

Comparison of Franklin Delano Roosevelt's and Barack Obama's first hundred days in office

Ivan Lissnik

Bachelor Thesis
2010



Tomas Bata University in Zlín
Faculty of Humanities

Univerzita Tomáše Bati ve Zlíně

Fakulta humanitních studií

Ústav anglistiky a amerikanistiky

akademický rok: 2009/2010

ZADÁNÍ BAKALÁŘSKÉ PRÁCE

(PROJEKTU, UMĚLECKÉHO DÍLA, UMĚLECKÉHO VÝKONU)

Jméno a příjmení: **Ivan LISSNIK**

Studijní program: **B 7310 Filologie**

Studijní obor: **Anglický jazyk pro manažerskou praxi**

Téma práce: **Srovnání prvních sto dnů v úřadě Franklina Delano Roosevelta a Baracka Obamy se zaměřením na ekonomické aspekty jejich doby**

Zásady pro vypracování:

Teoretická část

Provedte výzkum ekonomických podmínek obou hospodářských krizí.

Analytická část

Analyzujte prvních sto dnů vlády obou prezidentů.

Na základě provedené analýzy zhodnoťte klady a zápory jejich akcí a dopady na ekonomiku.

Rozsah práce:

Rozsah příloh:

Forma zpracování bakalářské práce: **tištěná/elektronická**

Seznam odborné literatury:

Leuchtenburg, E. William, Franklin D. Roosevelt and the New Deal, New York: Harper Perennial 2009. ISBN-10: 0061836966

Schlesinger Jr., Arthur Meier. The Coming of the New Deal: The Age of Roosevelt. New York: Mariner Books, 2003. ISBN-10: 0618340866

Badger J. Anthony. The New Deal: The Depression Years. Chicago: Ivan R. Dee, Publisher, 2002. ISBN-10: 1566634539

Thomas, Tom. Obama's First 100 Days: Promises Made, Promises Kept. London: Createspace, 2009. ISBN-10: 1442160691

Vedoucí bakalářské práce:

Mgr. Radka Sedláčková

Ústav anglistiky a amerikanistiky

Datum zadání bakalářské práce:

8. ledna 2010

Termín odevzdání bakalářské práce:

7. května 2010

Ve Zlíně dne 8. ledna 2010



prof. PhDr. Vlastimil Švec, CSc.
děkan



doc. Ing. Anežka Lengalová, Ph.D.
vedoucí katedry

PROHLÁŠENÍ AUTORA BAKALÁŘSKÉ PRÁCE

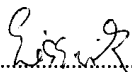
Beru na vědomí, že

- odevzdáním bakalářské práce souhlasím se zveřejněním své práce podle zákona č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, bez ohledu na výsledek obhajoby ¹⁾;
- beru na vědomí, že bakalářská práce bude uložena v elektronické podobě v univerzitním informačním systému dostupná k nahlédnutí;
- na moji bakalářskou práci se plně vztahuje zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, zejm. § 35 odst. 3 ²⁾;
- podle § 60 ³⁾ odst. 1 autorského zákona má UTB ve Zlíně právo na uzavření licenční smlouvy o užití školního díla v rozsahu § 12 odst. 4 autorského zákona;
- podle § 60 ³⁾ odst. 2 a 3 mohu užít své dílo – bakalářskou práci - nebo poskytnout licenci k jejímu využití jen s předchozím písemným souhlasem Univerzity Tomáše Bati ve Zlíně, která je oprávněna v takovém případě ode mne požadovat přiměřený příspěvek na úhradu nákladů, které byly Univerzitou Tomáše Bati ve Zlíně na vytvoření díla vynaloženy (až do jejich skutečné výše);
- pokud bylo k vypracování bakalářské práce využito softwaru poskytnutého Univerzitou Tomáše Bati ve Zlíně nebo jinými subjekty pouze ke studijním a výzkumným účelům (tj. k nekomerčnímu využití), nelze výsledky bakalářské práce využít ke komerčním účelům.

Prohlašuji, že

- elektronická a tištěná verze bakalářské práce jsou totožné;
- na bakalářské práci jsem pracoval samostatně a použitou literaturu jsem citoval. V případě publikace výsledků budu uveden jako autor.

Ve Zlíně5.5.2010

.....

1) zákon č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, § 47b Zveřejňování závěrečných prací;

(1) Vysoká škola nevydělečně zveřejňuje disertační, diplomové, bakalářské a rigorózní práce, u kterých proběhla obhajoba, včetně posudků oponentů a výsledku obhajoby prostřednictvím databáze kvalifikačních prací, kterou spravuje. Způsob zveřejnění stanoví vnitřní předpis vysoké školy.

(2) *Disertační, diplomové, bakalářské a rigorózní práce odevzdané uchazečem k obhajobě musí být též nejméně pět pracovních dnů před konáním obhajoby zveřejněny k nahlížení veřejnosti v místě určeném vnitřním předpisem vysoké školy nebo není-li tak určeno, v místě pracoviště vysoké školy, kde se má konat obhajoba práce. Každý si může ze zveřejněné práce pořizovat na své náklady výpisy, opisy nebo rozmnoženiny.*

(3) *Platí, že odevzdáním práce autor souhlasí se zveřejněním své práce podle tohoto zákona, bez ohledu na výsledek obhajoby.*

2) *zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, § 35 odst. 3:*

(3) *Do práva autorského také nezasahuje škola nebo školské či vzdělávací zařízení, užije-li nikoli za účelem přímého nebo nepřímého hospodářského nebo obchodního prospěchu k výuce nebo k vlastní potřebě dílo vytvořené žákem nebo studentem ke splnění školních nebo studijních povinností vyplývajících z jeho právního vztahu ke škole nebo školskému či vzdělávacího zařízení (školní dílo).*

3) *zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, § 60 Školní dílo:*

(1) *Škola nebo školské či vzdělávací zařízení mají za obvyklých podmínek právo na uzavření licenční smlouvy o užití školního díla (§ 35 odst.*

3). *Odpirá-li autor takového díla udělit svolení bez vážného důvodu, mohou se tyto osoby domáhat nahrazení chybějícího projevu jeho vůle u soudu. Ustanovení § 35 odst. 3 zůstává nedotčeno.*

(2) *Není-li sjednáno jinak, může autor školního díla své dílo užít či poskytnout jinému licenci, není-li to v rozporu s oprávněnými zájmy školy nebo školského či vzdělávacího zařízení.*

(3) *Škola nebo školské či vzdělávací zařízení jsou oprávněny požadovat, aby jim autor školního díla z výdělku jím dosaženého v souvislosti s užitím díla či poskytnutím licence podle odstavce 2 přiměřeně přispěl na úhradu nákladů, které na vytvoření díla vynaložily, a to podle okolností až do jejich skutečné výše; přitom se přihlíádne k výši výdělku dosaženého školou nebo školským či vzdělávacím zařízením z užití školního díla podle odstavce 1.*

ABSTRAKT

Tato bakalářská práce porovnává prvních sto dnů prezidentů Roosevelta a Obamy v úřadě během ekonomické krize. V začátku porovnává ekonomické podmínky obou krizí a cesty obou prezidentů do funkce. Hlavním cílem práce je analýza a srovnání klíčových akcí, kterými se prezidenti pokusili zlepšit ekonomické podmínky. Popisuje a porovnává metody a charakteristiky vydaných zákonů, jakož i jejich pozitivní a negativní efekty na ekonomiku

Klíčová slova: Hospodářská krize, Velká Hospodářská Krize, Franklin Delano Roosevelt, Barack Obama, Srovnání, Zákony

ABSTRACT

This bachelor thesis compares the first hundred days of presidents Roosevelt and Obama in the office during economic crisis. In the beginning it compares economic conditions of both times and the ways of both presidents to the office. Main object of the work is analysis and comparison of key procedures, by which presidents tried to improve the economic conditions. It describes and compares methods and features of issued bills, as well as their positive and negative impacts on economy.

Keywords: Economic crisis, The Great Depression, Franklin Delano Roosevelt, Barack Obama, Comparison, Acts

ACKNOWLEDGEMENTS

I would like to acknowledge Bc. Charlie White for inventing such an interesting topic. I also want to thank Mgr. Radka Sedláčková for adopting my bachelor thesis and supervising it.

