byproduct of the stimulus brought to the economy by what was, arguably, history's most gruesome war. This misreading can be explained by various factors. As the economic historian Hugh Rockoff points out, "The idea that in economic terms wars are 'good' because they stimulate the economy derives mainly from the US experience in World War II." By the mid-forties, most Americans realized that the government-driven armaments industry could be converted to peacetime ends, but the Disneyification of World War II as "the good war" and the demonization of government programs as Soviet-style socialism fostered a lamentable historical blindness. In focusing on the actual policies that created the affluence of the World War II years, I discuss the likelihood that similar policies could mitigate our present crises.

A Taboo Overview. "The Good War" and the Late New Deal

Progressives look to the New Deal as an economic model, but the phase of the New Deal that is most relevant for today hides in plain sight. It is rarely, in fact, even called "the New Deal," and it begins in 1938, although historians tend to think of the New Deal as ending in that year. As David M. Kennedy wrote in his authoritative *Freedom from Fear* (1999), "'Not with a bang, but a whimper,' … the New Deal petered out in 1938,"[1] and the title of Alan Brinkley's seminal analysis of the second half of Franklin Roosevelt's presidency similarly characterizes the period from 1938 to 1945 as *The End of Reform* (1995).[2]

As if to emphasize how reactionary those years were, James T. Sparrow's milestone study of the period, *Warfare State*, repeats Brinkley's words. "The second coming of global war," wrote Sparrow, "marked the end of reform."[3] And yet Sparrow also called the early 1940s "U.S. history's greatest boom."[4] For a decade, notes *Warfare State*, "incomes of full-time employees had remained largely stagnant." "The opportunities of ordinary Americans," however, "improved dramatically starting in mid-1940," and, Sparrow noted, "With this rise in the general prosperity of the country came a staggering 30 percent increase in real disposable income, an improvement that buoyed the entire labor force."[5] Sparrow pairs the nation's "greatest boom" with its "end of reform," unintentionally implying that conservative or necessary policy choices contributed to this economic success. In this essay, however, I argue that the prosperity of the war years was not the result of a return to the pre-New Deal or early New Deal status quo. It was, instead, a creation of the progressive policies of the Late New Deal.

"America's future," wrote Howard Zinn, "is linked to how we understand our past."[6] Contemporary Americans tend to neglect facts and rely on unexamined assumptions for their understanding of American workers' expectations during the post-1938 "Late" New Deal administration. It was during the second half of Roosevelt's twelve-year presidency, I'd argue, that Americans' use of such terms as "economic security" and "prosperity" had to meet a newly high standard.[7] "The mobilization had lifted the standards of most labor-force participants," wrote Sparrow, "fostering a mounting sense of entitlement to a government-sanctioned American standard of living."[8]

The World War II years, moreover, were the nation's only period of significantly downward wealth redistribution. Although there was virtually no income redistribution during the pre-1938 New Deal, in the Late New Deal the incomes of the poorest two-fifths of the nation's families rose by more than 60 percent, which was considerably higher than the rise in the incomes of wealthier families. Labor historian Nelson Lichtenstein called this "the most progressive distribution of income in the twentieth century."[9] "Probably never before in history," wrote economist Charles C. Killingsworth, "had the opportunities been as good for the low-skilled, poorly educated workers who remained in civilian life."[10]

The war years were the only time when America's economy "sustain[ed] … true full employment."[11] The kind of full employment that occurred in the early forties, which fell to as low as 1.2 percent in 1944, differed from how we characterize "full employment" now. Today, a five percent unemployment rate is understood as "full employment" because that percent of workers is assumed to be "structurally unemployed," meaning that they are considered only temporarily between jobs. In addition, the 1944 unemployment rate of 1.2 percent was a more impressive form of full employment because it included few if any discouraged part-time workers who could not find full-time jobs, full-timers in jobs that were below their skill levels, or potential workers not counted as unemployed because they were too discouraged to seek employment. Indeed, the facts would support the conclusion that the unemployment rate in 1944 was actually, by today's standards, lower than 1.2 percent.

During World War II most Americans not only earned and saved more, they also bought and consumed more. The surge of money in circulation could have caused a devastating inflation, but the increase in the sale of domestic goods kept that from occurring. "Although the bulk of growth was a result of military production," Brinkley remarked, "the consumer economy expanded by 12 percent during the same years."[12] This was particularly noteworthy because expensive commodities, such as automobiles and many high-end clothing items, ceased to be produced. Domestic production increased because poorer Americans suddenly could afford what most wealthier ones had been taking for granted.

In the early 1940s, poverty tended to be underestimated, but its effects became apparent in the surprising number of unfit and unhealthy young men who reported for draft examinations. An underestimated level of poverty is probably also true now, as Robert Kuttner noted concerning a more recent policy innovation. The 2021 American Rescue Plan's Child Tax Credit "benefit," remarked Kuttner," cost about $113 billion a year. When you realize that can cut child poverty in half for that relatively modest sum, you appreciate just how poor tens of millions of Americans are."[13]

As the nation more than doubled its Gross Domestic Product (GDP)[14] from 1938 to 1945,[15] more Americans than ever could afford nutritious diets with adequate protein, and African Americans lived five years longer than they did before the war, while white life expectancy increased by three years. Present-day Americans could more readily correlate these egalitarian achievements with Late New Deal policies and practices if they could recognize that the labor, production, and financing choices made by the Roosevelt administration were by no means inevitable. Much of what led to the nation's economic success in the forties, however, has been forgotten or obscured. And, though most observers do agree that the World War II economy "reshaped" and "profoundly influenced"[16] the nation, they also tend to understand it as a one-off, a "coincidental and accidental"[17] byproduct of colossal deficit spending triggered automatically in response to "an incident of military necessity," and inapplicable to other less recognizably dire situations. [18]

In this essay, however, I take issue with the notion that the World War II economy was the certain result of clear circumstances requiring set actions. I argue that, on the contrary, the magnitude and manner of the war effort was up for grabs, as was the handling of America's civilian population. But memories of the governmental policy decisions that affected the war effort and the civilian population—and, along with them, World War II prosperity—tended to fade for many reasons. If the war birthed a progressive and robust full-employment economy, the birth pangs of that economy made American historical memory particularly vulnerable to lapses. As the cultural iconologist W.J.T. Mitchell wrote, "Birth, as we know, is an experience not only of newness, but of *trauma*. …The monuments to founding thus often involve a paradoxical fusion of memory and amnesia" [emphasis in original].[19] This might explain some of the historical amnesia surrounding the World War II economy. Many economists and historians have long observed the lack of attention given to this subject. An economist of the 1960s, for instance, called the World War II economy a "badly underdeveloped field."[20] This dearth of comprehensive economic awareness has been noted for decades yet still continues. In 2018, for instance, an economist wrote that the war's "economic policies have not been an object of research by economists."[21]

There are several reasons for this historical omission. The World War II economy has no natural advocacy base. Liberals objected to what at the time seemed like Franklin Roosevelt's cave-in to business interests. Conservatives, more importantly, objected to the large role the federal government played in shaping the American economy. It seems, too, that Americans have repressed their memory of the government's role in creating wartime prosperity in an attempt to deny the seemingly inextricable link between that prosperity and history's deadliest war, which killed seventy-five million people.

That war, however, was incidental to America's economic accomplishment. A similar economy, in other words, could conceivably produce something other than arms. And World War II, just as importantly, could have been conducted in a way that failed to achieve either domestic wellbeing or abundant arms production. (In 1942, according to Noam Chomsky, most American military leaders thought that a long-lasting Allied stalemate with the Axis powers was more likely than the Axis's unconditional defeat.)[22] In the story of the American economy, then, the waging of the war was a kind of narrative *MacGuffin*—that is, an objective that is important to the participants or characters but not in itself relevant to the action.

As justifiable as fighting the Axis powers might have been, the economic policies and practices that led to American prosperity can be distinguished from what historian Michael S. Neilberg has called the war's "Disneyification," its idealization as the "Good War."[23] As the historian John Bodnar wrote, "The public remembrance of World War II was seldom concerned with producing an objective account of what had taken place."[24] "For Americans," he observed, the war "underscored inconsistencies that clashed at the heart of their imagined sense of self." Bodnar's *"The Good War" in American Memory* (2010) attributes Americans' unconscious forgetfulness and ambivalence to their wish to dissociate themselves from atrocities that were difficult to reconcile with their "national identity."[25] Bodnar's book, together with Paul Fussell's *Wartime: Understanding and Behavior in the Second World War* (1989) and Wendy A. Wall's *Inventing the "American Way"* (2008), compellingly shows how America's wartime prosperity reinforced a nationalistic sense of American exceptionalism, obscuring the war's worldwide horrors and brutal domestic injustices, which by March 1945 included the internment of Japanese Americans, the American firebombing of Tokyo and the British-American firebombing of Dresden, and violent hate strikes against African-American workers. Rationalizing and sanitizing the war's failures can ultimately hide what made the World War II economy work and conceal its applicability to the challenges we now face—that is, to the challenges of economic inequality, climate change, and political stagnation. What drove World War II prosperity is now shrouded by a persistent "fog of war."[26]

World War II can be studied as a kind of foundational site for the progressive, abundant, and egalitarian economy we have yet to realize as a permanent condition. "One motive, then, for studying foundational sites," as Mitchell observed, "is the overcoming of [our] amnesia and the demystifying of the foundational moment, commonly presented as a historical necessity and matter of destiny or fate, and not of human struggle and sacrifice."[27] "Historical necessity" similarly conceals important policy decisions leading to the prosperity of the 1940s. As the economic historian Hugh Rockoff points out in *America's Economic Way of War,* "The idea that in economic terms wars are 'good' because they stimulate the economy derives mainly from the US experience in World War II."[28]

World War II, in fact, was the only modern American war that resulted in economic success. World War I generated "full employment," but its manner of doing so resulted in triple-digit inflation and economic chaos. Similarly, the 1953 Recession followed the Korean War. The Vietnam War precipitated years of economic disarray after the Johnson and the Nixon administrations hid that war's costs in auxiliary budgets. That war overheated the already fully employed economy of the 1960s, and this overheating led to the introduction of inflation without growth—the long undiagnosed phenomenon of *stagflation*, or simultaneous unemployment and inflation, which began at the end of the 1960s and, in the '70s, became impossible to ignore.[29]

The economy of the late 1960s seemed relatively good, and stagflation was not immediately recognized. During the mid-1970s, however, it became apparent that the government had underestimated the postwar expenses of providing for injured and other returning veterans. The federal government, furthermore, initiated plans to replenish military resources that the Vietnam War had exhausted. A "peacetime dividend" for domestic improvements had been expected, but the human and military costs of the war overrode this possibility. Instead, after the Vietnam War, stagflation blocked America's post-World-War-II run of relative economic good fortune.[30] In a belated response to these developments, both President Bushes wished to cure America of its "Vietnam syndrome," which caused Americans to stress caution in entering a war, for fear of its unintended consequences. Despite most Americans' initial support of each of the two Persian Gulf wars, a troubling recession followed the first one, and the Great Recession of 2008-2009 followed the second. The war in Afghanistan, meanwhile, compounded the economic drag resulting from the second Gulf war. Of America's modern wars, then, only World War II brought positive economic change, yet surprisingly little has been written about the synergy created in the domestic economy of the 1940s by wartime finance, industrial production, and home-front policies.

The factors causing World War II prosperity were complex and numerous. They all proceeded, however, from the key insight that it is less expensive and more productive to include everyone in prosperous economies than it is to allow shortsighted attempts at frugality to keep anyone from participating in them. A right to contribute is implicit in Roosevelt's 1944 Second Bill of Economic Rights. Many Early New Deal programs fostered this insight, but in the Late New Deal, socioeconomic inclusion became, for the first time, an engine of dynamic prosperity.

In his January 3, 1938 State of the Union Address Roosevelt had declared, "Capital is essential; reasonable earnings on capital are essential; but misuse of the powers of capital or selfish subvention of the employment of capital must be ended, or the capitalistic system will destroy itself through its own abuses."[31] Later, in November 1940, during a conversation with businessman Donald Nelson, whom in 1942 the president would appoint as chairman of his new executive order-created War Production Board (WPB), Roosevelt casually advanced a more critical view of unfettered capitalism. In this meeting, about half a year before the German invasion of the Soviet Union and more than a year before the United States entered the war, Roosevelt emphasized to Nelson the need to support the Soviet Union in defeating Germany, as well as the Soviets' "importance in the postwar world as [Roosevelt] saw it."[32] Concerning a need to balance capitalism with socialism, the president implied that he approved what "a certain Soviet official" had told him: "Well, Mr. President, a few years ago we were 100 per cent communistic and your country was 100 per cent capitalistic. Now we are 80 per cent communistic and you are only 80 per cent capitalistic. A few years hence, we shall be 60 per cent capitalistic, and when that time arrives we won't be so far apart."[33] It is unclear how Roosevelt foresaw the Soviet economy, but he envisioned an American economy in which the federal government would funnel massive domestic investment through the private sector in a manner that would benefit most American workers, along with most businesses.

FDR envisaged what in 1943 the Marxist economist Michal Kalecki termed the then new phenomenon of "full employment capitalism," a form of capitalism that seemed compatible with Marxism.[34] In 2016, the historian Mark R. Wilson similarly noted that the "successful conversion of the economy" during World War II "owed as much to socialism as it did to capitalism."[35] Kalecki, a Polish exile living in Britain, recognized that "the policy of full employment based on loan-financed government spending" was a boon to the private business sector. Clearly, America's wartime economy was proving this. Although it was thought, at the time, that the wartime granting of government contracts helped big businesses at the expense of smaller ones, later studies show that small businesses also benefitted from the federal government's concerted efforts to also contract with them, the need of larger businesses to buy parts and supplies from smaller ones, and a general growth within the economy.[36]

Kalecki, however, could see trouble ahead. If full employment capitalism was good for business, his 1943 essay "Political Aspects of Full Employment," also recognizes the "paramount importance" of the "misgivings of big business about the maintenance of full employment by government spending." Kalecki had the powerful insight that business was about more than making money. It is just as essentially concerned with cultural and political dominance. Although "full employment capitalism" is in the economic interest of most capitalists, they dislike it, according to Kalecki, for three reasons. They "dislike government interference in the problem of employment," "the influence upon workers of 'government spending'" for "public investment and [for] subsidizing consumption," and "the social and political changes resulting from the *maintenance* of full employment" [Kalecki's emphasis].[37]

Capitalists might know they stand to benefit economically from accepting government financing that raises workers' living standards, but they tend, nevertheless, to "violently" oppose such investments because of their belief that "here a moral principle of the highest importance is at stake. The fundamentals of capitalist ethics require that 'you shall earn your bread in sweat'—unless you happen to have private means."[38] Perhaps it is more of a contradiction than a paradox that capitalists valued the imposition of their culture on society more than they valued the capital benefits they derived from government policies. It might be argued that after the war, in an attempt to serve their own financial interests to an even greater extent, businesses increasingly lobbied for government investments minus most of the strings that the federal government had imposed during the war. Indeed, business in large part succeeded in this postwar modification of the dominant wartime public-private form of production partnership. This postwar policy trend, however, falls short of promoting full employment capitalism because, unlike the wartime policies of the Roosevelt administration, the postwar policies promoted by business interests did not provide a place within the economy for virtually everyone. Capitalists opposing such a full-employment economy, therefore, would still be working against their own economic interests, because they would be limiting the ability of workers to consume the goods and services that the capitalists' businesses produced.

As a Marxist, Kalecki had come to an astonishing conclusion: "If capitalism can adjust itself to full employment," said Kalecki, "a fundamental reform will have been incorporated in it."[39] If full employment capitalism could help to enrich and empower workers, didn't that enrichment and empowerment serve Marxist interests? Ironically, from a Marxist perspective, "the last phase in the transformation of capitalism" might not require the end of capitalism.[40] After all, blind ideology aside, in both the mid-twentieth century and the early twenty-first century, there appears little alternative to a mixed economy. It seems as undesirable for the government to do nothing economically as it would be untenable for it to do everything.

Of course, the World War II economy did not create a worker's paradise, but the principles that shaped the economic progress of the early forties tended in that direction. The war economy not only mitigated the worst effects of the Great Depression, but it did also so to such an extent that, although, by 1936-1937 and 1939-1940, America had recovered to economic levels comparable to those of 1929, those 1929 economic levels no longer seemed like prosperity when they were measured against the World War II economy. In 1929, GDP[41] was only about three-quarters of what it would become in 1936 and then again in 1939. Startlingly, by 1943 the GDP of 1939 doubled.[42]

Federal unemployment rates were either absent or unreliable before the standardization of that statistic under the leadership of Roosevelt's Secretary of Labor, Frances Perkins. But it seems clear that, if workers in federal programs like the WPA were considered employed (such workers were considered unemployed throughout the New Deal), the unemployment rate fell from between twenty-five and thirty percent when FDR became president in 1933 to ten percent in 1936.[43] In 1936, the U.S. seemed to be returning to a 1929 level of employment, although this trend seemed to be stalled in 1937 to 1938 by a recession that was primarily caused by an austere policy turn—one of several based on FDR's perceived need to be fiscally responsible so as to boost confidence in the government and its ability to handle the economy. But only a year later, in 1939, the Depression once more seemed to be ending. And, looking back at Roosevelt's 1937 policy turn, it now seems an exception that proves the validity of a more characteristic New Deal emphasis on investing in the American people and America's economy. After the dramatic increases in workers' salaries during the 1940s, the wartime one-percent unemployment rate, and the doubling of the GDP, most Americans would not think the 1929 economy particularly prosperous.

