

Then he faced the “prejudices of the public.” He received hate mail from viewers of his television specials demanding that he be fired, killed, or, at the very least, exiled from the human race. How could he question the good intentions of the government or the desirable results of the regulatory state unless he was, at the minimum, unbelievably stupid or, more likely, the incarnation of evil in the world?

Finally, he faced the “power of the interests.” Unions, business interests, and professional associations that eat at the government trough attacked him as a vile and dangerous threat to the “working man” and the betterment of America. In addition, the politicians and bureaucrats, whose anticompetitive policies he put into the public eye, tried to squelch his television specials.

But in spite of the most determined attempts to gag him, or to get him removed from his high-profile television position, he has survived. His television specials unmasking leftist ideologies and lies, and the abuse of political power, have had consistently high ratings.

Page after page recounts the details of his encounters with politically corrupt businessmen and power-lusting bureaucrats. He exposes the fraudulent methods used to spread myths and create fears about the extent of poverty and the quality of life in America, and the safety of products available to the average citizen in the marketplace. And he highlights the absolute contempt for the rights of others shown by those who use the state for their own purposes.

Stossel ends his book with a series of clear, crisp chapters defending the logic and benefits of the free market, the importance of personal and civil liberties, and the underlying value of freedom in general. John Stossel’s journey in the world of television journalism is proof that truth can win out. □

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FDR's Folly: How Roosevelt and His New Deal Prolonged the Great Depression

by Jim Powell

Crown Forum • 2003 • 336 pages
• \$27.50

Reviewed by Burton Folsom, Jr.

The Great Depression of the 1930s was by far the greatest economic calamity in U.S. history. In 1931, the year before Franklin Roosevelt was elected president, unemployment in the United States had soared to an unprecedented 16.3 percent. In human terms that meant that over eight million Americans who wanted jobs could not find them. In 1939, after almost two full terms of Roosevelt and his New Deal, unemployment had not dropped, but had risen to 17.2 percent. Almost nine and one-half million Americans were unemployed.

On May 6, 1939, Henry Morgenthau, Roosevelt’s treasury secretary, confirmed the total failure of the New Deal to stop the Great Depression: “We are spending more than we have ever spent before and it does not work. . . . I say after eight years of this Administration we have just as much unemployment as when we started. . . . And an enormous debt to boot!”

In *FDR’s Folly*, Jim Powell ably and clearly explains why New Deal spending failed to lift the American economy out of its morass. In a nutshell, Powell argues that the spending was doomed from the start to fail. Tax rates were hiked, which scooped capital out of investment and dumped it into dozens of hastily conceived government programs. Those programs quickly became politicized and produced unintended consequences, which plunged the American economy deeper into depression.

More specifically, Powell observes, the National Recovery Administration, which was Roosevelt’s centerpiece, fixed prices, stifled competition, and sometimes made American exports uncompetitive. Also, his banking reforms made many banks more vulnerable to failure by forbidding them to

expand and diversify their portfolios. Social Security taxes and minimum-wage laws often triggered unemployment; in fact, they pushed many cash-strapped businesses into bankruptcy or near bankruptcy. The Agricultural Adjustment Act, which paid farmers not to produce, raised food prices and kicked thousands of tenant farmers off the land and into unemployment lines in the cities. In some of those cities, the unemployed received almost no federal aid, but in other cities—those with influential Democratic bosses—tax dollars flowed in like water.

Powell notes that the process of capturing tax dollars from some groups and doling them out to others quickly politicized federal aid. He quotes one analyst who discovered that “WPA employment reached peaks in the fall of election years. In states like Florida and Kentucky—where the New Deal’s big fight was in the primary elections—the rise of WPA employment was hurried along in order to synchronize with the primaries.” The Democratic Party’s ability to win elections became strongly connected with Roosevelt’s talent for turning on the spigot of federal dollars at the right time (before elections) and in the right places (key states and congressional districts).

Powell’s book is well researched and well organized. His chapter titles are a delight. He synthesizes a mass of secondary sources (and some primary sources) in making a strong and persuasive case that the New Deal was a failure and that the Roosevelt presidency, at least in its first two terms—was a disaster. Powell covers all the major New Deal programs; he draws on the research of historians both “liberal” and conservative; and he is nuanced—this is no hatchet job—in that he concedes that some of Roosevelt’s policies, such as tariff revision, were more economically sound than, say, his industrial and agricultural policies.

FDR’s Folly takes its place on the shelf alongside Gary Dean Best’s *Pride, Prejudice, and Politics* and his more recent *Retreat from Liberalism* as liberating revisionist works that challenge the long-standing adu-

lation of Roosevelt given by almost all historians. In the most recent Schlesinger Presidential Poll (1997), the historians and “experts” chosen by Arthur Schlesinger, Jr., collectively ranked Roosevelt as the greatest president in American history, even though every other American president had lower unemployment rates than Roosevelt did for his first eight years in the White House. As late as 1999, David Kennedy won the Pulitzer Prize for a book (*Freedom from Fear*) that largely praised the New Deal as a legislative program and Roosevelt as its author.

With the dawning of the 21st century, we may be witnessing the final departure of Roosevelt’s loyal academic propagandists and those targeted recipients of his federal largess. In such a climate, Jim Powell has given us, with *FDR’s Folly*, a refreshing, must-read account of the New Deal. □

Burton Folsom is the Charles Kline Professor in History and Management at Hillsdale College and author of The Myth of the Robber Barons, currently in its fourth edition.

Can Gun Control Work?

by James B. Jacobs

Oxford University Press • 2002 • 304 pages
• \$27.50

Reviewed by Jeffrey A. Miron

C*an Gun Control Work?* is a first-rate addition to the literature on gun control. The book is not an attempt to advocate either side of the debate. Instead, it is an analysis of whether various types of control can achieve their stated objectives, especially reducing violence and crime. Jacobs concludes that gun control cannot work, by which he means it cannot effectively keep firearms out of the wrong hands or reduce crime to any significant degree.

This is an unusual piece of scholarship, especially in the literature on gun control. It argues strenuously that controls are unlikely to have the effects hoped for by their advocates. Yet Jacobs is not a gun devotee. It