CONTENTS

CONTENTS	8
INTRODUCTION.....	10
1 ECONOMIC SITUATION IN 1933 AND 2009.....	11
1.1 THE GREAT DEPRESSION.....	11
1.2 THE GREAT RECESSION.....	13
1.3 COMPARISON OF ECONOMIC CRISIS.....	14
2 WAY TO THE WHITE HOUSE	16
2.1 ROOSEVELT'S PRESIDENTIAL CAMPAIGN.....	16
2.2 OBAMA'S CAMPAIGN	17
2.3 COMPARISON OF BOTH CAMPAIGNS	18
3 CHARACTERISTICS	20
3.1 FDR'S CHARACTERISTICS.....	20
3.2 OBAMA'S CHARACTERISTICS	20
3.3 COMPARISON.....	22
4 ANALYSIS OF FDR FIRST 100 DAYS – THE NEW DEAL.....	23
4.1 EMERGENCY BANKING ACT	23
4.2 ECONOMY ACT.....	24
4.3 REPEAL OF PROHIBITION	25
4.4 CIVILIAN CONSERVATION CORPS.....	25
4.5 TENNESSEE VALLEY AUTHORITY	26
4.6 AGRICULTURAL ADJUSTMENT ACT	27
5 ANALYSIS OF BARACK OBAMA FIRST 100 DAYS"	29
5.1 AMERICAN RECOVERY AND REINVESTMENT ACT	29
5.2 HOUSING PLAN.....	32
5.3 TROUBLE ASSET RELIEF PROGRAM.....	33
5.4 FIRST HUNDRED DAYS COMPARISON.....	34
6 IMPACTS AND ACHIEVEMENTS OF FDR'S FIRST 100 DAYS.....	37
6.1 EFFECTS OF FDR'S 100 DAYS.....	37
6.2 CRITICISM OF THE NEW DEAL.....	38
7 IMPACTS AND CRITICISM OF OBAMA'S FIRST 100 DAYS	40
7.1 EFFECTS OF OBAMA'S 100 DAYS	40
7.2 CRITICISM OF OBAMA'S 100 DAYS	41

8	CONCLUSION.....	42
	BIBLIOGRAPHY.....	44

INTRODUCTION

The major goal of this bachelor thesis is to find similarities and differences between the most important characters of economic crises, the American Presidents Franklin Delano Roosevelt and Barack Obama. The first hundred days has become the measure of the successfulness of the new president in White House since the striking and ambitious New Deal plan of president Roosevelt in the 1930's. After FDR, this measure has been applied by media and political experts to all American presidents to determine its fulfilled political plans, promises and accomplishments.¹ Nevertheless this measure is not accurate. Even if the two financial crises bare some common elements, the overall situation differs a lot. Another goal of this bachelor thesis is to describe these economical conditions of both times in order to point out the differences and similarities which is done in the first part of work.

Another aim of the work is to compare the most important steps taken by presidents to improve economic situation in their first hundred days. This work proves that the First hundred days measure is misleading to define the successful presidency

This work also concisely looks at the reasons why they were chosen by people to defeat the economic crisis. Because the legislative activity of both presidents in fields of economy was extensive, analysis of only most important programs serves as the main part of the thesis. It explains its principles and reasons and then it displays its impacts on national economy and on the other hand its undesired effects and criticism. Throughout the work the comparison of both sides is given in order to expose its common features and divergence. At the end of the thesis, the achievements and criticism of both president's operations during their first hundred days is given.

¹ Thomas, Tom. *Obama's First 100 Days: Promises Made, Promises Kept*. (London, UK: Createspace, 2009)

1 ECONOMIC SITUATION IN 1933 AND 2009

1.1 The Great Depression

The Great Depression was a largest economic and social crisis in a US history with significant consequences. It originated in USA nevertheless spread to the world especially to Europe. The beginning of the Depression is often seen in Wall Street Crash of 1929 when stock market after a time prices were falling slowly had fallen rapidly. After the prosperous economy in 1929 it was a shock for people and government as well.

The administration of president Hoover had its big share on catastrophic consequences of the Depression. Hoover chose conservative way towards solving the depression. He believed that the crisis is beyond his or everyone else control.² He also believed that government should not intervene to the national economy and in the people's daily life.³ This was completely wrong and inadequate decision with regard to the extensiveness of the depression. Smoot-Hawley Tariff which was an act signed into law by Hoover in 1930 despite a petition of more than 1000 economists. It worsened the depression in a serious way. It raised U.S. tariffs to historically high levels. Its purpose was to protect American business and farmers which was a sign of nationalism. Unfortunately the effect was different and completely undesirable. There was a drastic decline in trade with foreign countries and world trade declined by some 66%.⁴ Because of that the Depression spread to the rest of the world. However if Hoover would listened to the advices from economists, the consequences of Depression could be a bit smaller because of preserved international trade. In three years, industrial construction had slumped from 949 million dollars to 74 million.⁵

Nobody knew at the beginnings of the crisis how far it can go. When they asked economist John Maynard Keynes in 1932 if there was a similar depression in history he

² FDR - A Presidency Revealed (History Channel). Dir. David C. Taylor. Perf. Franklin Delano Roosevelt. DVD. A&E Home Video, 2005.

³ Carcasson, Martin. "Herbert Hoover And The Presidential Campaign Of 1932: The Failure Of Apologia - Research and Read Books, Journals, Articles at Questia Online Library." *Questia Online Library*. N.p., n.d. Web. 15 Dec. 2009. <<http://www.questia.com/googleScholar.qst;jsessionid=Lp>>

⁴ "Smoot-Hawley Tariff." *Future Home Page*. N.p., n.d. Web. 20 Feb. 2010. <http://future.state.gov/when/timeline/1921_timeline/smoot_tariff.html>.

⁵ Leuchtenburg, E. William, *Franklin D. Roosevelt and the New Deal*, (New York: Harper Perennial 2009) 1

answered “Yes, It was after the fall of the Roman Empire and it lasted 400 years.”⁶ It has started as a financial crisis but gradually spread to industry, agriculture and all other spheres of economy. This world-wide crisis had been said by many to be a crisis of democracy or capitalism itself. This idea would support rise of Nazism in Germany. The distributional system was fundamentally wrong. While people were starving, crops rotted in the fields. Unemployed people wore threadbare clothes, whereas farmers couldn't market 13 million bales of cotton in 1932.⁷

The US economy had experienced several crises before but none of them had such severe and tragic consequences as this one. Thousands of investors lost their money. People were trying to sell their stocks which were now priceless pieces of paper that nobody wanted to buy. They wanted to withdraw their money from banks, but many of banks invested their money to the stock market which was one of the reasons why banks started to bankrupt all over the USA.

The unemployment was one of the most serious problems of the Depression. More than 32,000 businesses went bankrupt.⁸ Other businesses cut down their employee wages and working hours and some of them had to release workers altogether. Unemployment was rising quickly. Every fourth American was without a job during the worst year of Depression in 1933. There were 13 million unemployed people. Wages for workers who kept their jobs fell almost 43% between 1929 and 1933.⁹ Millions of people left their homes and took the roads in desperate search for a job throughout the whole nation. The most popular destination was California, where it was believed that there is a plenty of jobs for everyone on plantation, which was not true. This was particularly concerning farmers who were stroke most by the Depression. The farmers were badly affected by a drought and dust storms which damaged the crops. On the outskirts of the big cities homeless people were building shanty towns named after an incumbent president, Hoovervilles, which is a sign of not very successful presidency. These settlements were formed from shacks of

⁶ Vodička, Milan. *Den, kdy došly prachy*. 2009. (Český Těšín : Práh, 2009). 15

⁷ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 22.

⁸ "The Great Depression." *United States History*. N.p., n.d. Web. 20 Feb. 2010. <<http://www.u-s-history.com/pages/h1569.html>>.

⁹ "The Great Depression: A Brief Overview." *Welcome to Innovative Teaching Concepts - Providing the educational community a resource for curriculum*. N.p., n.d. Web. 20 Feb. 2010. <<http://www.todayteacher.com/TheGreatDepressionWebQuest/BriefOverview.htm>>.

boxes, scrap metal or cardboard. Most of the big cities had its Hooverville. The biggest one was in St.Louis.¹⁰

People lost confidence in banks, and hid their money in their houses. One of the reasons the depression had such a deep impacts on the human lives was the lack of cash in circulation. Even the people who were fortunate enough to keep their jobs couldn't cash their paychecks. Throughout the USA, the imitations of money made from ordinary paper, skin or even plywood appeared.¹¹

The situation called for political changes. It called for someone who would totally rebuild the financial system and adopt a different attitude towards the government intervention to economy than Hoover's office.