A few years after the war, a business-friendly view of the World War II economy became the default manner of understanding it. As Michael H. Best and William E. Connolly observed, even liberal economists increasingly "internalized" many of these conservative views concerning the limits of government's power to engender prosperity and eliminate poverty. For many progressive thinkers, a discordantly unprogressive set of assumptions became "part of them in a way that facial expressions are part of a personality."[44]

These assumptions limited liberals' sense of what appeared practical or even possible. In the 1960s for instance, Presidents Kennedy and Johnson significantly cut marginal tax rates. They do not seem to have considered that they could have just as easily kept tax rates as they were and invested in the human and material infrastructure necessary to eradicate poverty. Beneficial as many of the War on Poverty programs were and still are, those programs directly affected about five percent of all the impoverished Americans it was intended to reach. Despite the War on Poverty's many laudable programs, that war was exceedingly underfunded. The sixties' War on Poverty invested only 70 dollars for each person living under the poverty level. When Secretary of Labor Willard Wirtz suggested fighting poverty with a New Deal WPA-style work program, LBJ registered an "absolute[ly] blank stare," according to James T. Patterson's *America's Struggle Against Poverty* (2000).[45] "I have never seen a colder reception from the president," said one presidential staffer. In 1968, Charles C. Killingsworth wrote about this wasted opportunity: "The recent emphasis on the virtues of tax-cutting [by the Kennedy and Johnson administrations] will obscure the elementary fact that a new $5-billion job creation program would provide at least as much stimulation to aggregate demand as a $10-billion tax cut." Addressing poverty, Killingsworth implied, would have spurred economic growth twice as efficiently as cutting taxes.[46] Outliers such as Killingsworth were still able to factor into their thinking the kind of investments that the government had made in human infrastructure during World War II. For Kennedy and Johnson, however, the FDR administration's unapologetic use of this strategy seems to have become unthinkable. Prevailing postwar views, it is likely, had long ago hidden the lessons of the World War II economy from them. As previously noted, many of today's most energetic progressives and eminent historians and economists are similarly unaware of the Late New Deal's history.

Although this project is not an economist's analysis of the World War II economy, it nonetheless addresses gaps in our knowledge of that economy that have been left by an overly strict separation of economic, historical, political, cultural, and social phenomena. Historian Jason Scott Smith theorized that a rigid insistence on disciplinary divisions can overlook much that is crucial within the fields of both history and economics. Smith therefore suggested political economy "as a useful category of analysis."[47] This study, then, may be called a work about political economy using interdisciplinary methods made available by cultural studies. Without a consideration of prevailing cultural values, it is difficult to understand either the accomplishments of the World War II economy or why, perhaps surprisingly, these accomplishments have not been sufficiently examined in a way that takes account of the cultural values that prevailed during World War II. A dynamically comprehensive interdisciplinary analysis, accounting for historical and cultural factors, is necessary to give a clear picture of the wartime economy, how it arose, its complicated reception, and its relevance. A cultural detour would thus be helpful.

One way to illustrate this progression is to point out that it was in a 1943 essay entitled "A Theory of Human Motivation" that the psychologist Alfred Maslow first published his theory about that subject, which distinguished between the search for safety and security and the pursuit of "self-actualization."[48] In a manner that has become widely known by the general public and scholars in many disciplines, Maslow defined self-actualization as "self-fulfillment, namely the tendency...to become actualized in what [one] is potentially. This tendency might be phrased as the desire to become more and more what one is, to become everything that one is capable of becoming."[49] From a cultural studies perspective, a moment of historical time can produce phenomena and events that have not exerted any direct influence upon each other.[50] We may therefore discover a metaphoric if perhaps an entirely unconscious analogy between "the desire to become more and more what one is, to become everything that one is capable of becoming" and the contemporaneous World War II economy that provided the only instance of full employment in American history, in which the means of production were redesigned to accommodate the workforce and not to accommodate the workforce to the existing means of production.[51]

The result of a possibly conscious influence might be Maslow's later acknowledgement that he considered Eleanor Roosevelt to be one of only seven "highly probable public and historical figures" whose self-actualization enabled him to gather data on that achievement as a motivational value. (The only two others then living were Albert Einstein and Aldous Huxley.)[52]

But whether or not there is any causal relationship between Maslow's work and the policies of the Roosevelt administration, the psychologist's emphasis on achieving security as a basis for self-actualization parallels the way the signature accomplishment of the early New Deal, the Social Security Act of 1935, became the prelude to a national "self-actualization" based upon soundly regulated investments in the public sector. Establishing banking and fiscal stability, these investments included government work programs, initial investments in infrastructure and housing, and the creation of general economic safety nets. Only after the greater economic security caused by domestic prosperity during World War II, however, did these thirties successes lead to Franklin Delano Roosevelt's recognition, in his 1944 State of the Nation address, of a right that would virtually guarantee the economic health of the American working class.[53] This, as Roosevelt described it in that speech, was "the right to a useful and remunerative job in the industries or shops or farms or mines of the Nation."[54]

As early as his 1932 presidential campaign, Roosevelt had said that "the task of government in its relation to business is to assist the development of an economic declaration of rights, an economic constitutional order."[55] His January 1941 Four Freedoms proclamation and its assertion of a Freedom from Want, however, triggered planners working in the Roosevelt administration's National Resources Planning Board (NRPB) to make a serious attempt to frame an actual, or, in any case, an articulated and workable "economic declaration of rights, an economic constitutional order." By August of that year, the Four Freedoms proclamation was serving as a basis for the Atlantic Charter, the joint statement he issued with Winston Churchill. But Roosevelt waited three more years, until 1944, to specifically maintain that American workers had a right to the economic constitutional order he had mentioned twelve years earlier. He waited, that is, until the experience of those workers had demonstrated, for the first time, that a full employment economy was achievable in America. If Roosevelt's 1944 "Second Bill of Rights" promised everyone a "useful and remunerative job," had not the early forties already made this a tangible reality?

FDR asserted, furthermore, that all Americans had the right not only to "a useful and remunerative job" but also to "adequate medical care," the "opportunity to achieve and enjoy good health," "a good education," "a decent home," "sufficient income" for "food and clothing and recreation," and "adequate protection from the economic fears of old age, sickness, accident, and unemployment."[56] And he suggested that "implementing this economic bill of rights" was inevitable because "the Nation" would demand it from Congress:

> I ask the Congress [he said], to explore the means for implementing this economic bill of rights—for it is definitely the responsibility of the Congress so to do. Many of these problems are already before committees of the Congress in the form of proposed legislation. I shall from time to time communicate with the Congress with respect to these and further proposals. In the event that no adequate program of progress is evolved, I am certain that the Nation will be conscious of the fact.[57]
>
> Our fighting men abroad—and their families at home—expect such a program and have the right to insist upon it. It is to their demands that this Government should pay heed rather than to the whining demands of selfish pressure groups who seek to feather their nests while young Americans are dying.

It is significant that Roosevelt said, "Our fighting men abroad—and their families at home—expect such a program and have the right to insist upon it." He was implying that although plentiful defense industry jobs would not be available after the war wartime prosperity must continue after the war through a program of government investments focusing on raising the nation's standard of living. FDR's "visionary 'economic bill of rights'…," wrote Joseph Lelyveld, "finally resurfaced as the GI Bill of Rights."[58] The NRPB's planning had, in fact, been instrumental in the drafting of the Servicemen's Readjustment Act of 1944, or GI Bill, which, though discriminatory toward African Americans, funded millions of returning veterans with college educations, vocational training, and housing and business loans. The GI Bill, in purely financial terms, was one of the best investments in the history of the nation; its effects on the nation's "human capital" and earning potential resulted in the government's receiving an increase in tax revenues far exceeding the bill's cost. From the prevailing NRPB perspective, however, the bill was only a partial success because its benefits were limited to returning veterans. The NRPB's vision was to universalize its economic bill of rights in a way that allowed all Americans to benefit from it.

"Cultural studies," as it is inspired by such figures as Antonio Gramsci, Raymond Williams, and Stuart Hall, is interwoven with analyses of popular and progressive works and acts of both reinforcement for and intervention against the economic hegemony and dominance of companies like those headed by Sloan, Fuller, and Pew. My study is problematic, however, because it questions widely accepted accounts of the economic history of the 1930s and 1940s. Is this appropriate for my chosen field, which is cultural studies? After all, I am not an economist, and this should not be forgotten. I am not qualified to make economic pronouncements with any degree of certainty. But approaching economics through a cultural studies lens can suggest valuable perspectives that professional economists might overlook.

In this essay, I hope to offer insights achieved through a dynamic play of interdisciplinary elements in which an economic view is only one element. In this kind of academic interplay, economic perspectives and phenomena may inform other areas. Conversely, cultural presuppositions critically contribute to economic ones. Scholarly and creative cultural studies can uncover hidden but dominant tropes that have shaped who we are today. These tropes can also shape our future, but this task may be too great for any one discipline to accomplish without reaching its own self-reinforcing and constricting disciplinary limits.

The economist James K. Galbraith, for one, has called attention to the dangers of staying too strictly within such limits. "When the 2008 [economic recession] crisis hit," he wrote, "the phrase 'no one could have known' reverberated through official Washington and bankerly New York." The recession was perceived as impossible since "there could not have been an undiagnosed weakness in the structure of the economic system, for that would imply a problem with the now-governing economic models." Only those who were professionally incompetent and inconsequential could have predicted the economic disaster. Hence, Galbraith ironically observed, "If you were the sort of person who could have known—or, even worse, who did know—then by definition you were not a mainstream economist."[59]

The complexity involved in fully characterizing any economy—and indeed any culture or era—is beyond the scope of this project. One can only describe dominant traits and tropes. However, it is important to recognize the distinct possibility that the results of America's investment in its home front during World War II were not necessarily a one-of-a-kind achievement. After all, in real dollars adjusted for inflation, America's spending to combat the Coronavirus pandemic has well exceeded the nation's investment in its defeat of the Axis powers in World War II. Before the Covid-19 crisis, World War II spending seemed to be a metaphoric limit to government deficit. However, even in terms relating deficit to national income, the notion of World War II spending as an inviolable ceiling has been demystified.

In the late thirties and the early forties America moved from a prevalent guiding paradigm, or culturally dominant trope, of zero-sum scarcity to one of higher expectation based upon growth and abundance. In 1932, even Franklin Roosevelt campaigned not upon a program to grow the economy and "create resources" but rather on a promise to "administ[er]" the "resources and plants already in hand."[60] This reflected the assumptions of most Americans and economists, including John Maynard Keynes, who believed that the economy had hit a metaphoric stone wall, or limit of production, in 1929. Like most other economists, Keynes accepted the conventional wisdom that the economy had grown as much it perhaps ever could before the Depression. Typical of an economist in the mid-thirties, Lionel Robbins said, in 1935, "Economics is the science which studies human behavior as a relationship between ends and scarce means."[61] Robbins's definition tellingly omits economic growth. Economic growth, correspondingly, was not a hallmark of the Early New Deal. The intention of Agricultural Adjustment Administration's (AAA's) policies to reduce agricultural production also reflected the NRA's (National Recovery Administration's) focus upon raising and stabilizing prices rather than industrial production. Not until the Late in New Deal started in 1938 did the Roosevelt administration reorient itself around raising consumer demand and production.

Economic historian Dotan Leshem, however, describes an economic consensus that is still hard-wired with assumptions of scarcity. "Contemporary economists," he wrote in 2016, "typically hold that the natural situation for humans is to live in a world in which means are scarce."[62] Nonetheless, cultural inclinations play a large role in the economic beliefs of experts and laypeople alike. According to Leshem, modern and contemporary historians have tended to be agnostic as regards decisions prescribing production and consumption. However, the ancient Greek study of *oikonomia (οικονομία)*, from which "economics" is derived, focused upon the ethical consequences of production and consumption. Although Robbins wrote that "economics is entirely neutral between ends,"[63] Leshem, in contrast, notes, "The role of the economic dimension was to secure the means necessary for existence and to generate a surplus that sustained the two other dimensions [the life of the community and city, or politics, in addition to the philosophical, spiritual dimension] that were deemed worthy…. This could be done in two ways: either by increasing production or by moderating consumption."[64] It might, therefore, be that Late New Deal economic planning was in the spirit of economics at its origins.

Ancient Greek economies, however, existed primarily for the benefit of men who were not slaves. The World War II miracle of production, on the other hand, relied on the government's insistence upon opening up the labor pool to marginalized groups such as African Americans and other ethnic minorities, women, the disabled, the elderly, non-citizens, and others. It cannot have been inevitable that women would take on the important role they did play in American war production, since there were relatively few women war workers in Germany until near the end of the war. If the openness of the workforce was a necessary part of World War II prosperity, the internment of Americans of Japanese ancestry is a terrible exception that proves the rule since, in the midst of tremendous worldwide food demands, only Japanese American farmers were accustomed to farming the West Coast's least arable land.[65] As Caroline Chung Simpson maintains in *An Absent Presence: Japanese Americans in Postwar American Culture, 1945–1960* (2002), it was unfortunate that Japanese-American farmers were absent from the World War II economy.

Despite its horrors, World War II's economy was a singular phenomenon in which the Hegelian "quantity" of its prosperity affected its categorical "quality." It was a maximal effort leaving few behind. Indeed, this inclusionary principle fueled what made it work by turning seeming economic exigencies into dynamic engines of production. Exceptional within American history, the World War II economy reduced economic inequality by not merely depending upon the advent of a labor shortage to alleviate unemployment. Instead, the Roosevelt administration worked actively to accommodate the workforce it had. It did not—as is more often the case in recent years—unproductively bemoan the lack of a more educated workforce, as, by making half-hearted attempts to invest in educational initiatives, it attempted to hit the moving target of future circumstances and needs.

The World War II economy was a slap in the face to traditional economics, which has largely assumed that an excess of available jobs automatically creates full employment. Some economists, however, have objected to this assumption. In 1964, economist Lloyd G. Reynolds pointed out, "One can say, indeed, that labor markets are less adequate than any other type of factor or product market in the economy."[66] In other words, there is a human factor in economics; people are not an entirely fungible or predictable commodity. Observations such as this one by Reynolds, however, tend not to be applied to macroeconomics and remain isolated, gathering little momentum and reaching no critical mass. As economist Charles C. Killingsworth pointed out in 1968, "there has been scarcely any recognition of "Reynolds's views about the labor force within the realm of macroeconomics. "Reynolds states the consensus of those who have made empirical studies of labor markets," wrote Killingsworth. According to Killingsworth, however, that perspective went virtually unrepresented among economists who shunned more direct modes of job creation to solve unemployment in favor of the Kennedy and Johnson administrations' "advocacy of tax-cutting as the preferred method of stimulating aggregate demand and relieving unemployment, which rests on the view that the labor market is a great homogenizer of labor."[67] John Maynard Keynes's legacy contributed to this misconnection between different economic areas.

It is likely that many liberal economists were misled by Keynes's view that the only remedy for unemployment is increasing aggregate consumer demand. According to Keynes, "...unemployment as it exists at any time is due wholly to the fact that changes in demand conditions are continually taking place."[68] Keynes inextricably linked the alleviation of unemployment to boosting consumer buying power so that economic "demand conditions" rose. He famously wrote that if government would simply bury money and people were allowed to simply dig it from the ground "there need be no more unemployment":

> If the Treasury were to fill old bottles with banknotes, bury them at suitable depths in disused coalmines which are then filled up to the surface with town rubbish, and leave it to private enterprise on well-tried principles of laissez-faire to dig the notes up again (the right to do so being obtained, of course, by tendering for leases of the note-bearing territory), there need be no more unemployment and, with the help of the repercussions, the real income of the community, and its capital wealth also, would probably become a good deal greater than it actually is. It would, indeed, be more sensible to build houses and the like; but if there are political and practical difficulties in the way of this, the above would be better than nothing.[69]

Keynes, in 1936, conveyed the then progressive notion that the government, by merely placing unbacked currency in circulation, could raise consumer demand sufficiently to spur the economy and thereby eliminate unemployment. This was, at that time, radical thinking since most economists agreed with Say's Law, which postulated, in the words of that law, that "supply creates its own demand." Keynes is celebrated for maintaining the reverse—that demand influences supply. This is not to say that Keynes would have opposed redesigning production to suit and help to develop the workforce. The simplicity of Keynes's argument, however, led his readers to overlook the benefits of such redesigning and even development.

Many liberal economists overly stressed the stimulation of aggregate demand, resulting in the creation of abundant jobs, as the sole means to eliminate unemployment. This emphasis on demand, of course, removes both the private and public sectors' responsibility to fashion the right kind of jobs for available workers. A 1966 federal government report exemplifies this kind of neglect. *Technology and the American Economy: Report of the National Commission on Technology, Automation, and Economic Progress* gives a clear picture of the kind of assumptions that can fail the unemployed:

> We have found it useful to view the labor market as a gigantic "shake-up," with members of the labor force queued in order of their relative attractiveness to employers.... The total number employed and unemployed depends primarily on the general state of economic activity. The employed tend to be those near the beginning and the unemployed those near the end of the line. Only as demand rises will employers reach further down the line in their search for employees.[70]

Similarly, in 1965, the 1981 Nobel economic laureate James Tobin, a Keynesian economist whom John Kennedy had appointed to his Council of Economic Advisors, distorted the role of "the tightness of the labor market" during World War II:

> The most important dimension of the overall economic climate is the tightness of the labor market...
>
> Because of the heavy demands for labor during the Second World War and its economic aftermath, Negroes made dramatic relative gains ....
>
> I conclude that the single most important step the nation could take to improve the economic position of the Negro is to operate the economy steadily at a low rate of unemployment.[71]

A tight labor market, in itself, however, would not have prepared African Americans, women, and others previously excluded from manufacturing jobs to work in the industrial sector. Tobin, in addition, brushes aside the fact that without FDR's executive orders banning discrimination in defense work, and thus, against much opposition, changing accepted norms, most white workers and unions would have made it impossible to hire and promote African Americans. Interestingly, Tobin's influence has had a long reach, since he mentored the current Secretary of the Treasury Janet Yellen's 1971 PhD dissertation at Yale University concerning unemployment and how to battle it through America's central banks.