1.2 The Great Recession

Economy of the USA started to decrease in the late 2000's. It has slowly become an economic downturn or recession. The economists argued that it has been the worst financial crisis since the Great Depression.¹² On September 2008 New York stock exchange had its deepest dip since terrorists attack from September 2001. The financial crisis in fact affected almost everyone in the world.

In the late 2006 mortgage market in United States shattered. This is said to be the initial cause of the consequent world-wide economic recession. The causes of problems on a mortgage market were primary the unpaid mortgages. The greedy loans providers could have a part of guilt on this situation. They issued high interest rates mortgages to the clients with bad credit history. The huge amount of unpaid and untimely ended mortgages led to failure of a many credit providers. American stocks were falling subsequently because of this. The largest publicly marketed French bank stopped the withdrawals from its investment funds because of crisis in mortgages market in US which caused the expansion

¹⁰ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 2,3.

¹¹ See Vodička. *Den, kdy došly prachy*, 21.

¹²"Three Top Economists Agree 2009 Worst Financial Crisis Since Great Depression; Risks Increase if Right Steps are Not Taken | Reuters." *Business & Financial News, Breaking US & International News | Reuters.com*. N.p., n.d. Web. 21 Feb. 2010. <<http://www.reuters.com/article/pressRelease/idUS193520+27-Feb-2009+BW20090227>>.

of crisis to Europe. The Fed announced that to stop a global crisis it will use any possible means even those who hadn't been applied since the great Depression.¹³

The financial crisis has led to many banks and other financial institutions failures. 140 banks failed only during 2009.¹⁴ Crisis in banking industry gradually spread to other parts of economy. Automotive industry in US has experienced huge problems which led to bankruptcy and government bailouts.

One of the impacts of recession is unemployment. Unemployment rate was 7.6 percent in January 2009 which is over 11.6 unemployed people.¹⁵ During the crisis companies all around the world in all fields of businesses were releasing their employees. At the end of Bush's administration more than 800 000 jobs were lost in a month.¹⁶

The recession escalated in 2009, the year in which new president started to run his office. World gross product (WGP) fell by 2.2 per cent in 2009, the first actual contraction since the Second World War.¹⁷

1.3 Comparison of economic crisis

Both crisis started in United States and subsequently spread to rest of the world. Both crisis emerged during the Republican Party administration. They started as a financial crisis but spread to other sectors of economy which led to massive redundancy of employees. The fall on stock market is another common feature. During the Depression the fall was ultimate, today its gradual. On the other hand, the vastness of the Great Depression can't be measured with today situation. For example the unemployment was much higher. In the peak of the Depression, 25% of the population was out of work.¹⁸ There wasn't any social security programs such as food stamps are today. People were reliant completely only on

¹³ "Ekonomická krize: nejdříve špatné hypotéky, poté krach bank." *Ekonomika*. N.p., n.d. Web. 12 Feb. 2010. <www.ct24.cz/ekonomika/65850-ekonomicka-krize-nejdrive-spatne-hypoteky-pote-krach-bank/>.

¹⁴ "FDIC: Failed Bank List." *FDIC: Federal Deposit Insurance Corporation*. N.p., n.d. Web. 13 Feb. 2010. <<http://www.fdic.gov/bank/individual/failed/banklist.html>>.

¹⁵ "Increase in unemployment rate in January 2009, The Editor's Desk." *U.S. Bureau of Labor Statistics*. N.p., n.d. Web. 24 Feb. 2010. <<http://www.bls.gov/opub/ted/2009/feb/wk2/art02.htm>>.

¹⁶ Barack Obama Youtube channel <<http://www.youtube.com/barackobama>>

¹⁷ "UN World Economic and Social Survey, World Economic Situation and prospects _ WESS, WESP." *Welcome to the United Nations: It's Your World*. N.p., n.d. Web. 3 Mar. 2010. <<http://www.un.org/esa/policy/wess/wesp.html>>.

¹⁸ Waggoner, John, and USA TODAY. "Is today's economic crisis another Great Depression? - USATODAY.com." *News, Travel, Weather, Entertainment, Sports, Technology, U.S. & World - USATODAY.com*. N.p., n.d. Web. 3 Mar. 2010. <http://www.usatoday.com/money/economy/2008-11-03-economy-depression-recession_N.htm>.

themselves. The number of failed banks during the Great Depression was counted in thousands while today there are still bank failures occurring but not in such a big scale. The Great Depression consequently led to the start of fascist regimes in Germany and Italy. This showed inability of European democratic parties to deal with the crisis consequences and collapse of Democracy instruments. The states were more isolated and there wasn't any cooperation in solving the crisis which caused the collapse of democracy. Whereas in today globalized world similar situation should not happen because of worldwide cooperation between individual states and mutual help.

Irresponsible bankers caused the initial problem in both times. Both presidents have put the part of the blame for crisis on bankers and money changers. FDR put the blame on bankers and publicly accused them for starting the Depression. During his inaugural speech Roosevelt said "Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men". The blame for today's Recession is put also to the bankers by some.¹⁹ Whereas Obama partly blamed the previous administration for "failed economic policies of the last eight years"²⁰ He also said that "Wall Street executives made imprudent and dangerous decisions during the years, seeking profits with too little regards for risk"²¹

¹⁹ Henry, Robin. " Bankers to blame for economic 'mess' - Times Online ." *Business News, Market and Financial News | Times Online Business* . N.p., n.d. Web. 5 Mar. 2010.

<http://business.timesonline.co.uk/tol/business/industry_sectors/banking_and_finance/article5820951.ece>.

²⁰ Jindra, Christine. "McCain, Obama clash over causes, cures of crisis | cleveland.com." *Blogs - cleveland.com*. N.p., n.d. Web. 5 Mar. 2010.

<http://blog.cleveland.com/openers/2008/10/obama_mccain_engage_in_seco

²¹ [http://www.internationalepolitik.de/ip/archiv/jahrgang-](http://www.internationalepolitik.de/ip/archiv/jahrgang-2009/februar2009/download/1ddf05ff244b1e2f05f11ddb661816d2b52302c302c/original_american-recovery-and-reinvestment.pdf)

2009/februar2009/download/1ddf05ff244b1e2f05f11ddb661816d2b52302c302c/original_american-recovery-and-reinvestment.pdf

2 WAY TO THE WHITE HOUSE

2.1 Roosevelt's presidential campaign

The upcoming presidential election was about to change the future America. The front-runner democratic nominee was governor for the state of New York, Franklin Delano Roosevelt, fifth cousin of former President Theodore Roosevelt. This fact helped to his decision to follow his steps to the White House as FDR was a big fan of Ted.²² His political platform included repeal of prohibition, assistance for farmers, balanced budget and major cuts in federal public expenditures. These were later part of his New Deal program. His opponents in Democratic Party included Al Smith, former governor of New York and unsuccessful presidential candidate of 1928 election, and John Garner of Texas.²³ FDR represented completely different self-confident politician than incumbent president and republican nominee Herbert Hoover. This fact guaranteed him almost certain victory. Hoover wasn't popular at all. His public image was ruined. He made some fatal errors as launching tariffs limiting international trade and sending an army on the protesting World War I veterans.²⁴ FDR was supposed to bring change in political thinking. He wanted to employ the federal government as much as possible to create new working opportunities to reduce the unemployment which was tremendous. All of this gave the election the results in advance. The Republican Party faced almost certain defeat.

Presidential elections of 1932 were rather different to the elections which we know today. There was no television and radio was in early stage of its life. Most of the people learned about candidates from newspapers. FDR understood and used the power of media adequately. He was the first president who was using a radio broadcasting to communicate with people during his campaign. It became popular and FDR later during his presidency developed it to the series of radio speeches known as the fireside chats.²⁵ He also had press train car installed on his campaign train. All of these shows that he had a good relationship

²² See FDR: A Presidency revealed

²³ Badger J. Anthony, *The New Deal: The Depression Years*, (Chicago: Ivan R. Dee, Publisher, 2002), 58,59,60

²⁴ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 14,15,16.

²⁵ Schlesinger Jr., Arthur Meier, *The Coming of the New Deal: The Age of Roosevelt*. (New York: Mariner Books, 2003), 12,13

with media and reporters, consequently with the American public and that gave him the popularity which was a part of the success in election.²⁶

Election results were not surprising. Roosevelt had beaten Hoover univocally with 22.8 million votes to Hoover's 15.7 million. It was a brilliant victory. Roosevelt won in more counties than a presidential candidate had won ever before. Roosevelt carried 42 states to Hoover's six. He had captured every state in south and west of Pennsylvania. „Safe for 1912, no republican candidate was defeated so badly.“^{27,28} That was only a beginning on a long and difficult way to help America.

2.2 Obama's campaign

Barack Hussein Obama announced the official presidential candidature in February 2007. In August he officially becomes a presidential nominee for Democratic Party. He was the first African American presidential candidate in history of US. As a democratic nominee he represented even more liberal and left-wing political attitudes than his party usually did. According to many he represented the embodiment of the generation change in American politics same as JFK in 1960 did.²⁹ After his graduation on Harvard Law school he started to work as a community organizer in his hometown Chicago. Obama become a member of US Senate in 2004 after serving 7 years as an Illinois state senator.³⁰

By the time he announced the candidacy, the American nation was tired of the overall conditions, impending financial crisis, wars in Iraq and Afghanistan which didn't solved expecting changes and consequences of terrorists attacks from 9/11. This secured him the popularity among the Americans, because he wanted to solve these problems. His success in elections was promising. His chances were high also due to his undisputable personal

²⁶ "1932 Roosevelt v. Hoover." *Kennesaw State University*. N.p., n.d. Web. 2 Feb. 2010.

<<http://www.kennesaw.edu/pols/3380/pres/1932.html>>.

²⁷ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 17.

²⁸ Walsh, Kenneth T.. "The Most Consequential Elections in History: Franklin Delano Roosevelt and the Election of 1932 - US News and World Report." *US News & World Report - Breaking News, World News, Business News, and America's Best Colleges - USNews.com*. N.p., n.d. Web. 15 Mar. 2010.

<<http://www.usnews.com/articles/news/politics/2008/09/10/the-most-consequential-elections-in-history-franklin-delano-roosevelt-and-the-election-of-1932.html>>.

²⁹ Wilson, John K.. *Barack Obama: This Improbable Quest*. (Boulder: Paradigm Publishers, 2007) 11

³⁰ White, Deborah. "Profile of President Barack Obama." *Liberal & Progressive Politics & Perspectives*. N.p., n.d. Web. 11 Feb. 2010. <<http://usliberals.about.com/od/congressionalleadership/p/SenObama.htm>>.

charisma and rhetorical skills. This fact he would be a first African American president to run the office could also had increased his chances.

His campaign was built on many of promises. He often employed the words change and hope which are very strong attractive words which people react to. However sometimes it seemed he didn't trust the people as much as to share his actual opinions and particular details with them. Yet the American public found him very popular. People seemed that the way he talks about politics is completely new.³¹

Obama didn't catch the attention of the Democrats only. Certain respect towards him was held also by some Republicans. Conservative Republican Senator of Oklahoma Tom Coburn proclaimed that Obama has the ability and charisma, to become the leader of not solely Democratic Party but the whole United States.³²

2.3 Comparison of both campaigns

Both presidents were gifted speakers and charismatic persons. They spoke to a nation confidently and with a deal of optimism. Their language is very clear and understandable to an average citizen. For example during the first Fireside chat FDR clearly explained the banking system and his Emergency Banking Act to the regular people who later regained their confidence in bank system.³³

In the hard times of crisis they were trying to restore the people's faith and encouraged the nation by giving them hope in a better future. The same initial euphoria among the people for someone who can actually change the view on politics linked both campaigns. Both presidents become very popular among the public. Obama's campaign speeches were full of two simple but powerful words "change" and "hope". That implemented the expectations and chances for the better future of the voters. He also employed the phrase "Yes we can" which gave the people power to believe in themselves. In his inaugural address FDR also uplifted the nation spirit by saying that the "only thing we need to fear is fear itself". They wanted to prove that the American nation when it is united can overcome any kind of crisis.

³¹ See Wilson, *Barack Obama*, 179.

³² *Ibid.*, 121.

³³ Roosevelt, Franklin Delano. "Fireside Chat on Banking." *The American Presidency Project*. N.p., n.d. Web. 6 Mar. 2010. <www.presidency.ucsb.edu/ws/index.php?pid=14540>.

People believed that they are the right leaders who can lead their country out of a depression. After Hoover's presidency the only possible candidate was Roosevelt. Obama had the same advantage, because people could have been dissatisfied with the Republican Party after Bush's presidency. After all, Bush was according to the poll, least popular president in US modern history.³⁴ Obama's election victory was also based on his energetic campaign full of promises. His opposite candidate McCain wasn't the choice for many voters who thought that he isn't able to help the economy. His high age was also often discussed. If he would have been elected, he would be the oldest American president in history.³⁵

The vagueness of concrete recovery plans is another common feature. They didn't present complete economic reform plan during their campaigns. Their legislative programs were developed during their presidency. According to W. Leuchtenburg, Roosevelt plan to recovery had little new to offer during his inaugural address.³⁶

Ability of both presidents to speak publicly was another stimulus for their campaigns. The art of public speaking is very powerful when it is mastered. The use of modern technology is another way which connects these two politicians. FDR was the first American president who used a radio broadcast to share his political plans, visions and to communicate with the entire nation in his Fireside chats.³⁷ Obama extensively used internet services during his campaign to do the same such as blogs, social networks as Myspace and Twitter and Youtube video channels to share his speeches and messages with nation.³⁸ This kind of communication could give the voters feeling that their future president care about their needs and listen to their problems. In 2008 election it gave Obama the great advantage. Its advantage was the easy accessibility. They needn't to travel to all the cities around USA to speak publicly but they could do it throughout the media.

³⁴ Steinhauser, Paul . "Poll: More disapprove of Bush than any other president - CNN.com." *CNN.com International - Breaking, World, Business, Sports, Entertainment and Video News*. N.p., n.d. Web. 27 Mar. 2010. <<http://edition.cnn.com/2008/POLITICS/05/01/bush.poll/>>.

³⁵ Andres, Brittney. "Too Old To Run? - CBS News." *Breaking News Headlines: Business, Entertainment & World News - CBS News*. N.p., n.d. Web. 28 Mar. 2010. <<http://www.cbsnews.com/stories/2007/01/25/politics/main2397926.shtml>>.

³⁶ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 41.

³⁷ See Schlesinger , *The Coming of the New Deal*, 498, 499

³⁸ Lardinois, Frederic. "Obama's Social Media Advantage." *ReadWriteWeb - Web Apps, Web Technology Trends, Social Networking and Social Media*. N.p., n.d. Web. 15 Feb. 2010.

<http://www.readwriteweb.com/archives/social_media_obama_mccain_comparison.php

3 CHARACTERISTICS

3.1 FDR's characteristics

FDR came from a wealthy family. He was very self-confident and determined to get American nation out of Depression and back to prosperity.³⁹ Among Americans he became the leader of the nation and a man who has faith in future.⁴⁰ Most importantly he instilled his confidence in people's mind during the hardest times.

He had the tremendous leadership skills. When solving the Bank crisis he brought together bankers and politician to the White House and told them to set aside their personal disputes and think of a plan that would solve the issue.⁴¹ He was inscrutable. "He had three or four different personalities", described him Under Secretary of state William Phillips.⁴² He was very strong personality who heavily crippled by polio for most of his life still remained serene even though he was burdened with great responsibilities on his shoulders.⁴³

His knowledge of economy was surprisingly fragmentary. According to famous economist John Keynes who met president, he was not "more literate, economically speaking".⁴⁴ That was compensated by the large group of political and economical advisors called Brain Trust. It is obvious that a single politician couldn't come up with so many bills and proposal by himself. These advisors were thus creating most of the reform legislation during his campaign and his first hundred days. The clever selection of economic experts was an important part of his initial presidency.