In 1968, Charles Killingsworth's voice went largely unheard within the wider economic community. "Perhaps the most crucial of all the assumptions underlying the theory of the labor market," he objected, "is that the *patterns* of demand for labor are almost entirely determined by the state of the labor market."[72] Labor, he wrote, is not "homogenous" or fungible. "I do not accept the notion," he maintained, "that the labor market always functions as a great homogenizer."[73] Using his own personal experience, Killingsworth concludes that, except during the early forties, production was not "redesigned for the specific purpose of making it possible to fill the job with unskilled rather than skilled labor" when "there was a vast creation of low-skilled jobs."[74] Killingsworth, however, draws upon his personal experience to observe that this this vast creation of jobs:

> was most notable in industries with a five-fold or greater expansion of employment, new product lines, new plants, and cost-plus contracts. As an arbitrator in the wartime shipbuilding, ordnance, steel, and other industries, I saw multitudinous examples of job and process redesign which were undertaken for the specific purpose of making it possible to meet production schedules with unskilled and inexperienced labor. During many years as an arbitrator in the peacetime automobile, rubber, steel, household appliance, and other mass production industries, I have never seen a peacetime example of a job being redesigned for the specific purpose of making it possible to fill the job with unskilled rather than skilled labor [italics added]. Job changes are exceedingly common, of course, in peacetime industry; but all of the thousands that I have seen have been incident to process changes, equipment changes, new products and the like, with no evidence of any conscious effort to shape job requirements to utilize available unemployed labor.
>
> To be sure, one man's observation can cover only an infinitesimally small fraction of total experience. For years, however, a standard feature of labor economics textbooks has been a long selection summarizing the many studies of particular labor markets and their "imperfections"—lack of knowledge, immobility, non-economic behavior, non-competing groups, the effects of monopoly and monopsony, and so on.[75]

Killingsworth connected his direct observations of wartime employment flexibility to "a standard feature of labor economics textbooks" and "many studies of particular labor markets" to come to a conclusion that more mainstream liberal economists overlooked. The example of the World War II economy offers economists and others much still-untapped knowledge about methods of solving the problem of unemployment.

America's World War II "economic policies have not been an object of research by economists," noted economist Michael H. Best in his 2018 book, *How Growth Really Happens.* "In fact," wrote Best, "US wartime experience is a real-world laboratory for exploring both the contested and the multifaceted concept of industrial policy and the workings of advanced capitalist systems."[76] For decades, however, scholars have been noting a lack of work about the World War II economy, even though previous scholars have sought to rectify that absence. If the wartime economy was the foundational site of full employment capitalism, which will soon be described in this essay, then it fits W.J.T. Mitchell's likening of a foundational site to an "edifice" standing on "the quicksand that lies beneath it, and [on] the struggle to establish footings."[77] That scholars have remarked upon the need for more analysis of the World War II economy indicates that its success concerned more than the easily accepted explanation of mere deficit spending.

For many years, economists have considered the wartime economy an overlooked and "badly underdeveloped field." For decades, scholars have complained about this situation, but they have yet to establish their footings. How can the American World War II economy be perpetually recognized as a period of momentous consequence but also be understudied, and for most scholars, "comparatively unknown"?[76]

In the sixties, Gordon Wright called the subject of the World War II economy "a badly underdeveloped field."[77] Scholars, however, continue to make similar observations. In 1977, economic historian Alan S. Milward said he was "infuriated" because "nothing is said of" World War II "as an economic event."[78] "[B]usiness and economic historians," remarked economist Larry Neal in 1978, had "failed to pursue more diligently the topic of the economic history of World War II."[79] In 1985, economist Harold G. Vatter wrote, "there is no general work of which I am aware" concerning "the U.S. economy and economic policy in the World War II period."[80] Economic historian Hugh Rockoff observed in 1998 that though World War II was an immensely "important macroeconomic event," it "remains comparatively unknown" and is "neglected."[81]

In 2016, historian Mark R. Wilson made a similar yet dramatically different assessment of World War II economic studies. "...[T]oday's domestic and global political economy has been shaped by a misreading" of World War II's economy," he said, and "On the whole historians and social scientists remain blind" to the wartime economy's influence upon the "American state and political economy."[82] Notably, instead of saying that the World War II economy had been neglected, Wilson said it had been "misread." Wilson determines that due to a continuous onslaught of big business propaganda since the war, government's role in the success of the World War II economy has been insufficiently analyzed. This study substantiates Wilson's observation.

However, as spot-on as Wilson's assessment is, it also omits many more overlooked explanations for the World War II economy. Wilson astutely suggests a reason why scholars cannot come to grips with the subject of the World War II economy—their unknowing deferral to "accepted conservative myths about wartime industrial mobilization." Since the war itself, and increasingly afterwards, during the postwar Red Scare, and then again in more recent decades in which a neoliberal mindset has often held sway, these myths have obscured government's role in the wartime economy and what Wilson calls the "socialism" implicit within that economy.[83] Indeed, Wilson's emphasis for the war effort's success upon World War II's "targeted public investment" and "state enterprise" might work as apt if not catchy bumper sticker explanations for much of what America could have done better during the logistical mayhem of its 2020 early Coronavirus response.[84]

However, as previously noted, much of the explanation is neither ideological nor partisan. There has never been a comprehensive study of every facet of the World War II economy. If that economy is not treated comprehensively, it is possible for crucial elements to escape detection. For instance, Economic historian Paul A.C. Koistinen's *Arsenal of World War II: 1940-1945* (2004) does not treat Lend-Lease because, Koistinen incorrectly assesses, it was "peripheral to mobilizing the economy per se."[85] How can Lend-Lease be ignored in such a study when the economy was based upon it?

Perhaps the most visible American historian of recent times, Doris Kearns Goodwin, said of World War II's impact upon America: "The society of a few haves and a multitude of have-nots had been transformed. Because of t*he greatest—indeed, the only—redistribution of income downward in the nation's history*, a middle-class country had emerged" [italics added].[86] Goodwin's acknowledgment of a "redistribution of income downward" is in marked contrast with the thirties phase of the New Deal. For all its other achievements, "it did not substantially redistribute the national income," said David M. Kennedy. "America's income profile in 1940 closely resembled 1930, and for that matter 1940."[87]

However, Goodwin does not account for what caused the momentous changes in American society. Although she posits social justice as a fundamental value for both Eleanor and Franklin Roosevelt, Goodwin presents this as occurring primarily as a mere side effect of military spending. She portrays the process by which "the U.S. economy was finally prepared to swing into production on an unprecedented scale" as preset natural "growth" independent of conscious planning.[88] Goodwin uses the words of Winston Estes' 1976 novel, *Homefront*, to naturalize and place this "mysterious" economic growth outside human agency: "New defense factories and plants had been sprouting up from the landscape as though the ground underneath had been fertilized. And still they continued to appear, larger and more mysterious, turning out arms and munitions in unthinkable quantities."[89]

Goodwin did not prepare us for what the World War II economy now can teach us. What could it mean that projects on the scale of World War II may not be a historical abnormality and might still be possible? One answer is that we should be all the more motivated to discover why the World War II economy succeeded. Should this question be left entirely to economists? Or should we heed the words that end a recent book by two 2019 Nobel laureates in economics, Esther Duflo and Abhil Banerjee: "Economics is too important to be left to economists"?[90]

The most important factor leading to World War II prosperity was the creation of a flexible "jump in where you fit in" workforce resulting in both industrial efficiency and the *sui generis* World War II form of full employment, as it has been previously described here. James T. Sparrow passingly attributed wartime "social mobility" to "the unprecedented demand for labor."[85] A demand for workers alone, however, does not create jobs. To create them, businesses had to "redesign production systems," as Killingsworth recognized.[91] "And the private sector would not have filled those jobs if the government had not covered private businesses' expenses while also paying them a reasonable profit [through the cost-plus contracts described below]."[92] At no other time has American industry willingly changed its dominant production modes to suit the available workforce.

Government was essential in creating full employment, but efficiency, ironically, was not increased by government commands or demands but by providing security to both workers and businesses. The federal government's subsidizing of business allowed it to implement innovative training that stressed employees' comprehensive understanding of the purposes of their work. "Of course, all costs of recruitment and training were fully reimbursed by the government," noted Killingsworth. "The normal incentive to weed out substandard or incompetent workers was greatly diminished if not eliminated by the cost-plus arrangement."[93] In addition, wartime industrial tasks were "subdivided," wrote Killingsworth, so that "many formerly skilled jobs" could be broken down into "simple components that could readily be taught to inexperienced, low-skilled workers who had never seen an airplane or a ship."[94]

It is more than coincidental that a progressive union figure, Walter P. Reuther (1907-1970), first crystallized a key aspect of America's World War II armaments production plan. Reuther, a labor leader who had once been active in the Socialist Party, would later become a president of first the United Automobile Workers (UAW) and then the Congress of Industrial Organizations (CIO). As a labor organizer, one of Reuther's primary goals was the development of a robustly full-employment economy, providing jobs for the workers he represented. In his December 28, 1940 "500 Planes a Day" radio address on NBC's Red Network, he called for getting "our productive machinery and our productive man power…working at capacity by converting existing automobile plants to airplane production."[95]

Economic historian Paul A.C. Koistinen points out that at the end of 1940 Reuther and CIO president Phillip Murray favored curtailing civilian output in order to increase war production. But organized labor was generally "fearful of unemployment" and "either tended to proceed cautiously on curtailment or sided with management." Reuther and Murray, therefore, "attempted to move labor from a passive/defensive position on curtailment to an active/offensive one."[96] A crucial part of Reuther's strategy was maintaining that automobile factories could be converted to airplane production. Auto workers would thus have no need to fear idle auto plants. From the perspective of national defense, Reuther noted that conversion could be done in six months and constructing new plants would take a year longer.

"Bulldozers," wrote the economist and social commentator Stuart Chase, "went into mass production during World War II, which helped to win." Planes, like bulldozers, vessels such as Liberty Ships, and much else were not mass produced until the mobilization for World War II.[97] When France was on the verge of falling to Germany, however, in the late spring of 1940, and Roosevelt promised Congress and the nation that America could produce 50,000 planes a year, his cabinet brainstormed the idea of asking Ford and other automobile companies to mass produce airplanes. Auto-industry executives assumed that the federal government would need to construct new factories for this purpose. Reuther, however, was sure that existing automobile factories could be converted, pointing out that "the automotive industry, the mass production marvel of the world, over a year's period works at 50 percent of its total maximum capacity" and that "The tool and die workers of the automobile industry, the most skilled machinists in the world, the men who turn the production engineering blueprints into the realities of the machine, are also practically idle. A third of them are totally unemployed, on part time, or working temporarily on ordinary production jobs. Thus we have idle machinery and idle skilled labor. We propose to bring them together for the mass production of defense plants."[98]

In effect, Reuther's plan had three essential features: utilizing maximum production capability, converting existing facilities, and—what was vital to notions of a "workers' paradise"—acknowledging workers' expertise and wisdom by empowering cooperative employer-employee boards on which workers would have an important voice in deciding issues of production. "Labor asks only that it be allowed to contribute its own creative experience and knowledge," said Reuther during his December 28, 1940 radio address. Eleanor Roosevelt was particularly impressed by the idea of labor-management boards, and FDR wrote in a letter to William S. Knudsen, chairman of the office of production management, "It is well worthwhile to give a good deal of attention to this program."[99] On January 2, 1941, only five days after his radio address, Reuther was discussing his plan with Roosevelt in a meeting at the White House.[100]

In an overly narrow sense, the economic historian Paul A. C. Koistinen was correct in concluding that, "While it was ingenious, Reuther's plan would have rearranged power positions in Detroit radically, which doomed it to failure."[101] But increasingly, in the next few months and years, most of Reuther's core ideas were implemented. Instead of building new factories, old ones were converted, and human resources were maximally utilized. The Roosevelt administration, however, avoided crediting Reuther with these ideas, in an effort to make their implementation more palatable to business. More crucially, the administration also neglected to propose the creation of cooperative production boards. If these boards somehow had been instituted, the World War II economy certainly would have gone further in creating something closer to the kind of worker co-ops that one might expect to find in a Marxist "worker's paradise." Spokesmen for Ford, General Motors, and Chrysler called Reuther's conversion plan impractical. "Only about 10 to 15% of the machinery and equipment in an automobile factory can be utilized for the production of special defense material," said General Motors chairman Alfred P. Sloan.[102] Close to the opposite, however, proved to be true. Eighty-nine percent of Chrysler's machine tools were being used for armament production in 1943, according to the automobile company's president, K.T. Keller.[103] For wartime production to succeed, the Roosevelt administration needed to address the human dimensions, for millions of laborers new to industrial operations, of such a constantly malleable work environment.

By early 1942, however, the training for defense workers was in trouble. As Stuart Chase wrote a year later, "The war might have been lost while they floundered in the school of hard knocks."[104] But, increasingly, with the influence of unions, human relations departments, and the government's contractual efficiency demands, training operations were stabilized by a Training Within Industry (TWI) approach. To teach foremen how to teach skills to ten workers at a time, the district director Glenn Gardiner developed a set of five two-hour sessions. By the end of the war, over a million foremen and supervisors took this "course" in how to instruct new workers. According to Gardiner, "The program cast aside previous theories and practices and stripped the content to barest essentials."[105] The course stressed flexibility over rigid rules. Foremen were taught to think more in terms of how workers could serve than in how they should be disciplined. After taking their courses, foremen were given booklets with queries and prompts they could use to help workers assimilate the purposes and ideas underlying every detail of their tasks. Workers learned in a hands-on fashion and were required to give feedback and ask questions. Either intentionally or unintentionally, this TWI method, known as Jobs Instruction Training (JIT), was in the spirit of John Dewey's participatory and exploratory educational methods. After being tested in New Jersey, JIT was offered nationwide by November 1941 and became the standard for defense industry training by spring 1942.

JIT was particularly useful during the war. The influx of millions of new manufacturing workers, along with industrial conversion and other innovative factory procedures, generated fluid situations in need of creative solutions. In particular, many skilled tasks needed to be broken up among unskilled workers, who would gradually become skilled and teach new workers. The program had broad effects but was extremely efficient; functioning like a beneficent pyramid scheme, it required only a few hundred instructors, most of whom taught foremen and supervisors.

By fall 1942, the TWI leadership introduced Gardiner's Jobs Method Training (JMT) program, composed of sets of five two-hour sessions devoted to teaching workers to redesign skilled tasks so that they could be done by semiskilled and unskilled workers. The economist Michael H. Best observed that Henry Ford assigned "standard-*setting*, problem-solving and learning-functions [exclusively to] his process engineers; they were not pushed down to the workers" until TWI and JMT entered the workplace.[106] Stuart Chase described JMT as a "course in scientific management, humanized."[107] Ironically, workers, at first, were wary of JMT and TWI itself, assuming that they represented a form of Taylorism—that is, a grueling, labor-insensitive set of management-driven worker-efficiency techniques. When JMT was explained at meetings, however, workers became more receptive and enthusiastic. Management, conversely, remained resistant to TWI and JMT throughout the war and, according to the historian William J. Breen, was "virtually forced to participate."[108]

Part of the reason for TWI's success was that during the war those in newly formed human relations departments had gained much power over hiring, firing, and discipline and did not yet identify with management, as they increasingly would after the war. Many in human relations considered themselves independent and reformist in nature. As Breen observed, "the impetus behind the TWI programs did not come from management, but from representatives of the new profession of personnel administration. Without the drive and cohesion of this group, it is likely that industrial training during the war would have languished, with very serious effects on industrial production."[109] After the war, though, human relations departments became more subservient to management. TWI lost influence. Management never identified with it, and unions reverted to their initial suspicions that TWI was a management-driven worker efficiency ploy. Postwar TWI methods themselves became less innovative and incorporated more rote instruction.

The practice of TWI may have waned in the postwar United States, but, in another ironic development, it thrived in Japan after the war, when Americans introduced TWI handbooks there to help revive Japanese industry. "TWI was widely and intensively adopted in Japan.... Improvement [was] achieved through bottom-up group activities," wrote Akira Takanaka and J. H. Haig in the mid 1980s.[110] The industrial engineer Taiichi Ohno had reformulated TWI to fit into the Toyota Production System (TPS). Interestingly, Takanaka and Haig have tried to identify where Maslow would place the needs of Japanese workers in his hierarchy of motives. Their article puts them on a cusp between Maslow's fourth level, which seeks self-esteem, and his fifth level, seeking self-actualization.[111] No doubt the worker empowerment TWI provided contributed to Japanese employees' achievements within these two levels. Similarly, TWI probably was a larger factor in their enjoyment of their jobs than World War II defense industry workers realized. Conversely, Kalecki might have attributed management's reflexive opposition to TWI to its entrenched cultural opposition to worker enjoyment and empowerment.

In February 1943, J. Walter Dietz, a founder of the TWI program, said that TWI was "resolved to do something definite and specific to free this democratic spirit in our own plants, and to help make this country worth fighting for."[112] William J. Breen said TWI "was a small step toward industrial democracy, but it was a giant step away from the 'drive' system [in which workers were mere cogs in a system] and toward a more human workplace."[113] If socialism can be best understood as workers controlling production, TWI and World War II production processes represent a small but critical advance in American socialism.