FDR endeavours the image of unity. He stressed rhetorically the unity of class and interdependence.⁴⁵ For that reason he cooperated with republicans and independents.

3.2 Obama's characteristics

His politics bears the elements of populism. He is speaking in a relative terms. When he announced his presidency he among other things said "Let us be the generation that

³⁹ Roosevelt, Franklin Delano. "First Inaugural Address." *Advisor square*. N.p., n.d. Web. 6 Apr. 2010. <www.advisorsquare.com/new/kannerfinancialservices/Franklin%20Delano%20Roosevelt.pdf

⁴⁰ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 42.

⁴¹ See FDR: A Presidency Revealed

⁴² See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 167.

⁴³ *Ibid.*, 168,169.

⁴⁴ See Badger, *The New Deal*, 6.

reshapes our economy to compete in the digital age. Let's be the generation that ends poverty in America. Let's be the generation that finally frees America from the tyranny of oil."⁴⁶ These are so complex issues and it seems he wanted to solve so many problems during his presidency. The problem is he didn't present his future plans in a specific way. The profundity of his populism can't be measured yet, but the time will show to what extent he was successful in achieving his promises.

According to the research from September 2009⁴⁷, 66% of people think, he's willing to make hard decisions. This belief supports some of the Obama's actions such as closing the Guantanamo Bay prison or his Health Care reform which is considered unacceptable by many of Americans. Same research states that 66% of respondents believe he's a strong leader.

Obama is trying to employ the idea of nonpartisanship or bipartisanship if you will. During the campaign he frequently repeated his motto "there is not a liberal America and a conservative America - there is the United States of America".⁴⁸ He believed America can deal with the issue of economic crisis but the key thing is "to make sure that we keep politics to a minimum".⁴⁹ By that he meant the differences between him and Republicans. To achieve the unity between two sides, the other side must cooperate with you. Unfortunately for him, his attempts were often denied by republicans for example when proposing the Recovery Act only 3 republicans voted for it in a senate.⁵⁰ Obama and Biden even convened a bipartisan Consultative Group comprised of the leaders of both parties to take a united stand on foreign policy.⁵¹

⁴⁵ Ibid., 247.

⁴⁶ Obama, Barack. "Illinois Sen. BarackObama's Announcement Speech ." *washingtonpost.com - nation, world, technology and Washington area news and headlines*. N.p., n.d. Web. 17 Mar. 2010. <<http://www.washingtonpost.com/wp-dyn/content/article/2007/02/10/AR2007021000879.html>>.

⁴⁷ Jones, Jeffrey M.. "Obama's Leadership Qualities Stand Out to Americans." *Gallup*. N.p., n.d. Web. 17 Mar. 2010. <<http://www.gallup.com/poll/123104/obama-leadership-qualities-stand-out-americans.aspx>>.

⁴⁸ Obama, Barack. "Barack Obama's Keynote Speech - The U.S. Constitution Online - USConstitution.net." *Index Page - The U.S. Constitution Online - USConstitution.net*. N.p., n.d. Web. 17 Mar. 2010. <<http://www.usconstitution.net/obama.html>>.

⁴⁹ See Thomas, *Obama's First 100 Days*, 78.

⁵⁰ Cannon, Lou. "Obama's Bipartisan Mentors: F.D.R. and Reagan - 100 Days Blog - NYTimes.com." *US Presidencies - 100 Days Blog - NYTimes.com*. N.p., n.d. Web. 17 Mar. 2010. <<http://100days.blogs.nytimes.com/2009/02/24/obamas-bipartisan-mentors-fdr-and-reagan/>>.

⁵¹ See Thomas, *Obama's First 100 Days*, 19.

3.3 Comparison

Common features of these two politicians are their leadership skills. They proved that they were able to make strong decisions in spite of frequent unpopularity from the sides of opposite Party or public. Another common feature was their great rhetorical skills and their self confidence and determination to help their country. In order to secure economic prosperity they both believed that they must put their political discords aside and cooperate with republicans or independents as one united nation. Therefore they went beyond party lines.

They both had the empathy for poor people coming from working class. Obama developed this quality when he was working as a community organizer in South Chicago helping the poor black people to gain job retraining. It also taught him leadership skills when organizing people.⁵² FDR came from aristocratic background, so he might not have this quality. His long-term fight against the polio taught him to sympathize with people in difficult life conditions. While staying in the Warm Springs in Georgia to heal his disease, he noticed the struggle for survival of local working class farmers and blacks and developed a form of sympathy for these people.⁵³ This kind of quality put them in the position that they understood the difficult life of ordinary people and therefore could have adjust their politics to find a solution for their problems.

⁵² See Wilson, *Barack Obama*, 12.

4 ANALYSIS OF FDR FIRST 100 DAYS – THE NEW DEAL

First one hundred days of Franklin Delano Roosevelt was a period of political and social changes in America. Newly elected president faced the greatest economical Depression in the history. Some politicians and businessmen even argued that country could be saved only if the new leader will gain dictatorial powers.⁵⁴ President Roosevelt achieved it even without these powers. During this period FDR's administration launched many bills to fight the Depression and he managed to get his country out of the worst slump, but not on the whole.

These New Deal reforms weren't completely elaborated. FDR was pushed by time and horrible consequences of the Depression. The New Deal was a chain of experiments and attempts how to solve the problems of economy. But as the old saying says: "desperate times calls for desperate measures". There wasn't any experience with similar procedures in history. Some of them worked more, some of them less. However the creativity and innovation of New Deal policies can't be denied. The initial success of FDR was encouraging the nation and instilling hope into the minds of severely tested Americans.⁵⁵ In contrast with the last president Hoover people respected Roosevelt and most importantly they trusted him. FDR gained a full support from the nation and Congress which agreed majority of proposed bills with no difficulties.

4.1 Emergency Banking Act

One of the first challenges of new elected president was crashed banking system. Day after his inauguration he took immediate action and declared a bank holiday. In day of Roosevelt's inauguration, 38 states closed its banks by itself⁵⁶. In his first day in the office, he ordered to draft Emergency banking bill which was part of so called immediate relief.⁵⁷ Five days later, Emergency Banking Act was signed into law by Congress after only 38 minutes of debate⁵⁸ It shows president's art of political persuasion therefore the full support from the Congress. The main purpose of it was to give banks a time to reorganize and to

⁵³ See FDR: A Presidency Revealed

⁵⁴ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 30.

⁵⁵ *Ibid.*, 42

⁵⁶ *Ibid.*, 38

⁵⁷ *Ibid.*, 42.

⁵⁸ *Ibid.*, 44.

open only financially strong and healthy banks and possibly provide a government loans to some of them.

All the banks in the country were inspected by bank inspectors, whose job was to consider the financial health of banks. However this was partly only a psychological trick on people to restore their confidence in banks. All the banks couldn't be inspected in time and there wasn't any measurement to determine whether to close the bank or reopen it. In California for instance most of the banks were in such a bad condition that they would all have to be closed which of course didn't happen.⁵⁹ The confidence in banks was so low, that most of the citizens kept and hid their money at their homes. Roosevelt assured the nation in his first fireside chat that they don't need to worry about the safety of their money and its safer to keep their money in a bank. Roosevelt was so trustworthy among people that they believed him. After reopening several days later, deposit now exceeded withdrawals.⁶⁰ Within a month 70 per cent of banks had reopened.⁶¹

4.2 Economy Act

Not all of the New Deal legislations were successful and popular. One hour after signing Emergency Banking Act, Roosevelt proposed another economy program.⁶² It followed his campaign pledge to cut the federal budget deficit. He warned that, "for three years the federal government has been on the road toward bankruptcy." He wanted to cut government spending by cutting the veterans pensions, and salaries of federal employees. It should had save a budget 500 million dollars. There was lot of justified objections from other politics, even democrats. Despite that, FDR showed his political power and pushed the bill through the Congress. The Economy Act was enacted on March 20, 1933.⁶³ It was largely backed up by Roosevelt's Budget director, Lewis Douglas.⁶⁴ Nonetheless the overall effect on the national economy was practically none. It didn't accomplished its main goal to cut the deficit. Federal spending in other fields exceeded the cuts imposed by the Economy Act.⁶⁵

⁵⁹ See Vodička. *Den, kdy došly prachy*, 30.