It has become a truism that Black unemployment has "always" been double white unemployment. The 1930 Census, however, registered a lower nonwhite than white unemployment rate, and the 1940 Census indicated that unemployment was only 20 percent higher among nonwhites than whites.[114] In fact, 1954 was the first year in which there was a two-to-one ratio between the percentage of unemployed African Americans and the percentage of unemployed whites. That ratio has remained an approximate constant since then. After the mid-fifties, a Black person, Killingsworth noted, is roughly twice as likely to be out of work as a white person, and that ratio has "persisted through good years and bad since first appearing in 1954."[115] In other words, since 1954, the ratio of Black to white unemployment has been roughly two to one, that is, one hundred percent greater or 200 to 100 percent; but, according to Killingsworth, the ratio was only 160 [percent Black unemployment to 100 percent white unemployment] in the 1947-49 period; the 1940 Census reported a ratio of 118, and the 1930 Census showed a ratio of 92."[116]

After June 25, 1941, however, when Black leaders pressured Franklin Roosevelt to issue Executive Order 8802 barring racial and ethnic discrimination in America's defense industry and establishing the Fair Employment Practice Committee (FEPC) to enforce that order, African Americans, together with most other Americans, had experienced something nearly approaching "true full employment." Although the anti-bias ban was often loosely enforced, during the war it gathered momentum as a cultural norm. It should also be noted that it was at times successfully enforced, as it was when FDR used the 1943 Smith-Connally Act making strikes interfering with war production illegal, which Roosevelt had ironically vetoed, to crush the Philadelphia Rapid Transit Employees strike against the promotion of African American workers. In 1944, however, FDR justified using the act by citing the need of defense workers to use the transit system to commute to work. In August 1944, the president ordered the Army into Philadelphia and threatened to draft any strikers, thus ending the strike and maintaining the promotions. Some events that are recalled as FEPC failures did in fact represent a small degree of progress. The 1943 promotion of African American shipbuilders in Mobile, Alabama caused a bloody riot in which white workers injured fifty people. A subsequent hate strike by white employees succeeded in segregating a shipway where Black workers

could be promoted. African American workers, however, continued to be promoted.

Bans against discrimination in wartime industries were dropped in 1946. The manufacturing and governmental skills that African Americans acquired during the war sustained their improved economic conditions until the early fifties when new technological advancements for which African Americans received little training helped to end the general rise in African Americans' standard of living. Many of them were stranded in the Northern inner cities where they had come during the war seeking new opportunities within the industrial sector. After the war, the average African American's standard of living declined in relation to the average white's.

Before the 2010 publication of Wilkerson's *The Warmth of Other Suns*, in 2006, historian James N. Gregory noted that "a *comprehensive* treatment of the century-long story of black immigration [from the South to the North] does not exist" [emphasis mine]. I stress Gregory's emphasis upon a need for a "comprehensive" study of the Great Migration because we can similarly use a comprehensive study of the World War II economy that accounts for the long migration's interaction with societal choices, in addition to the dynamic interaction of that economy with production, consumption, labor, finances, and distribution operations. Particularly pertinent for this essay is Gregory's recognition that studies of African Americans' Great Migration tend to dwell upon the early twentieth century and largely neglect "the more massive sequence of migration that began during World War II."[117] Significantly, the Great Migration came to a head during the war. Although the World War II economy provided the occasion for many horrific white "hate strikes" against African Americans, along with other forms of racial injustice, the "full labor participation" of the World War II economy did perhaps indicate a way out of the seemingly intractable quandary caused by slavery.

Painter Jacob Lawrence described Panel 45 of his *Migration Series*, titled "The migrants arrived in Pittsburgh, one of the great industrial centers of the North,"[118] as depicting migrants who "have escaped certain kinds of desperations and they have arrived in a goal where they hope to prosper, relatively speaking, not to become rich but just to prosper, and become a part of the work force and to realize the American dream, become a part of that dream." (See https://lawrencemigration.phillipscollection.org/the-migration-series/panels/45/the-migrants-arrived-in-pittsburgh-one-of-the-great-industrial-centers-of-the-north.)[119] In many respects, the World War II economy and the accompanying peak of the Great Migration pointed to a potential though not yet fully tested healing process for the horrors that the Middle Passage had initiated.

This was the hope of A. Philip Randolph, the leader of the Brotherhood of Sleeping-Car Porters, in attempting to create a robust full employment economy modeled after that of the World War II years. In that economy, as Hugh Rockoff put it, "labour," in effect, "was drained from low-wage occupations."[120] Surprisingly, virtually all recent studies of the World War II economy fail to recognize the importance of this effect. Randolph, who played a large part in negotiating FDR's barring of discrimination in the defense industry, was inspired by the economic improvement this non-discrimination policy brought to African Americans, and in the mid-1960s, with Bayard Rustin and Martin Luther King, Jr., he wrote a founding document for a still nascent economic and political program. In this document, titled *A "Freedom Budget" for All Americans: Budgeting Our Resources, 1966-1975, to Achieve "Freedom from Want,"* assimilates how "freedom from want" was supported during World War II and asserts that "in a full-employment environment most [workers] would be drawn into jobs and trained on the job."[121] Written with Bayard Rustin and Martin Luther King, Jr., Randolph's Freedom Budget sought to codify what, he said, "We have learned from World War II experience":

> The problem of training is reduced to manageable proportions when job opportunities are not lacking. Moreover a ten-year projection of the volume and structure of full-employment requirements would show us better what to train people for. Training them for jobs that do not materialize adds to frustration and discontent.[122]

Randolph urged adopting an approach to employment that was not premised upon "the 'unfitness' of the unemployed."[123] Since "it is futile to train people for job patterns of the past, which we could not repeat if we would, and should not repeat if we could," he felt an urgent need for a participatory economy that could accept all Americans as is. He therefore called for employment policies that could create jobs which "large portions of the unemployed need *at once*."[124] Randolph considered the return of the FEPC to be a necessary component of this economy. However, a new FEPC would require progressive economic planning, the likes of which have not recurred after World War II. At the 1963 March on Washington, in which he petitioned the Kennedy administration to reinstate the FEPC, Randolph also stressed the limits of the FEPC alone. "[W]e know," he said,

> that we have no future in a society in which 6 million black and white people are unemployed and millions more live in poverty. Nor is the goal of our civil rights revolution merely the passage of civil rights legislation. Yes, we want all public accommodations open to all citizens, but those accommodations will mean little to those who cannot afford to use them. Yes, we want a Fair Employment Practice Act, but what good will it do if profit-geared automation destroys the jobs of millions of workers black and white?[125]

A demand by Randolph and other African American leaders for a rebirth of the FEPC within the context of progreshttps://lawrencemigration.phillipscollection.org/the-migration-series/panels/45/the-migrants-arrived-in-pitts-burgh-one-of-the-great-industrial-centers-of-the-north.

Jacob Lawrence, *Panel 45, The Migration Series*

sive economic planning, was a sign of how Randolph and other African American leaders harked back to the World War II economy. Examining that economy gives the lie to the truism that Black to white unemployment is set at two-to-one. If the unemployment rate for African Americans is double the rate for whites, that is not inevitable; so too World War II prosperity was not inevitable.

During 1937-38 Recession, Americans wondered what was "bottlenecking," or slowing, the economy. In William Faulkner's 1938 short story, "Barn-Burning," Faulkner's use of the term "barn burning" connoted the informal burning of crops to raise their prices, and it can be interpreted as critical of the early New Deal's AAA policies. Faulkner was not an enthusiast of the thirties New Deal and may have been consciously or unconsciously expressing the need for another agricultural model. The metaphoric eliminating of bottlenecks is required to unleash the full labor participation and maximum production of the World War II economy. Within this context, Faulkner's "Barn-Burning" anticipates the increased dignity given to labor during World War II's economy by highlighting the vehicle through which its protagonist, Abner Snopes, a severely disgruntled farm worker, attempts to burn down his employer's barn: a lit candle in a "bottle neck." Lee Chang-dong's *Burning*, a 2019 film version of Faulkner's "Barn-Burning," updates the Depression-era short story. *Burning* presents a neoliberal vision of South Korea in which young people experience a kind of manufactured underemployment. The antagonist of Faulkner's "Barn-Burning," Abner Snopes, is a poor rural worker who is "bottled-up" and resorts to expressing his feelings through senseless violence. Ben (played by Steven Yeun), Snopes' counterpart in *Burning*, is an idle, rich serial murderer who has lost touch with everyday feelings. He sadistically kills so that he may achieve the experience of "feeling." Whereas Snopes feels and then explodes, Ben "explodes" to feel. The implication of the film is that current economic bottlenecks preventing a naturally healthy economy are less realistic and practical than they are artificially restrictive and psychological. The answers that a full participation maximum production society might afford are much more apparent than they were in the thirties when Faulkner wrote his story or in the late nineteenth century when the story took place. There is more of a sense now that under-utilization and under-development of the workforce are imposed and avoidable.

Also representing the "bottleneck" separating the early and late New Deals, the action of George Marshall's December 1939 film *Destry Rides Again* takes place in a small Western town named "Bottleneck," where a crooked gang has seized Bottleneck's land and economy. During the mobilization, a bottleneck came to mean a malfunction standing in the way of America's maximum industrial production. Hitchcock's 1942 film, *Saboteur*, for instance, opens with two defense workers accidentally running into one another and falling. The film's hero (Robert Cummings) tells the undercover German saboteur (Norman Lloyd), "Hey, Mr. Roosevelt wants us to eliminate bottlenecks." Gradually, however, the phenomenon of bottlenecks gave way to a different narrative.

Never before or since has American industry accommodated the workforce "as is." This statement, however, must be extended. More than merely accommodating the workforce, the government also proactively opened the industrial sector to minorities and women. This active accommodation allowed the prewar "oversupply" of agricultural workers, among others who had been excluded from industrial production, to be retrained on the job as participants in innovative workplace programs that turned unskilled workers into skilled ones. The economic plan guiding the wartime economy also developed "human infrastructure" by, for example, providing daycare centers to facilitate the transition of many women into the defense industry. The Roosevelt administration helped to proactively open the industrial workplace for the first time to African Americans and other minorities, women, the elderly, the disabled, and others. A federal ban on defense industry discrimination engendered a more robust form of "full employment" than that term now denotes, since wartime workers did not tend to be underemployed as part-timers or unwilling nonparticipants in the workforce. In addition, worker-friendly regulations provided wage floors, overtime pay, and unionization rights.

The Roosevelt administration helped to proactively open the industrial workplace for the first time to African Americans and other minorities, women, the elderly, the disabled, and others.

Business leaders initially resisted the fluid industrial reconversion—for example from automobile to airplane production—that was needed to meet production targets. This resistance severely threatened World War II prosperity. If, however, government policies accommodated the workforce, they also accommodated businesses. If greater economic security was the New Deal's signature accomplishment, the Roosevelt administration extended a form of New Deal government-mediated security to business owners by offering them the "cost-plus," or "government-owned, company-operated" (GOCO), contracts I've previously mentioned, by which the federal government paid reasonable profits to private businesses and also covered their expenses. In exchange for guaranteeing their profits, these contracts required businesses to pay workers a living wage with overtime pay and to respect the collective bargaining rights of unions.

Despite the success of these contracts, the relative peace that Roosevelt made with business owners might help explain why progressives do not more readily identify with the Late New Deal. Most liberals were disheartened by the president's apparent subservience to the business sector. Government financing, however, by providing that sector of the economy with security, gave the Roosevelt administration enough leverage to contract and control business firms with the consent of their owners, in a manner that engendered widespread prosperity. It should also be noted that during the war the government established a marginal tax rate reaching 94 percent on earnings over $200,000. (This amount, adjusted for inflation, would come to about three million 1921 dollars.) The nation's corporations and highest earners also paid a 70-percent "effective tax rate." That is, 70 percent was the average percentage of their incomes that those wealthy businesses and individuals actually paid after their deductions. Well-off companies and people also shelled out an excess-profits tax that peaked at 95 percent of their income.

Despite common assumptions that the war was financed mostly through deficit spending, taxes paid for a surprisingly large part of it. If one does not consider selling war bonds as government deficit spending, the war effort was supported in roughly equal portions by taxation and the Federal Reserve's creation of currency to pay for what the Treasury bought. Tax regulations, in addition, also progressively redistributed wealth. But, because America's middle class grew so much during the war, the large emerging middle class paid for more of the war than the rich. And, for the first time, Americans paid their taxes through payroll withholding deductions and quarterly assessments. These taxes helped to check inflation, and objections to them were muted, since first-time taxpayers tended to earn more during the war than they did in the pre-war years.

In addition to taxation and the fluidity of the workforce, the successful World War II economy was driven by what Roosevelt recognized as "something brand new in the thoughts of practically everybody"— the logistically efficient use of a nation's actual human and material resources instead of the inefficient limitation of those resources by budgets and payments in the currency that was designated, in FDR's words, by "the silly, foolish old dollar sign."[135] The president used this last phrase to sell his Lend Lease program, which was a means of developing the nation's workforce and industrial facilities without selling armaments, since Britain would not pay for those products in any timely fashion. More than two and a half years earlier, on April 14, 1938, FDR stated this economic approach as a way to end the 1937-1938 recession. With the Depression seemingly ending, in 1937 Roosevelt had attempted to balance the budget, causing a recession by the fall of that year. By the spring of 1938, progressive economists convinced him that, as he told the nation in a fireside chat, deficit spending which invested in the nation's industrial, human, and natural infrastructures was reasonable because the resulting "profit of getting out of [the recession] will pay for the cost several times over." "Government," said Roosevelt, regardless of any misleading financial bottom-line, "is stronger than the forces of business depression."[136] The Late New Deal began with this initial acceptance of compensatory deficit spending as an ongoing good. Although the Roosevelt administration only gradually implemented this new insight, it was increasingly applied, and its recognition culminated in the vital economic policies that were more forcefully introduced in Roosevelt's December 1940 Lend-Lease proposal.

FDR never completely gave up on the value of financial austerity. His administration, however, recognized the benefits of indefinitely prolonged government deficit spending before economist John Maynard Keynes did. The Roosevelt administration was, in many ways, more progressive than Keynes. It rejected Keynes's proposal to fight inflation by imposing a regressive federal sales tax and an overly harsh ceiling on workers' take-home wages; and, although Keynes had advised against wage and price control, his proposal implemented price ceilings, which, coupled with rationing, more than fought inflation by serving industrial and military needs. Price ceilings also made many foods available to all Americans, enabling many of them to substantially improve their diets by facilitating more protein and Vitamin C consumption than ever before.

By 1943, inflation was also checked by an unexpected increase in domestic non-military consumer production, which, together with increased savings, provided the nation's growing amount of currency with outlets other than rising prices. "The output of many consumer goods and services increased along with war production," wrote economist Robert R. Nathan, "and in the middle of 1943, total consumption by a reduced civilian population was still higher by a substantial margin than it was in 1939."[116]

Prosperity rose and economic inequality fell, during World War II, because of an inclusive workforce, fluid production redesign, the security provided by government contracts, progressive taxation, reasonable deficit spending, rationing, wage and price controls, the growth of the domestic consumer economy, and the living wages provided to workers. Among the other factors furthering this prosperity were the dynamic interplay between the intuitive insight of the administration's political leaders and the pioneering statistical, economic, and applied scientific knowledge of its economists. On May 16, 1940, as France was falling to the Nazi army, Roosevelt called upon the nation "to turn out at least 50,000 planes a year."[117] He had little basis in fact for believing this possible, since planes were not then mass produced.[118] Among the scientific advances aiding this and other FDR production goals, however, were statistical advances employing new flexible means of indexing. These manners of acquiring and using statistics were creatively adapted by the same economists who, initially, had helped to establish national income before the Roosevelt administration and then later, during the Early New Deal, had devised a measuring technique to determine national income. This measuring tool also became known as Gross National Product (GNP). The first GNP statistics, as calculated by economists such as Simon Kuznets and Robert Nathan, captured the public's imagination because they demonstrated how much national wealth had been lost during the Depression.

To alleviate the 1937-1938 Recession, Roosevelt utilized the concept of GNP, then called national income, in his April 14, 1938 Fireside Chat initiating the Late New Deal. This concept, as Roosevelt evoked it in that broadcast, is a rhetorical device that helps him to introduce a new economic mindset that his administration sparingly deploys in 1938, but which culminates in the World War II economy:

> This recession, [he said,] has not returned us to the disasters and suffering of the beginning of 1933. Your money in the bank is safe; farmers are no longer in deep distress and have greater purchasing power; dangers of security speculation have been minimized; *national income* is almost 50% higher than it was in 1932; and government has an established and accepted responsibility for relief. …
>
> It is worthwhile to remember that the *annual national people's income* was thirty billion dollars more last year in 1937 than it was in 1932. It is true that the national debt increased sixteen billion dollars, but remember that in that increase must be included several billion dollars worth of assets which eventually will reduce that debt and that many billion dollars of permanent public improvements—schools, roads, bridges, tunnels, public buildings, parks and a host of other things meet your eye in every one of the thirty-one hundred counties in the United States.
>
> No doubt you will be told that the Government spending program of the past five years did not cause the increase in our *national income*. They will tell you that business revived because of private spending and investment. That is true in part, for the Government spent only a small part of the total. But that Government spending acted as a trigger, a trigger to set off private activity. That is why the total addition to our *national production and national income* has been so much greater than the contribution of the Government itself.
>
> In pursuance of that thought I said [this] to the Congress today:
>
> "I want to make it clear that we do not believe that we can get an adequate rise in *national income* merely by investing, and lending or spending public funds. It is essential in our economy that private funds must be put to work and all of us recognize that such funds are entitled to a fair profit."
>
> As *national income* rises, "Let us not forget that Government expenditures will go down and Government tax receipts will go up." …
>
> "Let us unanimously recognize the fact that the Federal debt, whether it be twenty-five billions or forty billions, can only be paid if the Nation obtains a vastly increased *citizen income*. I repeat that if this citizen income can be raised to eighty billion dollars a year the national Government and the overwhelming majority of state and local governments will be definitely 'out of the red.' The higher *the national income* goes the faster will we be able to reduce the total of Federal and state and local debts. Viewed from every angle, today's purchasing power—the *citizens' income* of today—is not at this time sufficient to drive the economic system of America at higher speed. Responsibility of Government requires us at this time to supplement the normal processes and in so supplementing them to make sure that the addition is adequate. We must start again on a long steady upward incline in *national income*." …
>
> "We need to recognize nationally that the demands of no group, however just, can be satisfied unless that group is prepared to share in finding a way to produce the *income* from which they and all other groups can be paid...You, as the Congress, I, as the President, must by virtue of our offices, seek the national good by preserving the balance between all groups and all sections. We have at our disposal the national resources, the money, the skill of hand and head to raise *our economic level—our citizens' income*. Our capacity is limited only by our ability to work together. What is needed is the will. The time has come to bring that will into action with every driving force at our command. And I am determined to do my share."… "[In] the discipline of a democracy, every patriotic citizen must say to himself or herself, that immoderate statement, appeals to prejudice, the creation of unkindness, are offenses not against an individual or individuals, but offenses against the whole population of the United States. Use of power by any group, however situated, to force its interest or to use its strategic position in order to receive more from the common fund than its contribution to the common fund justifies, is an attack against and not an aid to our national life." [emphases added].[119]

Roosevelt here has used a strategy of investing in a resulting increase of national income to offset fears involving the national debt and budget deficits. The father of national income (or GNP), Simon Kuznets, noted that national income is "the total net contribution of economic activity in a nation," and, since national income measures all Americans' total income, it lends itself to being used to represent something that everyone in the nation shares.[141]

FDR has thus employed the trope of national income to concretize a share[d] "national good" for which all "group[s]" must "share in finding a way to produce the income from which they and all other groups can be paid." Those words were particularly directed to business leaders, asking them not to hoard their profits but instead invest them so as to grow the economy. In the light of FDR's 1944 Second Bill of Rights, however, this call to contribute to "our economic level—our citizens' income" can be interpreted as the basis of a universal right, which the government must facilitate, to participate in and be acknowledged for contributing to economic and civic life. As an example, the president himself emphasizes that he is "determined to do [his] share." Notably, the motto, "We do our part," although originally written for the Early New Deal National Recovery Administration (NRA), is fittingly more associated with its use during the Late New Deal and World War II. FDR uses "national income" to symbolically bind each American to a national collectivity so that "appeals to prejudice" and "the creation of unkindness, are offenses not against an individual or individuals, but offenses against the whole population of the United States." Although Roosevelt would later use similar language to unify and inspire wartime defense workers, this 1938 fireside chat occurred before the mobilization. This continuity exemplifies how seamlessly the Late New Deal's initial strategies became the domestic war economy's guiding policies.

Before the war, many of the economists who devised the notion of national income, or GNP, returned to government work. They devised a stunningly successful mobilization production plan. This plan, however, was initially launched due to Roosevelt's intuitive sense of what the government could encourage American industry to do. In May 1940, when France was falling to Germany, he famously called on the nation to produce 50,000 airplanes a year, among other seemingly unrealistic production goals. Nathan, Kuznets, Stacey May and other economists working within the National Resources Planning Board (NRPB), which in January 1942 was placed within the War Production Board (WPB), realized Roosevelt's vision. They utilized statistical descriptions of chains of production originally devised to calculate national income, or GNP. To this they added statistical innovations that allowed for processing options that let them coordinate production schedules and avoid what were then frequently called "bottlenecks."

These economists also realized that some of the production targets FDR had originally inspired were overestimated. Not changing them would have thrown off production timetables and caused devastating industrial logjams. The economists fought with Army generals to accurately adjust these targets. After much fierce disagreement, the economists leaked their discontent to the Washington Post and eventually convinced FDR and a consensus within the military's leadership to realistically alter production goals. An odd admixture of presidential intuition and informed scientific knowledge thus helped to double America's industrial output and produced from one- to two-thirds more armaments than anyone in the military or industry had previously predicted.

These NRPB economists crucially designed their pre-Pearl harbor "Victory Plan" so as to include the economic health and full participation of the civilian economy. This plan not only realized the World War II production miracle, but it also achieved a home-front economic miracle. Early in 1940, FDR had sensed that there was far more excess capacity and potential for innovation within the economy than any business or military leaders had previously thought. It was therefore important that well before the Pearl Harbor attack the administration's economists confirmed that FDR's goals were essentially reachable, and in some instances too modest. Crucially, also, a few days before the raid on Pearl Harbor, Robert Nathan increased many of Roosevelt's production targets when he completed the detailed Victory Plan.

In President Joseph Biden's 2021 infrastructure bill proposals, human resources such as childcare are once again being recognized as economic and industrial infrastructure. It behooves us, therefore, to recognize the distinct possibility that the result of America's investment in its home front during World War II was not necessarily a one-of-a-kind achievement. After all, in real dollars adjusted for inflation, America's spending to combat the Coronavirus pandemic, by April 2020, had well exceeded the World War II investment that the nation made to defeat the Axis powers. The government's initial 2020 pandemic response indicates that outlays on the scale of World War II can and do still occur, if not always with results that are similar to the nation's investment in winning World War II. An April 15, 2020 *Washington Post* headline read:

THE U.S. HAS THROWN MORE THAN $6 TRILLION AT THE CORONAVIRUS CRISIS. THAT NUMBER COULD GROW

Between Congress and the Federal Reserve, the Government Has Committed Record Levels to Try to Stop an Economic Calamity—with Just Limited Success[120]

The notion of World War II spending as a maximum limit to national spending that cannot be repeated has thus been debunked. Even in terms of percentage of spending to GDP, Covid-19 spending has far exceeded that of World War II. But, if we regain a consciousness of how World War II investments worked and continue to pay off, they could enable us to battle the ill-effects of climate change more effectively. And, given the fact that the investments made in wartime workers and the postwar GI Bill can now be definitively assessed as exceedingly good ones, similar or larger investments made in our current workforce could be financially even better ones, with greater economic and social ramifications. As it did during World War II, the government must expand the workforce to virtually all adults and gainfully employ them.

In addition to the winning of the war, the wellbeing of civilians was an essential aspect of the Roosevelt administration's prewar, wartime, and postwar economic plan. "The success of our war mobilization," wrote Robert Nathan, one of the chief Roosevelt administration economists responsible for the wartime production Victory Plan, "stems in part from military and industrial plans which had their genesis many years ago."[121] He considered the war's "outstanding lesson…the fact that we can produce much more than most people ever thought possible."[122] Productive growth today, it should be noted, does not necessarily mean carbon pollution, since the development of lesser carbon polluting energy sources and technologies would also add to economic growth. The dire climate change challenge makes Nathan's call to action seem particularly apt: "We can and must have a future of true abundance," wrote Nathan, "Our is the task of developing and applying appropriate mechanisms to make that objective a reality."[123]

Nathan was writing during the war in his largely ignored 1944 book, *Mobilizing for Abundance* concerning postwar planning. The rhetorical questions that Nathan asked then must be re-asked and now more seriously acknowledged:

> If we can so speedily and effectively mobilize our resources for such an effective war production, can we not with equal effectiveness, from both the technical and organizational viewpoints, mobilize our economic resources for peacetime production?...
>
> Do we have the courage, character, and vision to bring to bring about the same full utilization of resources in peacetime as in war? Will we reach behind the mysticism of financial terminology and high-sounding shibboleths and meaningless platitudes after the war is won, and resign ourselves to unemployment and chaos? Or will we develop and adopt policies to assure continuous prosperity? Will our attitude be one of supine acceptance of whatever is offered us, or will we be the masters of our own fate? Can we demonstrate the same degree of initiative and courageous action in raising our standard of living and providing steady jobs for all, as we have shown in producing the armaments the win the war?...
>
> It can be a future of ever-increasing standards of living and of opportunities for employment for all, so that all can share in the abundance which nature and science and effort have made possible. So much can be had if we will but reach forward, through the cooperation of government, labor, management, and capital, and let our vast resources bring the good life for all our people.[124]

Productive growth today…does not necessarily mean carbon pollution, since the development of lesser carbon polluting energy sources and technologies would also add to economic growth.

Nathan, it is important to realize, was not a novice observer. He was, rather, as the military economist Jim Lacey wrote, one of the "U.S. economists [who] won World War II."[125] It should also be remembered that before the December 1941 Victory Plan, derived days before the raid on Pearl Harbor, no one would have predicted that the Axis powers would have suffered such a swift defeat. In 1942, according to Noam Chomsky, the US military expected to fight to a standoff with Germany and establish two offsetting spheres of influence.[126] It often tends to be assumed that the World War II doubling of production was attained almost automatically through "the levels of spending" that the war required.[127] This assumption ignores skepticism from both the American right and left about the United States' potential ever to compete with the German war machine.[128] Helping to correct these assumptions of inevitable and overwhelming victory, historian Paul Kennedy's *Engineers of Victory* (2013) maintains that an Allied victory was by no means assured.[129] "Serious military historians have largely failed to examine the economic decisions," noted Jim Lacey, "relat[ing] to the critical military choices of the war."[130]

Establishing full employment and prosperity for all Americans appeared much more likely after the war than unconditionally defeating Germany did before the war. Despite the success of the World War II Victory Plan that Nathan co-authored, however, his call for a comprehensive national plan for vigorous full employment went unheeded. "The war has revealed the wonderful prospects which the future can hold in store for us," wrote Nathan. "Workers' skills have been developed and improved under the impetus of war production. All of these developments can go for naught unless we apply the same intelligence and will to postwar problems as we applied to the mobilization for war. For without favorable employment opportunities, democracy may perish…."[131] During the war, the government planned "favorable employment opportunities" for manufacturing workers. Industrial training programs were designed to empower previously unskilled workers. Modes of production were made flexible to accommodate the entire workforce as it was. Until the war years, modes of production had never so dramatically changed to suit the existing workforce, and this change could have continued after the war. Although it did not, it could now provide models for our post-pandemic economy.

To make it possible for more women to work in the World War II defense industry, the Roosevelt administration facilitated more than wages exceeding those paid to women in traditional female occupations. Women were also often offered free daycare. The children of shift workers were also given sleeping facilities at their parent's workplace. Women were also given packaged dinners to take home to their families. In an era when shops closed at five or six o'clock, working and shopping on the same day could be difficult.[132]

This rise in production was made possible because the

World War II economy was one in which few workers were left behind. Plans for this economy preceded America's entry into the war and were premised upon investing in the nation's infrastructure and not in weapons. Wartime prosperity and the war's domestic mobilization were based on this peacetime planning. This plan would have been fulfilled after the war through the unpassed 1945 Full Employment Bill. It would have made the World War II economy a permanent one by mandating investments in domestic improvements whenever workers faced unemployment or underemployment—that is, when they are unemployed or receive less than a living wage, are employed below their skill, or unwillingly work part time. The government would have maintained full employment, assisted by economists in the Executive Office of the President's (EOP's) Council of Economic Advisors (CEA).

Studying the World War II economy will help us to enact similar legislation now. For our economy to succeed in an equitable fashion, we must research the kind of public-private partnerships that worked for nearly everyone during the war. Although businesspeople resisted almost every aspect of these partnerships, their massive anti-government advertising campaigns, ironically, helped to give them credit for the war's so-called production miracle. As previously noted, one reason we know so little about the World War II economy now is that Roosevelt lost his liberal base's enthusiasm by seemingly collaborating with business during the war.

Businesspeople, however, suggested that it would be better to lose World War II through "free enterprise" (a then-new term) than win it through an enormous government-controlled increase in private sector production.

Nonetheless, economically victimized unskilled workers attained access to industrial skills and jobs with wages that previously seemed unimaginable. Isabel Wilkerson's *The Warmth of Other Suns* (2010) depicts wartime African American workers who "had more in their pockets than they were raised to think they had a right to. …earn[ing] enough for college and then some."[133] Only after 1954, when training for new technologies ceased being available to such marginalized workers, did it become axiomatic that Black workers were twice as likely to be unemployed as white ones.[134] Early New Deal work programs such as the Work Progress Administration (WPA) helped to mitigate the Depression and by some measures ended or nearly ended it twice, in 1937 and 1939,[135] but these work programs provided only minimum wage-level jobs, not the living wages that the government helped to establish for wartime defense workers, including minority groups and women for whom skilled manufacturing jobs had never before been open.

Before World War II, most Americans considered wars to be economically harmful. Although they were thought to be good for armament manufacturers, they were less often seen as a boon to business in general. The historic losses that the stock market suffered after the Pearl Harbor attack were thus foreseeable. Businesspeople feared a repeat of World War I, which caused intense public outrage against businesspeople. For most in business, this outrage and the government scrutiny it engendered outweighed the benefits of any profits that they might have enjoyed. In addition, the costly and unpredictable possibility of converting their factories to war and then back again to peace caused them to oppose the war.

Most businesspeople opposed any prospective partnership with the federal government. When the defense mobilization began, the government's original intention was simply to have private companies meet federal munitions orders. In 1940, Jesse Jones, head of the federal government's Reconstruction Finance Corporation (RFC), said, "Private sources will be expected to handle the greater part of capital demand from the war program that falls into the category of permanent expansion of plant."[136] In that year, too, according to a National City Bank forecast, all necessary industrial "expansion would go forward and be financed under private auspices."[137] Leaders of the private sector, however, were unable or unwilling to make the investments required to convert American industry for the war. Further, when it became clear that the private sector would not expand production as needed, many captains of industry fought government financing of that expansion, voicing a fear that, after the war, "those of a socialist bent" would use government-financed factories to compete with private companies. The head of the American Bankers' Association warned that the "future independence of business may depend on the extent to which the bankers finance defense orders."[138] What made these reservations against working with the government so startling was that the public-private financing and operating arrangements formed during the war would prove so good for big businesses. Roosevelt, in effect, made peace with business by giving it what he wished to give all Americans: security.

Businesspeople, however, suggested that it would be better to lose World War II through "free enterprise" (a then-new term) than win it through an enormous government-controlled increase in private sector production. General Motors chairman Alfred P. Sloan said it was "as essential to win the peace in an economic sense as it is to win the war in a military sense." "What does it gain us to destroy totalitarianism in the world," said Curtis Publishing head William D. Fuller, "if we cultivate totalitarianism at home?"[139] Sun Oil's J. Howard Pew said that if the mobilization "supinely relies on government control and operation, then Hitlerism wins even though Hitler himself be defeated."[140]

This underreported resistance to fighting the war at the level required to create prosperity is only one of many factors making this period's economic history less settled than it might have seemed to many observers. Certainly, the New Deal did not end in 1938. There was a distinct "Late New Deal" But my positing of an "Early" (1933-1935) and a "Late" (1938-1945) New Deal in this essay should not be confused with what thirties journalists called the 1933-1934 "First New Deal," which amongst much else featured the frenzied legislative pace of Roosevelt's "First Hundred Days" as president;[141] neither should it be confused with the 1935-1938 "Second New Deal," which prominently featured the introduction of the 1935 Social Security Act and of the WPA as the central government work program.[142] Although they are not the subject of this essay, these Early New Deal accomplishments were breathtaking. They arguably ended the Depression, but they did not deliver what we would today recognize as economic prosperity.[143] The Early New Deal set the stage for the later one, but the Late New Deal was responsible for realizing a relatively equitable and dynamic expression of a "fully employed" economy.

By the "Late New Deal," I refer to something similar to what John W. Jeffries and other historians called "The 'New' New Deal," or "Third New Deal." Jeffries and other historians, such as Otis Graham, acknowledged the Roosevelt administration's prewar planning for full employment and its emphasis upon economic rights as a distinct phase of the New Deal. They, however, fully credit New Deal prosperity to the seemingly inevitable results of wartime spending.[144] Jeffries and Graham are, of course, not alone in minimizing the progressive accomplishments of the post-1938 New Deal.

It is likely that the best of the World War II economy would still be in effect if the gains effected by the World War II economy had been legally codified through the enactment of the 1945 Full Employment Bill, which was critically changed by the House of Representatives, and by passage of a universal bill of rights, not one limited only to veterans.

That many of our best historians limit the New Deal to what I term the 1933-1938 Early New Deal is understandable. The last great piece of New Deal legislation, after all, was the 1938 Fair Labor Standards Act. By the 1938 midterm election, however, FDR lost control of Congress to a coalition of conservative Republicans and Dixiecrats. It was no longer possible for Roosevelt to enact major New Deal legislation. With the exceptions of taxation legislation, the 1942 Emergency Control Act (empowering the administration to enforce price controls), and the 1944 GI Bill of Rights, Roosevelt managed the World War II economy through executive orders and persuasive pleading that encouraged most Americans to cooperate voluntarily with price control, rationing, taxation, and other wartime policies.

It was unfortunate that FDR lost his ability to push his legislation through Congress. As I will later argue, this loss is the main reason why our analysis of the World War II economy is so foggy. It is likely that the best of the World War II economy would still be in effect if the gains effected by the World War II economy had been legally codified through the enactment of the 1945 Full Employment Bill, which was critically changed by the House of Representatives, and by passage of a universal bill of rights, not one limited only to veterans. After Roosevelt lost control of Congress, however, he was freer to craft his rhetorical vision in terms of universal freedoms and, eventually in 1944, economic rights. In the Late New Deal, much more clearly than in the Early New Deal, the president could see how the nation and the world could resolve its problems and achieve democratic and economic success (although the Early New Deal is commonly understood as the only New Deal). A dearth of post-1938 New Deal legislation has, nonetheless, led historians such as Alan Brinkley, David M. Kennedy, and William T. Sparrow to claim that FDR ceased to be a reform president after 1938. If, however, Roosevelt presided over America's most legislatively productive administration until 1938, during the first half of his presidency, he also presided over the most productive non-legislative one after 1938, during the second half of his presidency.

It is often noted that Roosevelt only began to focus on foreign affairs during his presidency's post-1938 Late New Deal phase. This was, of course, in large part due to the looming large war. This shift, however, also occurred because a president has more autonomy to work independently from Congress in foreign affairs than domestic ones. Roosevelt, nonetheless, used foreign affairs as a vehicle to shape the home front. In December 1943, Roosevelt disheartened liberals by likening himself to "Doctor Win-the-War," and no longer to "Doctor New Deal." Doctor New Deal, said FDR, had proved himself triumphant by curing the nation's "internal disease," but, in 1943, Doctor Win-the-War needed to treat the "external" injuries that the war inflicted. On the one hand, Roosevelt was accurate. Doctor New Deal had ended the Depression, and, in his remarks, the president basked in the New Deal's accomplishments by listing them. On the other hand, however, FDR's observations also served to hide his left-leaning goals from a Congress that was hostile to them. It was, after all, only about two weeks later that Roosevelt announced the apotheosis of liberal aspirations—his economic Second Bill of Rights.