⁶⁰ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 45

⁶¹ See Badger, *The New Deal*, 71.

⁶² See Schlesinger, *The Coming of the New Deal*, 10.

⁶³ *Ibid.*, 10.

⁶⁴ See Badger, *The New Deal*, 79.

⁶⁵ See Schlesinger, *The Coming of the New Deal*, 11.

4.3 Repeal of Prohibition

During its validity since 1919 prohibition was becoming unpopular in public.⁶⁶ It created unwanted effect. Instead of reducing the consumption of alcohol in US, alcohol was even more popular. This law was abused by gangsters who distributed it illegally to the country. When American economy fell to depression, the repeal of Eighteenth Amendment was seen as crucial to provide a relief to economy. Recently elected president realized it and pushed into law the Volstead Act which legalized beer with 3.2% of alcoholic content.⁶⁷

When people could legally start drinking again after long years of dryness, it not only uplifted their spirits but brisked up the ruined economy. American bars were now prospering. It helped to create new jobs in breweries, bars and restaurants, it contributed to the national treasury in taxes revenues. The social impact was even bigger. It eliminated the black market with alcohol responsible for blackmailing, murders and other criminal activities.

4.4 Civilian Conservation Corps

During his acceptance speech Roosevelt mentioned a reforestation program which would employ young men.⁶⁸ This was the beginning of the Civilian Conservation Corps (CCC). It was a public program aimed at unemployed young men from cities to work on rural projects supervised by Departments of Agriculture.⁶⁹ It passed the Congress in 31st of March.⁷⁰ Its goal was to preserve the national resources and environment of the country (mainly the forests) and to help the unemployed. Its projects included building roads, planting trees, fighting fires, erecting fire towers, making reservoirs and fish ponds, checking dams and many of other.⁷¹

It was a brilliant idea reviving the economy and the nature of USA. It partly solved one of the biggest problems of depression namely unemployment. In its most productive years it employed more than 500 000 people including veterans and American Indians. Between

⁶⁶ Evans, Richard M.. "How Alcohol Prohibition Was Ended." *DRCNet Online Library of Drug Policy*. N.p., n.d. Web. 20 Mar. 2010. <<http://www.druglibrary.org/think/~jnr/endprohb.htm>>.

⁶⁷ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 46.

⁶⁸ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 11.

⁶⁹ See Badger, *The New Deal*, 170.

⁷⁰ See Schlesinger, *The Coming of the New Deal*, 338.

⁷¹ "Civilian Conservation Corps (CCC)." *United States History*. N.p., n.d. Web. 4 Apr. 2010. <<http://www.u-s-history.com/pages/h1586.html>>.

1933 and 1941 over 3,000,000 men served in the CCC. CCC became the largest employer in the country.⁷² It again boosted many people's morale by regained ability to work. Dole would only prolong the problem of unemployment, and Roosevelt was aware of it therefore he didn't support it. It was very popular in public, because CCC participated in helping people during floods, fires etc. It's another brilliant quality was environmental. As there are so many natural assets in US, which couldn't been cultivated at all, CCC workers helped to preserve them clean and sound. It also educated the young boys from cities who never worked in the nature or saw the nature. It was a preparation for their future life and it taught them how to work and take care of themselves. It was definitely one of the most innovative and useful of New Deals programs. Even Roosevelt said in 1934 that "it has probably been the most successful of anything we have done. There is not a word of complaint – rap on wood."⁷³

4.5 Tennessee Valley Authority

One of the most deprived regions in US was in the South, region called Tennessee Valley. The agricultural land was devastated by "intensive, careless farming and eroded by droughts, wind and flood."⁷⁴ Therefore president took the instantaneous interest in the matter of helping farmers and their land. On May 18, 1933 FDR signed the Tennessee Valley Authority Act (TVA).

It was aimed at improving navigability on the Tennessee River, controlling a flood, planning reforestation, the improvement of marginal farm lands and malaria prevention.⁷⁵ Nevertheless, it wasn't the idea of Roosevelt himself, senator Norris of Nebraska tried introduce the idea of federal control over the area but failed due to the republicans obstructions.⁷⁶ It was again the Roosevelt whose change to the government policies helped to maintain a control over the area and introduced modern agricultural techniques for farmers. FDR again enforced his belief in government intervention into the matters of providing help. It was one of the most innovative and plotted New Deal program. TVA later helped to supply electric power to the region, in which only 10% of people have this

⁷² See Schlesinger, *The Coming of the New Deal*, 339.

⁷³ *Ibid.*, 340.

⁷⁴ See Badger, *The New Deal*, 170.

⁷⁵ "New Deal Network Search Results." *New Deal Network*. N.p., n.d. Web. 6 Apr. 2010. <http://newdeal.feri.org/search_details.cfm?link=http://newdeal.feri.org/tva/tva01.htm>.

advantage contrary to 90% in urban areas.⁷⁷ The electric power made farms more productive and drew industries into the region, providing new job opportunities. TVA helped farmers to use new and more effective methods of farming such as developing fertilizers and improving crop yields. It also taught them how to replant forests, control forest fires, and improve habitat for wildlife and fish.⁷⁸ The goal of a program offered more than providing physical resources. It was also a humanitarian project which was to completely rebuild life in the south. Roosevelt planned out every particular detail. He said "It is possible for us to develop small industries, where the people can produce what they use, and where they can use what they produce, we can absorb a lot of this unemployment and give population sound footing on which it can live."⁷⁹

4.6 Agricultural adjustment act

One of the most crucial challenges standing before the Roosevelt was saving the Agriculture. It was in desolated state. In the three previous years incomes of farms dropped by 60%. It accounted for 30% of American workforce.⁸⁰ Farmers were desperate. In Iowa and Nebraska farmers were protesting and on strike.⁸¹

Many believed that success or fall of New Deal depended on its farm program.⁸² Agricultural Adjustment Act goal was to reduce the amounts of farm production and consequently raise the price of crops. Farmers were paid subsidies to destroy their crops by federal government which was controlled by Agricultural Adjustment administration. For plowing up 10 million acres of cotton, farmers got over 100 million dollars in benefits.⁸³ It was an attempt to gain a control over farm production and to restore the prosperity of agriculture.

Some of its methods were rather controversial and sometimes unethical. The surplus in the hog market was resolved by slaughtering over 6 million piglets while only 1 million was salvaged to poor families and the rest was thrown away. It didn't take into

⁷⁶ See Badger, *The New Deal*, 171.

⁷⁷ "New Deal Network Search Results." *New Deal Network*. N.p., n.d. Web. 6 Apr. 2010. <<http://newdeal.feri.org/tva/tva10.htm>>.

⁷⁸ "TVA: From the New Deal to a New Century." *Tennessee Valley Authority home page*. N.p., n.d. Web. 6 Apr. 2010. <<http://www.tva.com/abouttva/history.htm>>.

⁷⁹ See Schlesinger, *The Coming of the New Deal*, 323.

⁸⁰ See FDR: a Presidency Revealed

⁸¹ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 24.

⁸² *Ibid.*, 72.

consideration the lives of poor black farmers. It contributed to the mass migration of black farmers who were forced off the land to the peripheries of the big cities in the north.⁸⁴

For all the criticism of this legislation, AAA generated a little success. The net farm income increased from 2 billion from 1932 to 4.6 billion in 1939. However in 6 years government spent more than 4.5 billion on direct payments for farmers which burdened the national budget.⁸⁵

⁸³ Ibid., 73

⁸⁴ See FDR: A Residency Revealed

⁸⁵ See Badger, *The New Deal*, 168.

5 ANALYSIS OF BARACK OBAMA FIRST 100 DAYS

He started his presidency as one of the most popular presidents, with 78% support by nation.⁸⁶ His position was one of the hardest since FDR. He faced economic downturn connected with banking collapse, two wars which USA was fighting overseas and he was to improve US foreign relations which were damaged in the world and on the top of that he wanted to introduce his controversial health care reform.⁸⁷ The legislative activity of the new president couldn't be denied. He signed more bills than any of his predecessors since FDR. However the effectiveness wasn't always achieved.