Camouflaging progressive New Deal ambitions became a way of political life for Roosevelt. I know of no evidence that FDR foresaw the seemingly nonideological Reorganization Act of 1939 as the means through which he could conduct the coming war and plan the domestic economy. It, however, turned out that way. The Reorganization Act established the Executive Office of the President (EOP) which housed the War Production Board (WPB), Office of Price Admin-

https://www.metmuseum.org/art/
collection/search/488043.)

Jacob Lawrence, *The Pool Parlor*

istration (OPA), the Fair Employment Practice Committee (FEPC), the Lend-Lease program, and other prominent war agencies. This allowed the president to frequently bypass Congress, using executive orders to manage much of the production and mobilization required to fight the war.

The Late New Deal was, uncannily, built upon the ruins of much of the Early New Deal. After all, in early 1943, Congress defunded the National Resources Planning Board (NRPB) and virtually all of the federal work programs, such as the WPA and CCC. To repeat Mitchell's words, "Every act of founding is also an act of losing," and "every foundation is built upon destruction, the ruins of something prior, the ground beneath the foundation."[145] The manner in which we forget the World War II economy recalls Mitchell's description of how revolutionary movements tend to simply "occupy the ground" and metaphorically resist breaking new ground and forming a figure.

Mitchell here touches upon much that characterizes the war years. During the war, workers, in effect, "occupied" the economy. As shown in the above discussion of the Training Within Industry (TWI) program, this economy exhibited unusual flexibility in the handling and training of its workforce. The World War II economy, using Mitchell's terms, emphasized the "ground" of human endeavor over the "figuration" of fixed modes of production. This kind of mobility is displayed in Jacob Lawrence's *Pool Parlor* (1942), an early wartime painting that won the Metropolitan Museum of Art's "Artists for Victory" award (See https://www.metmuseum.org/art/collection/search/488043.) The painting dynamically relates human subjects, picture plane, and perspective in a particularly dominant manner that was new within Lawrence's work. Pool tables are askew and appear easily movable while players shoot or prepare to shoot. These players occupy no set position in relation to the tables. They act casually, yet in a seeming mode of "maximum production." The pool balls stand out like small central gears. They compositionally form a kind of "alternative ground" to the plane that the tabletops compose. Lawrence conveys a pre-Abstract Expressionist sense of a fluid "all-over" surface that paradoxically also suggests depth. World War II preceded the full-blown flowering of American Abstract Expressionist art, and the merging of figure and ground in twentieth-century painting goes back at least as far as Cézanne and Bonnard. But, given the extent to which those painters problematized figure-ground relations, it is fitting that World War II was the movement's seedtime. The allover quality of nascent Abstract Expressionist painting perhaps unconsciously reflects the unprecedented production levels reached by the war mobilization, as articulated by the contemporaneous branding as "all-outers" of those in the Roosevelt administration who advocated ceasing to manufacture large durable products for civilians so as to go "all out" to mobilize for the war. Whether or not one accepts this association, painters such as Jackson Pollock and Lee Krasner cultivated an "allover" approach to the painting's "ground," and if marks are all-over, there is no discrete foreground or figuration. Similarly, during the war years, the Bebop music of Dizzy Gillespie, Charlie Parker, and others began dissecting melody and rhythm into a more allover sonic fabric. A trend toward merging foreground and background can also be seen in American theater's contemporaneous movement toward improvisatory acting, which bypassed the need for a "background" script, and also by the sense of legitimating spontaneity and immediacy that was conveyed by American fashion's wartime acceptance of wartime rationing restrictions as they influenced clothing design. These restrictions, together with the cutting off of European high fashion, led to a new recognition of casual clothes as high fashion.

Studying the World War II economy raises questions that cannot be dealt with in a vacuum. "A foundational site," says Mitchell, "raises the stakes, or drives them deeper than rhetoric." If, according to Mitchell, "For a rhetorician, the topos, or topic, is itself, a site, a topographical location or 'commonplace' in discourse" then "the idea of a 'foundational site,' or *Grundungsorte*, is in a quite literal sense the most fundamental topos one could imagine…the 'taking place,' as Native Americans say, requires a totemic 'keeping place' to preserve memory and continuity."[146] However, given the forgetting that comes with birthing and founding, preserving this memory is difficult, and we must study a metaphorical foundational site such as the World War II economy to "demystify" it and intelligently utilize its legacy within our "human struggle."[147]

Based, in large part, on political considerations, conservative and libertarian economist Robert Higgs has contended that the World War II economy is an invalid economic model. He has even attempted to refute the apparent reality that any prosperity at all had occurred during World War II. Higgs has some sound reasons for this belief, but many of them center on what he considered excessive governmental involvement.

"Relying on standard measures of macroeconomic performance, historians and economists believe that 'war prosperity' prevailed in the United States during World War II," claimed Higgs. "This belief is ill-founded, because it does not recognize that the United States had a command economy during the war."[148] "For nearly half a century historians and economists, almost without exception," Higgs wrote in 1992, "have misinterpreted the performance of the U.S. economy in the 1940s."[149] He acknowledged that "some individuals (for instance, many of the Black migrants from the rural South who found employment in northern and western industry) were better off";[150] that "civilians were probably better off on the average during the war than they had been during the 1930s"; that "everybody with a desire to work was working"; that "people at the bottom of the consumption distribution could improve their absolute position"; "full employment relieved a lot of anxieties"; and people "were earning unprecedented amounts of money," "building up bank accounts and bond holdings" and "feeling wealthier."[151] Higgs, at the same time, denied that the war ended the Depression and created anything that was "prosperity":

> To sum up, World War II got the economy out of the Great Depression, but not in the manner described by the orthodox story. …certain events of the war years—the buildup of financial wealth and especially the transformation of expectations—justify an interpretation that views the war as an event that recreated the possibility of genuine economic recovery. As the war ended, real prosperity returned.[152]

Despite writing that most Americans experienced widespread increases in income that also decreased economic inequality, Higgs "challenge[s] the consensus view" and "orthodox account" that "the war got the economy out of the Depression"[176] while also contradictorily acknowledging that "World War II got the economy out of the Great Depression." Higgs accounts for this contradiction by maintaining that the recovery was "not in the manner described by the orthodox story" that acknowledged the role of government deficit spending. "After the war genuine prosperity returned," wrote Higgs, "for the first time since 1929" and before the introduction of Keynesian deficit spending.[152] That Higgs repeatedly called this recovery a "return" indicates that he did not appreciate how the notion of national prosperity differed before and after the Late New Deal. Higgs also does not recognize the role that compensatory deficit spending played in postwar economies. He nonetheless argued that the postwar prosperity was "genuine," whereas the early 1940s' economic recovery was not because it merely "recreated the possibility of the return of genuine prosperity" and made business leaders conscious of what they could accomplish after the war, independent of government.[153]

In the sense that Pablo Picasso said, "Art is a lie that makes us see the truth," for Higgs, the wartime economy would then be a fictive artwork that only depicted the "genuine prosperity" that capitalism could achieve. This premise is suspect because it ignores what government's involvement in the economy did achieve. Nonetheless, Higgs explained his unusual stance by claiming, "The prevailing misinterpretations of economic performance during the 1940s have arisen because historians and economists have failed to appreciate that the wartime economy, a command economy, cannot be readily compared with either the prewar or the postwar economy."[154] He reasons that wartime economic conditions were premised upon a "command economy" that could not be established in other times and thus was generally irrelevant. The wartime economy, however, did not function by government command but rather by voluntarily contracting with the federal government. Unlike, for instance, to a much great extent Great Britain, America's World War II economy, to repeat, was not a command economy. Business leaders, after fierce resistance, eventually cooperated on their own volution and for their own and their company's profit.

Price controls, it is true, did become a matter of government-imposed law that did, as Higgs concedes, successfully fight inflation while also lessening economic inequality by making commodities such as more nutritious food options more affordable. Despite the rationing of beef, Rockoff noted, "Protein consumption, with an abundance of meat, fowls, and eggs, reached an all-time high." "Partly as a result of a government supplementation program," Rockoff continued, "consumption of Vitamin C rose," as did "ice cream consumption."[155] Victory Gardens sprouted to assist the war effort by decreasing the amount of food needing to be transported and thus conserving oil, but fruits and vegetables were plentiful. Many Americans resented perceived favoritism in regard to rationing. They complained about gas and beef rationing. However, the domestic economy, in general, thrived despite rationing and controls. "The overall flow of per capita consumer goods and services," wrote economic historian Harold Vatter, "was maintained at a surprisingly high level."[156] During World War II, per capita American economic consumption reached "an all-time high." When considering only per capita civilian consumption—that is excluding Americans in the armed forces—this rise was "even more dramatic."[157]

Higgs primarily attributed the illusion of wartime full employment and prosperity to the labor shortage caused by the draft:

> What actually happened is no mystery….During the war the government pulled the equivalent of 22 percent of the prewar labor force into the armed forces. Voilà, the unemployment rate dropped to a very low level. No one needs a macroeconomic model to understand this event. Given the facts of the draft, no plausible view of the economy is incompatible with the observed decline of the unemployment rate. Whether the government ran deficits or not, whether the money stock increased or not, massive military conscription was sure to decrease dramatically the rate of unemployment.[158]

Higgs correctly points out that due to the draft the workforce that doubled the nation's productivity was in fact composed of fewer people than before the war. What, however, does this demonstrate? It first, of course, indicates that productive modes were startingly more effective during the war than before it. As regards, unemployment, Higgs is, of course, partially correct. The draft did contribute to a labor shortage that contributed to achieving full employment. However, as previously argued, labor shortages in themselves do not automatically create full employment. Labor shortages, furthermore, do not achieve the

Late New Deal manner of full employment. This manner of full employment featured three exceptional traits. First, fluid industrial modes used the workers at hand. Second, government helped to spur labor force participation so as to include groups who were previously, for the most part, excluded from the skilled and semiskilled manufacturing jobs. And third, the large increase of these jobs paid a living wage that was enhanced greatly by the "time and a half" overtime pay that these jobs offered. Perhaps the most important point that undermines Higgs's position, however, is the possibility that even if there were somehow no draft, and the workforce was much larger during the war than it was before it, the same methods used to attain full employment could have still been utilized to attain it.

Higgs has used the example of what happened during World War II, ironically, to attempt to disprove what in fact happened during World War II. "Virtually the only empirical evidence ever cited to support the view" that job shortages automatically solve unemployment, Killingsworth noted, "is what happened during World War II."[184] Obviously, however, much else than a tight labor market helped to achieve America's prosperous early forties form of full employment. Relatedly, in spring 2021, as America seemed to be recovering from the pandemic, there is an abundance of minimum wage jobs that unemployed workers are not taking. Arguably, the American Rescue Plan Act of 2021 has partly caused this by offering relatively generous unemployment benefits. Even without the Rescue Plan Act, however, there would be many reasons not to take these jobs, such as a lack of childcare. Notably, the only time that the federal government operated a nationwide daycare center was during World War II.

Higgs's second reason for disparaging World War II prosperity is his devaluation of armnaments as civic goods or ends. He asked a "crucial question: does war spending purchase a final good and hence belong in GNP, or an intermediate good and hence not belong?"[159] In other words, if no one consumes weapons, is the production of weapons a form of National Income (or GNP)? One might refute this by pointing out that no one consumes police protection, but it is nonetheless included in GDP. Indeed, in 1941, Kuznets used this reasoning to assume that defense spending was a form of GNP. Still, Higgs's query is valid. Simon Kuznets and other economists had often asked similar questions. In the 1930s, for instance, economists were divided about whether or not to include black-market activities within GNP, but Kuznets persuaded them to exclude illegal goods and services. After the war, in addition, Kuznets left the Commerce Department in large part over disagreements such as whether or not unpaid family housework should be recognized in GNP statistics. Kuznets thought it should be, but others in the Commerce Department disagreed.

As Kuznets wrote in 1945 about disputes concerning the calculation of GNP, "We note merely that the problems arise largely from the conflict between the aim of the investigator and the recalcitrant nature of reality."[160] Kuznets vacillated on how to account for war production as GNP. He acknowledged the lasting infrastructure improvements and workforce developments that armaments production necessitated. In 1945, however, he asserted that wartime and peacetime military spending should be differently incorporated in GNP statistics. Wartime industrial production for the military, he maintained, served a central and valid purpose. However, he also maintained that during peacetime only durable military goods, such as airplanes and tanks, should be included as National Income, although the Commerce Department disagreed with him about any such limitation as regards arms production. Higgs, nonetheless, used Kuznets's reasoning to advocate for the complete exclusion of military spending in National Income during both war and peace.

Higgs also legitimately called attention to a third concern. In 1945 Kuznets wondered if the armaments produced during World War II were not actually more expensive than originally calculated, and thus more of a drain on National Income than originally calculated, since arms production required the government to pay much more to purchase them than merely what it paid companies. The federal government's procuring of armaments also entailed such material and human infrastructure costs as retrofitting or building factories and providing daycare. This caused Kuznets to decrease the net National Income value of armaments in relation to America's total income.

Conversely, however, postwar economists have subsequently made the opposite reassessment regarding World War II armaments and their value as National Income. These economists have adjusted their value *higher* than it had been assessed during the war because the wartime production of these arms compares so favorably with *postwar* armaments production in terms of industrial efficiency, total inflation-adjusted cost, and net National Income value of production. Through the decades, the higher adjusted value of World War II arms increases. Thus, the further removed in time that we are from World War II, the higher that GNP in the 1940s appears.

Kuznets's GNP calculations were complex. Every GNP report, he determined, was a "tentative solution" for which "there is always room for disagreement."[161] Kuznets found it difficult to determine his criteria for including various phenomena in GNP. He suggested not becoming fixated on any one way of describing National Income:

> Should the aims served directly by war production—defense of the nation's social institutions or attainment of what is deemed its proper place in the world—be classified as themselves ends, on a par with the provision of consumer goods? Or should they be put first? …
>
> Estimates can be made only under assumptions

that reduce to a common denominator the various sectors of an economy at any given time, or of the nation's economy at different times, or of the economies of different nations. The differences in these elements shift over time and across space. This complexity of observable reality compels the investigator to select one set of assumptions from among many concerning the purpose, value, and scope of economic activity. No matter what assumptions are adopted, so long as they are stable in space and time violence is done to the complexity and heterogeneity of the aspects of social activity that are essentially economic. Consequently, there is always room for disagreement whether a given set of assumptions is less or more applicable in view of the uses to which the estimates are to be put.

> Obviously, a major war magnifies these conceptual difficulties, raising questions concerning the ends economic activity is made to pursue. It influences, partly through the effect on the ends and partly in other ways, the distinction between intermediate and final products and thereby between net and gross national product. It shifts markedly the boundaries of free market institutions, of government-controlled activities, of the family and of other institutions. And it accentuates the degree to which national interest is permitted to determine the scope of national product. …
>
> To the degree that the problems are not resolved and the statistical analysis yields several variants rather than a single estimate, this report is merely a halfway house from which we cannot as yet remove the scaffolding of alternative assumptions and estimates.
>
> This is due only in part to inadequacy of data, which forces one to make various guesses instead of a single reliable estimate. It is due even more to a conscious allowance for the possible validity of different viewpoints and divergent assumptions. Confining oneself to a single viewpoint and to a corresponding single series of estimates would be convenient. However, as national [income] product is a concept that implies answers to problems over which social philosophers have wrangled from time immemorial, the price might be too high.[162]

Kuznets does not hide the subjective nature of National Income (or GNP or GDP). Decisions concerning what should count as National Income necessarily involve social values. Social values, indeed, informed the history of National Income's founding. Although Kuznets is remembered as the father of GDP, the search for a viable means of measuring National Income goes back centuries. In America, it can be traced to the 1884 establishment of the United States Department of Labor, which was then primarily charged with gathering and circulating labor statistics. With "labor's claim that wages had fallen while prices had risen as a result of Republican tariff increases" in the 1890s, wrote Rockoff, the urge to devise a national income measurement to facilitate greater economic accountability grew.[163] By the Great Depression, the wish to establish something like GNP became more urgent. In 1929, Wisconsin Progressive Senator Robert La Follette, Jr. persuaded the Department of Commerce to estimate national income.[164] La Follette's "political point, clearly," noted Rockoff, "was to justify sweeping governmental economic initiatives."[191] Kuznets began work on the project in 1930 and issued his first report in January 1934.

GDP has become so associated with business interests that it might surprise many that it developed from populist and progressive politics. Vibha Kapuria-Foreman and Mark Perlman surmise that before immigrating in 1917 from Kharkov in the Ukrainian portion of Tsarist Russia, Kuznets "read the forbidden Marxist writers." From these writings, Kapuria-Foreman and Perlman maintain, came Kuznet's "fascination with the relative distribution of income [that] matured into a lifelong interest in the question of whether an improved relative distribution (meaning a movement to household income equality) was compatible with general economic growth." Kuznets had read "Eduard Bernstein's [Marxist] revisionism [that] argued that contrary to the original Marxian formulation workers' incomes were rising absolutely." Such an instance of "improved relative distribution," from a Marxist perspective, would be unusual because "the original Marxian formulation had seen no absolute improvement in incomes being possible." After all, the "surplus value" that capitalists add to the goods that workers create with their labor alienates workers from their labor since the price of what they produce would then necessarily exceed what they earn. Kapuria-Foreman and Perlman claimed that "Kuznets might likely have been inspired to devise an economic measurement capable of indicating if the total income of a society could sufficiently grow so as to provide workers with relatively equitable wages. Kapuria-Foreman and Perlman claimed "Kuznets seemed to have been a moderate," who, "accept[ing] revisionism, with its premise that the historical process had to work itself through, he became interested in the problems of changing distributions of income in the going society of his time."[165] As in Kapuria-Foreman and Perlman's view of Kuznets, this essay considers Michal Kalecki's 1940s concept of a successful form of capitalism that can accommodate some vital Marxist values.

As already noted, Kuznets called attention to the "problems aris[ing] largely from the conflict between the aim of the investigator and the recalcitrant nature of reality." Although Higgs raised some valid questions concerning the World War II economy, he could not completely undo what Kuznets called the "recalcitrant nature of reality."[166] World War II prosperity was genuine. The Americans who experienced it, after all, were not directly engaged with contentious distinctions concerning GNP. They instead knew that they earned, consumed, and saved much more than they had before.

Considering "the aim of the investigator" can nonetheless be fruitful. Kuznets would not deny that, although he worked rigorously and objectively, he nonetheless weighed perceived social values in his calculations. It is therefore not surprising that in 1941, when America seemed the "Arsenal of Democracy" since Great Britain relied on U.S. arms and supplies to defend it from Nazi Germany, Kuznets perfunctorily accepted munitions production as a valid GNP component. It seemed to be an obvious good, particularly for a Jew from Eastern Europe, and worth no small sum of money to keep Hitler at bay. However, near the war's end, Kuznets had second thoughts about the economic centrality of armaments production as it might exist in America during the coming Cold War. It is likely that, for Kuznets, manufacturing weapons seemed like a more self-evident good in a presumably defensive hot war than it would be in an arguably unnecessary cold one. He also probably anticipated many of the postwar military-industrial complex's possible economic, human, political, and military dangers. This might explain some of the historical context that led Kuznets to differentiate war- and peacetime munitions production.

Passage of the Servicemen's Readjustment Act of 1944, or the GI Bill of Rights, furnishes a textbook case of the Roosevelt administration remaining in the background while disguising the "figurative mark" of its New Deal aims. The law was nicknamed the GI Bill because that is short for the "GI Bill of Rights." The bill was premised upon FDR's similar economic Second Bill of Rights. Roosevelt intended that all Americans have the educational, housing, employment, healthcare, and business capitalization rights that the GI Bill of Rights primarily, though not exclusively, offered to white male veterans. The Roosevelt administration, however, needed to encourage the conservative American Legion to take the lead in lobbying for the law. Whereas Roosevelt saw the bill extending to some Americans rights that belonged to all Americans, the American Legion supported the bill in order to attain special benefits for its special-interest constituency.

The Roosevelt administration still receives little credit for a bill that it in large part crafted. The American Legion, for instance, saw little need for the GI Bill's generous educational allotments, while Roosevelt saw the bill as a vehicle for the federal government to support higher education and dramatically increase the number of college-educated Americans. Although millions of veterans availed themselves of the GI Bill's educational benefits, few in the American Legion or Congress expected many veterans to attend the colleges or the vocational schools that the GI Bill funded. The GI Bill's major fault, however, was its exclusivity. The bill obviously ignored those who did not serve in the military. Furthermore, the bill was implemented through local governments that, especially in the South, tended to bar African Americans from enjoying its benefits. Even when African American veterans' GI rights were recognized, they were often steered to low-level, unskilled occupations. Women veterans faced similar problems. Although the GI Bill brought many poorer Americans into the middle class, it also ironically left behind many Americans and heightened economic inequality.

If Americans are to realize the promise of the World War II economy, they must consider passing two laws: an updated version of the 1945 Full Employment Bill and a universalized 1944 GI Bill of Rights. The 1945 Full Employment Bill relied on the government's investment in its human capital and various forms of infrastructure as a mechanism for sustaining reasonably fair and equitable economic growth. The bill seemed less radical at the time than it would now appear to be, because it reflected the economy's rise during the war years. The GI Bill recapitulated the primary means through which the World War II economy operated: utilizing government investment in the private sector to guarantee full employment and the widespread development of the workforce.

Although the 1945 Full Employment Bill would have operated similarly, the 1946 Employment Act, was, in Jeffries's words, "a symbolic consensus statement of general government responsibility for a stable" economy. Although the CEA, as the act was finalized, does not guarantee full employment, its creation represented the government's acknowledgement that it must invest in the nation's economy sufficiently to prevent another severe economic downturn. Such an impulse was also at work during the 2008 and 2020 financial crises in which Federal Reserve actions and Congressional legislation disbursed unprecedented sums to corporations so as to prevent another Depression. For large businesses, by 2020, the Federal Reserve, in effect, had automatic economic stabilizers in place. Automatic stabilizers for many workers, such as unemployment insurance, are, however, either much less efficient or non-existent. There are, for instance, no automatic mechanisms for increasing the minimum wage to match the cost of living.

It seems apparent that the time has come to establish the kinds of economic mechanisms and institutions that the 1945 Full Employment Bill would long ago have put into to place. In this spirit, on February 18, 2021, Congresswoman Ayanna Pressley submitted a House Resolution "Recognizing the duty of the Federal Government to create a Federal job guarantee." Pressley would establish a job guarantee program that "would be administered by the Department of Labor."[167] This program, however, would resemble the thirties Works Progress Administration (WPA). Pressley's resolution, nonetheless, references World War II:

> The United States is facing four overlapping and compounding crises, namely the COVID–19 pandemic, climate change, systemic racism, and extreme eco-

nomic inequality, that together require a large-scale mobilization on the scale of World War II to address. [In terms of 2021 dollars, the nation's Covid-19 response has actually been trillions of dollars more than it spent on World War II] ...Congress and the Treasury have a demonstrated track record of mass-scale mobilization of the economy, including during World War II, when the United States maintained an average unemployment rate of under 2 percent, and successfully doubled real output of the entire economy in under 6 years in the face of an unprecedented existential threat. [During the war, the unemployment rate was as low as 1.2 percent and seemed even lower since the percentage of adult Americans participating in the workforce precipitously rose.]

Pressley's progressive voice is strong enough to evoke the need for a full employment guarantee by government. She should also be commended for linking this guarantee to the World War II economy. However, the World War II model for guaranteeing full employment differed from the WPA model. The World War II model relied primarily on regulated federal investment through private companies, whereas the WPA was a federal jobs program. The WPA was arguably crucial, before the war, in helping to end the Depression.[168] And, as Pressley's resolution implies, recreating the WPA would serve the nation well. Even if a new 1945 Full Employment Act were finally enacted, a revival of the WPA would be necessary to serve as an employer, vocational trainer, and project manager of last resort. The WPA, however, provided minimum wage-level jobs that we would not now recognize as living wages consistent with a prosperous economy. Also, as the sociologist Edwin Amenta noted, "the WPA left millions of the unemployed uncovered."[197] If Pressley's proposal succeeded, achieving nationwide prosperity probably would still require a reconsideration of the World War II full-employment model. How is it that Pressley justifies her resolution for achieving full employment by citing the example of the World War II economy, but she does not utilize the means by which that economy was achieved? Although Pressley is a distinctive progressive voice, a greater societal awareness of the Late New Deal and the World War II economic model would add much to her legislative powers.

This omission reflects a lack of historical awareness that I attempt to remedy in this essay. My introductory overview has suggested several reasons why the World War II economy has been ignored: it is associated with the industry that supplied the armaments for a most horrific war, and with a betrayal that Roosevelt's most dedicated base felt it had suffered; its accomplishments did not become law, and its legacies have been obscured in popular memory, along with the legacies of other radically innovative historical moments. The most important reason for that loss, however, is simple. The World War II economy is taboo. Because of its socialist-seeming tendencies, it is even more taboo now than it was at the time.

Historian Mark R. Wilson identifies this taboo in historical context. "Successful conversion of the U.S. economy," said Wilson,

> owed as much to socialism as it did to capitalism. To be sure, the American war economy relied on private-sector capacities, allowed for profits, and involved some competition among private firms. But it was also a war economy full of state enterprise and ramped-up regulation. The government paid for, and owned, acres of industrial plant; it managed complex supply chains. It collected huge amounts of information about its contractors' costs and business operations, which helped it to strictly control prices and profits. It even seized the facilities of several dozen companies, including those led by executives who flouted federal labor law.
>
> Remembering this public management and regulation of the industrial mobilization for World War II illuminates the history of modern conservative politics. Contrary to common belief, the war did not suspend politics as usual. In fact, the business community continued the energetic public relations effort begun in the 1930s to counter the New Deal. During World War II, business leaders expanded that antistatist political effort, adjusting, adjusting it to take account of new circumstances. ... Business leaders' political energy and unity, far from weakened by the stresses of war or patriotic duty, seem to have been bolstered by their common encounter with a formidable wartime state.
>
> ...
>
> During and after the war, the business community was remarkably successful in framing the lessons of the military-industrial mobilization. According to business leaders, only for-profit enterprises made positive contributions to the production "miracle" of the 1940s. This story, which was substantially destructive of the truth, contributed to a longer-running strain of American political discourse, which has disparaged governmental actors, condemned labor unions, and celebrated private enterprise.[198]

"We have at our disposal the national resources, the money, the skill of hand and head to raise our economic level—our citizens' income. Our capacity is limited only by our ability to work together. What is needed is the will. The time has come to bring that will into action with every driving force at our command."

—FDR

The lengthy passage I've quoted above places within a broader context the important findings of Wilson's *Destructive Creation: American Business and the Winning of World War II* (2016). Wilson's book concerns business' role in production, not in the domestic prosperity of the war years. This focus is understandable, but it is also vital to realize the government's central role in achieving pervasive economic success. Divided perspectives on the World War II economy work against a comprehensive understanding of it and constitute one of the many reasons why that economy is so inadequately understood today.

It is startling that the tale Wilson tells needed to wait until 2016, more than seventy years after the war ended. This is probably symptomatic of our current need to recognize what Wilson calls "the truth" underlying the World War II economy, because our only hope in alleviating our current inequality, and our environmental and economic crises lies through unapologetic government investment in the nation's and the world's present and future. Also, in 2016, Bernie Sanders' presidential bid broke through much of the taboo associated with socialism. FDR's wartime Economic Bill of Rights subsequently framed Sanders' second presidential campaign in 2020, which has attained at least some influence within the Biden presidency.

In the popular American mind, it has taken many decades after the war to begin to overcome the nation's taboo against socialism and its role within the World War II economy. This is not surprising when one considers the postwar Red Scare's invasive influence upon media and academia. The socialist perspectives that brought prosperity were, in a sense, nipped in the bud soon after the war. An ingrained taboo against socialism affected not only how conservatives would come to understand the World War II economy. The conservative "battle to frame the political lessons of the nation's economic mobilization for the biggest war in history" was "a significant one,"[199] and indeed it still is, because it can help throw those who would be receptive to the World War II economy's lessons off the trail of the accurate historical knowledge that many conservatives, libertarians, and business leaders consciously or unconsciously consider to be dangerous to their cultural, political, and economic interests. Among those whom conservatives have thrown from this trail are effective progressives like Ayanna Pressley and eminent economists and historians such as Herbert Stein, David M. Kennedy, Alan Brinkley, and James T. Sparrow. This essay seeks to make this trail more visible to us.

The kind of maximal employment programs followed by the 1938-1945 Roosevelt administration shook America. It would have been sustained by the near passage of the 1945 Full Employment Bill, in which underemployment would have automatically caused the government to invest in programs to improve the lives of Americans; a Universal Bill of Rights, which would have extended the benefits primarily limited to white male veterans to everyone; and price controls that are now needed in such areas as health care, insurance, pharmaceuticals, and higher education. That Covid-19 spending has so far exceeded that of World War II underscores the relevance of what FDR said at the outset of the Late New Deal in 1938, "We have at our disposal the national resources, the money, the skill of hand and head to raise our economic level—our citizens' income. Our capacity is limited only by our ability to work together. What is needed is the will. The time has come to bring that will into action with every driving force at our command." Obviously, now as then, we can meet the crises at hand, which now include climate change and socioeconomic inequality.

Stephen Paul Miller is the author of nine books of poetry and of The Seventies Now: Culture as Surveillance (Duke University Press) and The New Deal as a Triumph of Social Work: Frances Perkins and the Confluence of Early Twentieth Century Social Work with Mid-Twentieth Century Politics and Government (Palgrave Macmillan). He has co-edited Radical Poetics and Secular Judaism (Alabama University Press) and Scene of My Selves: New Work on New York School Poets (National Poetry Foundation). His work has appeared in The Best American Poetry 1994 and in many periodicals and journals, including Salon, New Observations, New American Writing, the Columbia Review, Barrow Street, the Wallace Stevens Journal, and the William Carlos Williams Review. His plays have been performed at The Kitchen, PS 122, La Mama, the St. Mark's Poetry Project, the Bowery Poetry Project, the Life Cafe, and Darinka in New York and Intersections in San Francisco. He originated the Ear Inn Poetry Reading Series, and he edited the innovative National Poetry Magazine of the Lower East Side, the Poetry Mailing List, and Critiphoria. Miller is a Professor of English and American Studies at St. John's University in New York City, was a Senior Fulbright Scholar at Jagiellonian University in Krakow, Poland, and co-ran the Columbia University American Studies seminar between 1999 and 2002. In 2015, he received a grant from Shanghai International Studies and Hunan Universities to lecture and give poetry readings in China. He is currently working on two books: his tenth book of poems and a study of the Late New Deal as the determinant factor in shaping World War II prosperity.

NOTES:

[1] David M. Kennedy. *Freedom from Fear: The American People in Depression and War*, 1929-1945. New York: Oxford University Press. 1999. 363.

[2] Alan Brinkley. *The End of Reform: New Deal Liberalism in Recession and War.* New York: Vintage Books, 1995

[3] James T. Sparrow. *The Warfare State: World War II Americans and the Age of Big Government.* New York: Oxford University Press, 2011. 25.

[4] Ibid. 113.

[5] Ibid. 114.

[6] Howard Zinn. *A Power Governments Cannot Suppress.* San Francisco: City Lights Press, 2007. 11.

[7] See below for how "Late New Deal" differs from others

periodizing divisions such as a 1933-1934 "First New Deal," 1935-1938 "Second New Deal," and a later "Third New Deal."

[8] Sparrow. 154.

[9] Nelson Lichtenstein. *The Most Dangerous Man in Detroit: Walter Reuther and the Fate of American Labor.* New York: Basic Books, 1995. 176.

[10] Charles C. Killingsworth. *Jobs and Income for Negroes.* Washington, D.C.: Institute of Labor and Industrial Relations, U of Michigan Ann Arbor, Wayne State University, and National Policy Task Force. May 1968. 36.

[11] Stephanie Kelton. *The Deficit Myth.* New York: Public Affairs, 2020. P. 56.

[12] Brinkley. 333, n. 77.

[13] Robert Kuttner. *Biden's Child Tax Credit as Universal Basic Income. American Prospect.* March 16, 2021. https://prospect.org/economy/bidens-child-tax-credit-as-universal-basic-income/.

[14] Until 1991, Gross Domestic Product (GDP) was calculated as Gross National Product (GNP). In the 1930s and the 1940s, however, it was usually called "National Income."

[15] https://www.thebalance.com/us-gdp-by-year-3305543#us-gdp-by-year-since-1929-compared-to-major-events

[16] Hugh Rockoff. "The United States: From Ploughshares to Swords." Pp. 117-118. In Mark Harrison, ed. *The Economics of World War II: Six Great Powers in International Comparison.* New York: Cambridge University Press. 1998. Pp. 81-118.

[17] Herbert Stein. *The Fiscal Revolution in America: Policy in Pursuit of Reality.* Washington, D.C.: American Enterprise Institute, 1996. 169-170.

[18] Eric Rauchway. *The Great Depression and the New Deal: A Very Short Introduction*, New York: Oxford UP, 2008. 127.

[19] Ibid. 154.

[20] Gordon Wright. *The Ordeal of Total War: 1939-1945*. New York: Harpers Collins. 1968. 282.

[21] Michael H. Best. *How Growth Really Happens: The Making of Economic Miracles.* Princeton, NJ: Princeton University Press, 2018. 26.

[22] See "Noam Chomsky: The Alien Perspective on Humanity—Jung and Naiv: Episode 284. https://www.youtube.com/watch?v=h0qdbsE3Jqo.

[23] Michael S. Neilberg. "The 'Good War' in American Memory by John Bodnar." Review. *Journal of Social History,* Vol. 45, No. 3, The Hidden History of Crime, Corruption, and States (Spring 2012), pp. 870-872. P. 870. English studies scholar Anita Feldman remarked in conversation that "an uncritical positing of a 'greatest generation' does not account for what made it great."

[24] John Bodnar. *"The Good War" in American Memory*. Baltimore, MD: The Johns Hopkins University Press, 2010. 3.

[25] Ibid. 2.

[26] Also see Paul Fussell's *Wartime: Understanding and Behavior in the Second World War* (1989) and Wendy A. Wall's *Inventing the "American Way"* (2008).

[27] Ibid. 155.

[28] Hugh Rockoff. *America's Economic Way of War.* New York: Cambridge University Press, 2012. P. 6.

[29] James K. Galbraith. *The End of Normal: The Great Crisis and the Future of Growth*. New York: Simon and Schuster, 2015. 214.

[30] See Anthony S. Campagna. *The Economic Consequences of the Vietnam War.* Westport, CT.: Greenwood, 1991.

[31] Franklin Delano Roosevelt. State of the Union Address. January 3, 1938. http://www.let.rug.nl/usa/presidents/franklin-delano-roosevelt/state-of-the-union-1938.php

[32] Donald Nelson. *Arsenal of Democracy: The Story of American War Production.* New York: Harcourt, Brace, and Company, 1946. 114.

[33] Ibid.

[34] Michal Kalecki. "Political Aspects of Full Employment (1943)" *The Political Quarterly*. Volume 14, Issue 4. https://mronline.org/2010/05/22/political-aspects-of-full-employment/.

[35] Mark R. Wilson. *Destructive Creation: American Business and the Winning of World War II.* Philadelphia, PA: University of Pennsylvania Press, 2016. 4.

[36] See George Vincent Sweeting in *Building the Arsenal of Democracy: The Government's Role in Expansion of Industrial Capacity, 1940 to 1945.* Ph.D. dissertation. Columbia University History Department. 1994.