Obama at the beginning of his presidency was stressing the need for immediate action the same way as his predecessor almost 80 years ago. Particularly he pointed out a serious problem of growing unemployment and poverty.⁸⁸ It is obvious that it is impossible to revive American economy in just a hundred days. That's why he wanted to set his plans to revive economy in motion as fast as possible. He was elected to the White House to help the America out of a crisis so he had to take some steps. He was even warned by economist, that if he won't act immediately, millions of jobs will be lost.⁸⁹ He believed that because the private sector is weakened by recession, it is a government responsibility to bring the economy back to life. American Recovery and Reinvestment Act was supposed to bring needed recovery. It should had save or create 4 million jobs during the next two years, secure the unemployment benefits and tax relief, and promote customer spending among the others.⁹⁰

5.1 American Recovery and Reinvestment Act

\$787 billion economic stimulus package was signed into law by president Obama on February 17, 2009 only four weeks after his inauguration. The awaited impact on economy wasn't expected to appear in next months rather in the distant future, it was a two- year plan.

⁸⁶ Reiner, Tomas. " Pokles popularity u Obamy je největší za 50 let – Novinky.cz ." *Novinky.cz* . N.p., n.d. Web. 1 Apr. 2010. <<http://www.novinky.cz/zahranicni/amerika/182400-pokles-popularity-u-obamy-je-nejvetsi-za-50-let.html>>.

⁸⁷ Love, Alaina. 2010. "Barack Obama: Crisis and Leadership." *BusinessWeek Online* 6. *Business Source Complete*, EBSCOhost (accessed April 18, 2010).

⁸⁸ See Thomas, *Obama's First 100 Days*, 98.

⁸⁹ *Ibid.*, 111.

⁹⁰ *Ibid.*, 108.

The efficiency of the Recovery Act is not as high as was planned and promised by Obama and his advisors. It promised to drop the unemployment level below 8%. However in July, unemployment hit 9.5%, which was highest level it reached since 1983.⁹¹ Jobs represent the most important part in economy. When people can't work, they don't have money to spend and thus it leads to more jobs get lost. In January 3 to 4 million jobs were promised to be created or saved. After more than 100 days of Obama administration and 3 month of Stimulus package in work, no more than 150 000 jobs were created or saved, though more jobs were in fact saved than created. If this rate would continue, there would be on 1,200,000 new jobs after 2 years, which is far cry from 4 millions.

Major part of stimulus money went to tax cuts. It provided a tax cuts to states, workers and families. 95% of working families should have received 1000 dollars to promote spending.⁹² These reliefs could have impelled people to spend their money and as a result increase demand and consequently revive the production and economy in general. But the results were again different from the promised one. According to the poll, only 12% of Americans think taxes decreased during one year of Obama's presidency.⁹³ If there would be such a major tax cuts to most of the families, wouldn't be the numbers little higher than they are? In reality the tax cuts promised by Obama were not achieved. Most of the households received only about 70 dollars more each month than usually.

Large part of the stimulus was spent into infrastructure, health care and ecology. In fields of infrastructure it invested into roads, railways and government facilities such as police and fire stations. \$9.3 billion was spent on building highways all around the US. This investment created considerably good number of working opportunities, 260,000 new jobs were expected.⁹⁴ Obama's administration invented innovative plan how to inform tax payers about their money. Special government website was set up for citizens so that they

⁹¹ Green, Spencer. "Barack Obama's Stimulus Plan: Failing by Its Own Measure - TIME." *Breaking News, Analysis, Politics, Blogs, News Photos, Video, Tech Reviews - TIME.com*. N.p., n.d. Web. 4 Apr. 2010. <<http://www.time.com/time/business/article/0,8599,1910208,00.html>>.

⁹² Obama, Barack. "American recovery and Reinvestment." *International Epolitik*. N.p., n.d. Web. 28 Mar. 2010. <www.internationalepolitik.de/ip/archiv/jahrgang-2009/februar2009/download/1ddf05ff244b1e2f05f11ddb661816d2b52302c302c/original_american-recovery-and-reinvestment.pdf>.

⁹³ "The Tea Party Movement." *CBS News/NY Times Poll*. N.p., n.d. Web. 7 Apr. 2010. <www.cbsnews.com/htdocs/pdf/poll_Tea_Party_021110.pdf?tag=contentMain;contentBody>.

⁹⁴ Stein, Sam. "Obama's First 100 Days: 10 Achievements You Didn't Know About." *Breaking News and Opinion on The Huffington Post*. N.p., n.d. Web. 1 Apr. 2010. <http://www.huffingtonpost.com/2009/04/29/obamas-first-100-days-10_n_192603.html>.

could check on what are their tax money used for. Another part of the package was benefits for unemployed. 43 billion dollars was given only for increasing the unemployment benefits and job training.⁹⁵

“Road towards the energy independence”. In these words Obama introduced the part of the Recovery package which was invested into developing alternative energy technologies such as solar power, wind power and advanced bio fuels. It should have doubled the amount of the supply of renewable energy in three years

The stimulus package divided a political scene in US. While Democrats thinks it helped to reduce unemployment, Republicans claim it only worsened the budget deficit. Democrats argued that thanks to the Stimulus, the American economy was again increasing by 5,7% by the end of 2009.

It also separated the economists in a matter of effectiveness of the bill. According to American Nobel Price for Economy winner Paul Krugman, “it helped economy but wasn’t ambitious and big enough” he noted.⁹⁶ He thinks that another stimulus bill might help to solve things. “The saving of jobs is more important than cutting budget deficit” he added. On the other hand, there is economist from the Harvard University Jeffrey Miron. He thinks that politics of low interest rates would resuscitate economy more than a government spending. There are beliefs that economy can revive itself after some time and that it doesn’t need the government intervention which creates only uncertainty.

Some liberal economists think that the stimulus package wasn’t big enough and that another big infusion is needed in order to provide stability. On the other side of political spectrum the conservative-leaning economists think the difference. They think it was wasteful, ineffectual and added to the national budget deficit.⁹⁷ “It's ridiculous. It won't work. It won't stimulate,” said John Seater, an economics professor at North Carolina State

⁹⁵ "American Recovery and Reinvestment Legislative Summary." *Republican Party of Olmsted County, Minnesota*. N.p., n.d. Web. 5 Apr. 2010. <www.olmstedgop.org/docs/ARRAexsum.pdf>.

⁹⁶ "Obamuv zachranny plan rok pote." *Financni Noviny*. N.p., n.d. Web. 7 Apr. 2010. <http://www.financninoviny.cz/zpravy/obamuv-zachranny-plan-rok-pote-fiasko-nebo-uspech/435485&id_seznam=>>.

⁹⁷ Hoxter, Curtis J. 2009. "Some believe Obama stimulus package is way too small." *Caribbean Business* 37, no. 48: 10. *Business Source Complete*, EBSCOhost (accessed April 2, 2010).

University. "Any kind of spending will stimulate the sector of the economy where the money is spent, but I don't know that these industries are depressed."⁹⁸

After 9 months of stimulus in process quarter of money was gone.

5.2 Housing Plan

The initial cause of the financial crisis occurred at the mortgage market. As much as 9 million people struggled to pay their mortgages, and one in 10 home mortgages was either delinquent or in foreclosure.⁹⁹ To overcome a Recession, the initial cause of it had to be removed. "The home mortgage crisis, the financial crisis and this broader economic crisis are all interconnected, and we can't successfully address any of them without addressing them all" president said.¹⁰⁰ After signing \$787 billion stimulus package Obama introduced a new housing plan in order to help the struggling homeowners. \$275 billion was set aside by government to help homeowners to refinance their mortgages and basically to prevent foreclosure and keep people's homes. Another 75 billion was paid to mortgage companies to persuade them to modify the loans terms which appeared to be unattainable for many homeowners. In this attempt to modify loan terms government offered \$1,000 for every modified loan.¹⁰¹

This plan had several problems. The biggest one was that the final decision on foreclosure was still on lender who could decide whether it is more profitable to accept government payment or to go with foreclosure. Another big drawback was that it could help only to those homeowners whose house is no more than 5 percent above the current market value. This plan discriminated those fair and responsible homeowners who were paying their mortgage by rules and in time in favor of irresponsible people who miscalculated their income and bought houses which they couldn't afford.

⁹⁸ Miller, S.A.. "Critics say Obama's economic bill lacks stimulus - Washington Times." *Washington Times - Politics, Breaking News, US and World News*. N.p., n.d. Web. 4 Apr. 2010.