[37] Michal Kalecki. "Political Aspects of Full Employment (1943)," in *The Last Phase in the Transformation of Capitalism.* New York: The Monthly Review Press, 1972. 75-76.

[38] Ibid, 78.

[39] Mark R. Wilson. *Destructive Creation: American Business and the Winning of World War II.* Philadelphia, PA: University of Pennsylvania Press, 2016. 4.

[40] Michal Kalecki. *The Last Phase in the Transformation of Capitalism*. New York: The Monthly Review Press, 1972.

[41] Until the 1980s GDP (Gross Domestic Product) was calculated as GNP (Gross National Product).

[42] See Eric Rauchway. "New Deal Denialism." *Dissent*, Volume 57, Number 1, Winter 2010, pp. 68-72. 68. file:///Users/millers/Downloads/Rauchway_NewDealDenialism%20(3)%20(1).pdf.

[43] Ibid.

[44] Michael H. Best, William E. Connolly. *The Politicized Economy.* Lexington, Mass.: D.C. Heath, 1982. 46, n.77.

[45] James T. Patterson. *America's Struggle Against Poverty.* Cambridge, Mass.: Harvard University Press, 2000. 136.

[46] Killingsworth. 60.

[47] Jason Scott Smith. "The New Deal Order." *Enterprise & Society,* Vol. 9, No. 3 (September 2008), pp. 521-534. Page 521.

[48] "A Theory of Human Motivation." A. H. Maslow *Psychological Review,* 50 (1943), 370-396. http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.318.2317&rep=rep1&type=pdf

[49] Maslow. 1943. 370-396.

[50] Ibid.

[51] Ibid.

[52] Alfred Maslow. *Motivation and Personality.* New York: Harper. 1954. 152.

[53] Franklin Delano Roosevelt. "1944 State of the Union Address." https://www.fdrlibrary.org/address-text.

[54] Hugh Rockoff. "The United States: From Ploughshares to Swords." Pp. 117-118. In Mark Harrison, ed. *The Economics of World War II: Six Great Powers in International Comparison*. New York: Cambridge University Press. 1998. Pp. 81-118.

[55] Commonwealth Club Address, address by Franklin D. Roosevelt, September 23, 1932. https://images2.americanprogress.org/campus/email/FDRCommonwealthClubAddress.pdf

[56] Franklin Delano Roosevelt. "1944 State of the Union Address." https://www.fdrlibrary.org/address-text.

[57] Ibid.

[58] Joseph Lelyveld. *His Final Battle: The Last Months of Franklin Roosevelt.* New York: Alfred A. Knopf, 2016, 100.

[59] James K. Galbraith. *The End of Normal: The Great Crisis and the Future of Growth.* New York: Simon and Schuster, 2015. 63.

[60] https://images2.americanprogress.org/campus/email/FDRCommonwealthClubAddress.pdf

[61] Robbins, Lionel. *Essay on the Nature and Significance of Economic Science.* London: Macmillan Press, 1935. 16.

[62] Dotan Leshem. "What Did the Ancient Greeks Mean by Oikonomia?" *Journal of Economic Perspectives.* Volume 30, Number 1. Winter 2016. Pp. 225–231. 226.

[63] Robbins. 24.

[64] Leshem. 226-227.

[65] See Maury Klein. *A Call to Arms*. New York: Bloomsbury Press, 2013. 345.

[66] Lloyd G. Reynolds. *Labor Economics and Labor Relations.* Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1964. 375.

[67] Killingsworth. 56.

[68] John Maynard Keynes. *The General Theory of Employment, Theory, and Money.* London: Palgrave Macmillan, 1936. 173.

[69] Ibid. 79.

[70] *Technology and the American Economy: Report of the National Commission on Technology, Automation, and Economic Progress.* Washington, D.C.: Government Printing Office, 1966. Vol. 1. 23.

[71] James Tobin. "On Improving the Economic Status of Negroes." *Daedalus*. Fall 1965. 880, 884, 887.

[72] Killingsworth. 54.

[73] Ibid. 55.

[74] Ibid.

[75] Ibid.

[76] Michael H. Best. *How Growth Really Happens: The Making of Economic Miracles.* Princeton, NJ: Princeton University Press, 2018. 26.

[77] Mitchell. 155.

[78] Gordon Wright. *The Ordeal of Total War: 1939-1945.* New York: Harpers Collins. 1968. 282.

[79] Mark R. Wilson. *Destructive Creation: American Business and the Winning of World War II.* Philadelphia, PA: University of Pennsylvania Press, 2016. 297, n. 14, 6.

[80] Gordon Wright. *The Ordeal of Total War: 1939-1945*. New York: Harpers Collins. 1968. Pp. 81, 117.

[81] Alan S. Milward. *War, Economy and Society, 1939-1945.* Berkeley: University of California Press, 1977. P. xii.

[82] Larry Neal. "War, Economy and Society, 1939-1945 by Alan S. Milward." *The Business History Review,* Vol. 52, No. 3, Corporate Liberalism (Autumn, 1978), pp. 441-443.

[83] Harold G. Vatter. *The U.S. Economy in World War II.* New York: Columbia University Press. 1985. P. ix.

[84] Hugh Rockoff. "The United States: From Ploughshares to Swords." Pp. 81, 117. In Mark Harrison, ed. *The Economics of World War II: Six Great Powers in International Comparison.* New York: Cambridge University Press. 1998. Pp. 81-118.

[85] Mark R. Wilson. *Destructive Creation: American Business and the Winning of World War II.* Philadelphia, PA: University of Pennsylvania Press, 2016. 297, n. 14, 6.

[86] Ibid. P. 5.

[87] Ibid. Pp. 4-6.

[88] Paul A.C. Koistinen's *Arsenal of World War II: 1940-1945*. Lawrence, KS: University of Kansas Press, 2004. 8-9.

[89] Doris Kearns Goodwin. *No Ordinary Time. Franklin and Eleanor Roosevelt: The Home Front in World War II.* New York: Simon and Schuster, 1994. 624-626.

[90] David M. Kennedy. *Freedom from Fear: The American People in Depression and War, 1929-1945.* New York: Oxford University Press. 1999. 364.

[91] Goodwin, 315.

[92] Ibid. 315-316.

[93] Abhijit V. Banerjee, Esther Duflo. *Good Economics for Hard Times.* New York: Public Affairs, 2019. Page 326.

[94] Sparrow. 114.

[95] Charles C. Killingsworth. *Jobs and Income for Negroes*. Washington, D.C.: Institute of Labor and Industrial Relations, U of Michigan Ann Arbor, Wayne State University, and National Policy Task Force. May 1968. 35.

[96] Ibid.

[97] Killingsworth, 36.

[98] Ibid.

[99] "Address of Walter P. Reuther. 500 Planes a Day." NBC. December 28, 1940. http://reuther100.wayne.edu/pdf/500_Planes_Speech.pdf.

[100] Paul A. C. Koistinen. *Arsenal of World War II: The Political Economy of American Warfare*, 1940-1945. Lawrence, Kansas: University Press of Kansas, 2004. 131-132.

[101] Stuart Chase. *The Most Probable World.* New York: Harper & Row, 1968. 57.

[102] "Address of Walter P. Reuther. 500 Planes a Day." NBC. December 28, 1940. http://reuther100.wayne.edu/pdf/500_Planes_Speech.pdf.

[103] Kenneth S. Davis. *FDR: The War President, 1940-1943, a History.* New York: Random House, 2000. 437.

[104] Elisabeth Reuther Dickmeyer. *Putting the World Together: My Father Walter Reuther, the Liberal Warrior.* Lake Orion, MI: Living Force Publications, 2004. 66.

[105] Koistinen, 132.

[106] Dickmeyer, 66.

[107] James Teneyck, *Life and Times of Walter Reuther: An Unfinished Liberal Legacy.* New York: Page Publishing, 2016.

[108] Stuart Chase, "Show-How: A Revolution in Management," *Readers Digest* 43 (Oct. 1943), 79.

[109] Breen, 247.

[110] Best, 45.

[111] Chase, 108.

[112] Breen, 264.

[113] Ibid.

[114] Akira Takanaka and J. H. Haig. "Inside Views of Japanese Productivity Management." *International Studies of Management & Organization*. Vol. 15, No. 3/4, (Fall, 1985 - Winter, 1986), pp. 17-68. 35.

[115] Ibid, 66-67.

[116] Breen, 266.

[117] Ibid.

[118] Killingsworth, 15.

[119] Killingsworth, 2.

[120] James N. Gregory. *The Southern Diaspora: How the Great Migrations of Black and White Southerners Transformed America.* Chapel Hill, N.C.: The University of North Carolina Press. P. 5.

[121] https://lawrencemigration.phillipscollection.org/the-migration-series/panels/45/the-migrants-arrived-in-pittsburgh-one-of-the-great-industrial-centers-of-the-north

[122] https://lawrencemigration.phillipscollection.org/sites/default/files/JL-1-7-a5-Panel-45.pdf

[123] Rockoff (1998), 117.

[124] A. Philip Randolph, Bayard Rustin, Martin Luther King, Jr. *"Freedom Budget" for All Americans: Budgeting Our Resources, 1966-1975, to Achieve "Freedom from Want."* New York: A. Philip Randolph Institute, 1966. 43. https://archive.org/details/freedomBudgetForAllAmericansBudgetingOurResources1966-1975To/page/n24/mode/1up?q=train

[125] Ibid. 13.

[126] Ibid. 30.

[127] Ibid. 31.

[128] https://www.jacksonville.com/article/20130820/NEWS/801247969

[129] FDR Press Conference. December 17, 1940. https://www.presidency.ucsb.edu/documents/press-conference-3.

[130] https://millercenter.org/the-presidency/presidential-speeches/april-14-1938-fireside-chat-12-recession

[131] Robert R. Nathan. *Mobilizing for Abundance.* New York: McGraw Hill, 1944. 8.

[132] https://www.mtholyoke.edu/acad/intrel/WorldWar2/fdr16.htm.

[133] https://www.mtholyoke.edu/acad/intrel/WorldWar2/fdr16.htm.

[134] https://millercenter.org/the-presidency/presidential-speeches/april-14-1938-fireside-chat-12-recession

[135] Simon Kuznets. *National Product in Wartime.* New York: National Bureau of Economic Research, Inc., 1945. vii.

[136] Adam Van Dam. "THE U.S. HAS THROWN MORE THAN $6 TRILLION AT THE CORONAVIRUS CRISIS. THAT NUMBER COULD GROW. Between Congress and the Federal Reserve, the Government Has Committed Record Levels to Try to Stop an Economic Calamity—with Just Limited Success," April 15, 2020 *Washington Post.* https://www.washingtonpost.com/business/2020/04/15/coronavirus-economy-6-trillion/.

[137] Robert R. Nathan. *Mobilizing for Abundance.* New York: McGraw Hill, 1944. 15.

[138] Ibid. 9.

[139] Ibid.

[140] Ibid. 10-12.

[141] Jim Lacy. *Keep from All Faithful Men: How U.S. Economists Won World War II.* Annapolis, MD: Naval Institute Press. 2011.

[142] See "Noam Chomsky: The Alien Perspective on Humanity—Jung and Naiv: Episode 284. https://www.youtube.com/watch?v=h0qdbsE3Jqo.

[143] Albert U. Romasco. "Hoover-Roosevelt and the Great Depression: A Historiographic Inquiry into a Perennial Comparison," in John Braeman, Robert Bremner, and David Brody, *The New Deal: The National Level.* Columbus, OH: Ohio State University Press, 1975, Pp. 3-26. Page 12.

[144] Dwight Macdonald, "National Defense: The Case for Socialism," Partisan Review 1 (1940): Pages 250-66; Robert Sherwood. Roosevelt and Hopkins: An Intimate History. New York: Harper Collins, 1948. Pages 152-53; David Brody, "The New Deal in World War II," in John Braeman, Robert Bremner, and David Brody, *The New Deal: The National Level.* Columbus, OH: Ohio State University Press, 1975, Pp. 267-309. Pages 276-278.

[145] Paul Kennedy. *Engineers of Victory: The Problem Solvers Who Turned the Tide in the Second World War.* New York: Random House, 2013.

[146] Lacy, Page 3.

[147] Nathan. 10.

[148] Anita Feldman made this point to me in an April 10, 2021 phone interview.

[149] Isabel Wilkerson. *The Warmth of Other Suns.* New York: Vintage, 2010. 138-139.

[150] Killingsworth, 20.

[151] See Eric Rauchway. "New Deal Denialism." *Dissent*, Volume 57, Number 1, Winter 2010, pp. 68-72. 68. file:///Users/millers/Downloads/Rauchway_NewDealDenialism%20(3)%20(1).pdf.

[152] White, Gerald T. 1949. "Financing Industrial Expansion for War: The Origin of the Defense Plant Corporation Leases." *Journal of Economic History,* 9(2): 156–183.

[153] Ibid.

[154] Andrew Bossie, J.W. Mason. "The Public Role in Economic Transformation: Lessons from World War II." The Roosevelt Institute. 2020. https://rooseveltinstitute.org/wp-content/uploads/2020/07/RI_WWII_Working-Paper_202003-1.pdf. 4.

[155] Wilson, 98.

[156] Bossie, Mason. 4.

[157] First New Deal accomplishments included the March 1933 resolution of the national banking crisis and later in that year establishing the Federal Deposit Insurance Corporation (FDIC) to insure bank deposits, an attempt to stabilize the economy through the National Recovery Administration (NRA), the Tennessee Valley (TVA) Act, banking reforms such as the Glass-Steagall Act, the refinancing of mortgages to prevent foreclosures through the Home Owners Act, and the Public Works Administration (PWA), aid to farmers through the Agricultural Adjustment Act (AAA), and regulating financial markets with the Securities Exchange Act of 1934.

[158] Other Second New Deal milestone were The Wagner Labor Relations Act guaranteeing workers the right to unionize and collectively bargain and establishing the National Labor Relations Board (NLRB), and the Fair Labor Standards Act (1938) instituting a federal minimum wage and forty-hour work week.

[159] See Eric Rauchway. "New Deal Denialism." *Dissent*, Volume 57, Number 1, Winter 2010, pp. 68-72. 68. file:///Users/millers/Downloads/Rauchway_NewDealDenialism%20(3)%20(1).pdf.

[160] See John W. Jeffries. "The 'New' New Deal: FDR and American Liberalism, 1937-1945. *Political Science Quarterly,* Vol. 105, No. 3 (Autumn, 1990), pp. 397-418. 417. Otis Graham. "Franklin Roosevelt and the Intended New Deal," in Thomas E. Cronin and Michael R. Beschloss, eds. *Essays in Honor of James MacGregor Burns.* Englewood Cliffs, NJ: Prentice Hall, 1989. 85-86.

[161] Ibid. 155.

[162] https://www.metmuseum.org/art/collection/search/488043

[163] W.J.T. Mitchell. *Image Science: Iconology, Visual Culture, and Media Aesthetics*. Chicago: The University of Chicago Press, 2015. 153.

[164] Ibid. 155.

[165] Robert Higgs. "Wartime Prosperity? A Reassessment of the US Economy in the 1940s." *Journal of Economic History.* March 1992, Vol. 52, No. 1. 41.

[166] Ibid.

[167] Ibid. 58.

[168] Ibid. 56.

[169] Ibid 58.

[170] Ibid. 41-42.

[171] Ibid. 41.

[172] Higgs. 44.

[173] Ibid 41-42.

[174] Hugh Rockoff. "The United States: From Ploughshares to Swords." 93-94. In Mark Harrison, ed. *The Economics of World War II: Six Great Powers in International Comparison.* New York: Cambridge University Press. 1998. 81-118.

[175] Harold Vatter. "The Material Status of the U.S. Civilian Consumer in World War II: The Question of Guns or Butter." 138. In G.T. Mills, Hugh Rockoff, eds. *The Sinews of War: Essays on the Economic History of World War II*. Ames, IA.: Iowa State University Press, 1993.

[176] Rockoff. 1998. 90-91.

[177] Higgs, 43.

[178] Ibid. 55.

[179] Ibid. 46.

[180] Kuznets. 1945. vii.

[181] Ibid. viii.

[182] Ibid. xiii-x.

[183] Hugh Rockoff. "On the Controversies Behind the Origins of the Federal Economic Statistics." *Journal of Economic Perspectives.* Vol. 33, No. 1. Winter 2019. 147–164. 148-149.

[184] Dorfman, Joseph. The Economic Mind in American Civilization: 1606–1933. New York: Viking, 1959. 669.

[185] Rockoff. 2019. 156.

[186] Vibha Kapuria-Foreman and Mark Perlman. "An Economic Historian's Economist: Remembering Simon Kuznets." *The Economic Journal*, 105 (November), 1995. 1524-I547. 1526.

[187] Kuznets. 1945. vii.

[188] https://pressley.house.gov/sites/pressley.house.gov/files/Pressley%20Federal%20Job%20Guarantee%20Resolution%20vF.pdf

[189] https://pressley.house.gov/sites/pressley.house.gov/files/Pressley%20Federal%20Job%20Guarantee%20Resolution%20vF.pdf.

[190] See Eric Rauchway. "New Deal Denialism." *Dissent*, Volume 57, Number 1, Winter 2010, pp. 68-72. 68. file:///Users/millers/Downloads/Rauchway_NewDealDenialism%20(3)%20(1).pdf.

[191] Edwin Amenta. *Bold Relief: Institutional Politics and the Origins of Modern American Social Policy.* Princeton, NJ: Princeton University Press, 1996. 194.

[192] Wilson. 4-5.

[193] Ibid. 5.


THE THUNDERHEART
CENTER FOR THE ARTS
AND CONFERENCE CENTER
A RESIDENCY PROGRAM
FOR ARTISTS AND WRITERS
THE BADLANDS
WASTA, SOUTH DAKOTA 57791
OPENING SPRING 2021
For information please contact Mia Feroleto
at 802 952 6217 or at mia.feroleto@gmail.com
www.ThunderHeartCenterForTheArts.com