<<http://www.washingtontimes.com/news/2009/jan/27/obama-plan-draws-cries-over-largess/>>.

⁹⁹ Kirchhoff, Sue. "Millions could get help, but is foreclosure plan fair? - USATODAY.com." *News, Travel, Weather, Entertainment, Sports, Technology, U.S. & World - USATODAY.com*. N.p., n.d. Web. 4 Apr. 2010. <http://www.usatoday.com/money/economy/housing/2009-02-18-is-foreclosure-plan-fair_N.htm>.

¹⁰⁰ See Thomas, *Obama's First 100 Days*, 141.

¹⁰¹ Stolberg, Sheryl Gay. "Obama Housing Plan Tries to Slow Downward Spiral - NYTimes.com." *The New York Times - Breaking News, World News & Multimedia*. N.p., n.d. Web. 4 Apr. 2010.

<http://www.nytimes.com/2009/02/19/business/19housing.html?_r=1>.

5.3 Trouble Asset Relief Program

One of the reactions of the Bush administration to the expanding financial crisis was launching the Trouble Asset Relief Program (TARP) in late 2008. The US treasury was allowed to buy up to 700 billion of so called “toxic” assets from qualifying banks.¹⁰² Its main intention was to strengthen financial institutions, market stability and situation on a financial market which was place where first problems occurred. In other words, people lost the confidence in banks which were holding these toxic assets. The first \$350 billion was spent in the November 2008 on capital injections into the banks. This program faced lot of criticism, concerning credible use of taxpayer money and overall purpose of the program. Despite of that Obama decided to request second part of the fund in January and implemented it during his first hundred days in the office. He proclaimed “even though it is very controversial program, it is absolutely necessary”¹⁰³.

Obama’s goal was to rebrand the program radically which would include more control over the taxpayer money and alternative use of this money to help small businesses, municipalities and to prevent foreclosures.¹⁰⁴ On March 23, US treasury Secretary announced Public-Private Investment Program (PPIP), which was an offshoot of TARP. The principle was simple. The money was provided to private investors who bought toxic assets from balance sheets of banks.¹⁰⁵ This should have led consequently to extend new credit to households and businesses and stabilize a banking sector. In June 2009, after just 3 months from launching the program, Legacy Loan Program which was one part of the PPIP wasn’t working. It was announced that banks won’t sell of their toxic assets and program must be renewed.¹⁰⁶

This program was subjected lot of criticism much like the first part of it. Economist Paul Krugman thinks that it could lead to a hidden subsidy for bankers, asset managers and creditors. The treasury didn’t press the banks to participate in this program. ”So far, the

¹⁰² “FRB: TARP Program Information.” *Board of Governors of the Federal Reserve System*. N.p., n.d. Web. 6 Apr. 2010. <<http://www.federalreserve.gov/bankinfo/tarpinfo.htm>>.

¹⁰³ See Thomas, *Obama's First 100 Days*, 216.

¹⁰⁴ Stephanopoulos, George. “Obama Has New Plans for TARP - George's Bottom Line.” *Political Punch*. N.p., n.d. Web. 7 Apr. 2010. <<http://blogs.abcnews.com/george/2009/01/obama-has-new-p.html>>.

¹⁰⁵ “FinancialStability.gov | U.S. Department of the Treasury.” *FinancialStability.gov | U.S. Department of the Treasury*. N.p., n.d. Web. 3 Apr. 2010.

<<http://www.financialstability.gov/roadtostability/publicprivatefund.html>>.

main investment banks have not significantly participated in PPIP at this point,” said senior counsel at Baker & McKenzie LLP, Mr. Jakubik. The sufficient regulation of PPIP funds was also questioned.¹⁰⁷

A little sign of prosperity is that some banks are paying back the fund money. By the end of the March 2010 government of United States already gained 10,5 billion from the companies funded by TARP program.¹⁰⁸

5.4 First hundred days comparison

Both presidents were pushed in their first hundred days by critical economic conditions they were facing and urgency to take some steps to resolve the problems. That is why, their legislative programs were often created without detailed planning or considering the future consequences and therefore wasn't always flawless. When speaking to the Recover Advisory Board about the Recovery Act Obama noted “The bill isn't perfect, but it is absolutely necessary”.¹⁰⁹ The economic conditions faced by Obama were so poor that media and public were expecting similar progressive politics as FDR during his first hundred days. The expectations were so high that some people regarded him as a savior for the country. "Whatever he accomplishes will be below the extraordinary expectations that people have for him" said William Keylor, a history professor at Boston University.¹¹⁰

FDR was facing the economic crisis much larger than Obama did. On the other hand, Obama had to deal not only with domestic economic downturn but also with foreign policies including two wars America was leading abroad. Both of them as democrats entered the office after the republican presidents, which were not very successful. They had to sort of clean up some mistakes made by their predecessors. The FDR managed to bring innovative look at the federal politics. He adopted the idea of government intervention into weakened economy and took the responsibility on himself to help the nation. Obama was

¹⁰⁶ Harrison, Selina. "The Public-Private Investment Program in the US." *Financier Worldwide - Corporate Finance Intelligence*. N.p., n.d. Web. 29 Apr. 2010.

<<http://www.financierworldwide.com/article.php?id=6152>>.

¹⁰⁷ Ibid

¹⁰⁸ "Vláda USA získává zpátky peníze od ostupivších z fondu TARP - Investiční zprávy - Investujeme.cz." *Investujeme.cz*. N.p., n.d. Web. 7 Apr. 2010. <<http://www.investujeme.cz/investicni-zpravy/vlada-usa-ziskava-zpatky-penize-od-ostupivsih-z-fondu-tarp/>>.

¹⁰⁹ See Thomas, *Obama's First 100 Days*, 99.

¹¹⁰ Bohan, Caren. "Rescuing economy tops Obama's 100-day agenda | Reuters." *Business & Financial News, Breaking US & International News | Reuters.com*. N.p., n.d. Web. 7 Apr. 2010.

<<http://www.reuters.com/article/idUSTRE50F1MC20090119>>.

proceeding similarly with that difference he more implemented the government bailouts of weakened organizations.

Roosevelt's methods were more innovative and creative and sometimes radical. He found work for unemployed people in CCC, he ordered the farmers to destroy their crops to restore the stability on the market. On the other hand Obama seemed to lack certain creativity in developing his reforms. He employed only the method of government bailouts for toxic banks and other institutions and social securities for unemployed which only put these issues off rather than figure these problems out totally. Federal bailout for private institutions won't solve the problems of the company, it only keeps it alive. Eventually when provided funds overdraw, the initial problem will emerge again. Apart from that, the funds could be also misused by unrighteous business executives.

In matter of solving one of the most critical problems of crisis, the unemployment there is also one common attribute. FDR came up with CCC, whose workers worked on the rebuilding the nation's infrastructure and preserving its nature. Obama's Stimulus Package goal was to create and provide Americans jobs which "needed to be done, in critical areas that have been neglected" according to him. These positions included rebuilding roads and bridges, fixing schools and repairing dangerous deficient dams also in order to prevent another catastrophe as Hurricane Katrina was.¹¹¹ The difference is that New Deal programs such as CCC were sponsored and supervised by federal government while the jobs created by Obama's administration by 90% are private sector jobs.¹¹²

Their attitude towards solving banking crisis was different. In this matter Roosevelt's plan was much more sophisticated. He closed all the banks to give them a time to reorganize and to inspect the financially unstable institutions and reopen the steady ones. On the other hand Obama decided to help all the banks even the unstable and failing unhealthy banks by buying off their bad assets which didn't always work and efficiency was generally low. Even though FDR took more radical approach towards this issue, it was more effective.

FDR first hundred days become a milestone of US presidency. The reasons for that are not only the tremendous activity and endeavor for helping the economy. FDR helped people to realize that he's the right leader capable of bringing back the prosperity and to

¹¹¹ See Thomas, *Obama's First 100 Days*, 109,111.

solve their problems. His public popularity made a contribution to his policies by giving him the full support from the nation and Congress. Obama's popularity was also distinct, particularly during his campaign which reached many people thanks to its assurances and promises and Obama's charisma and ability to orate. The first hundred days was then return to reality when Obama found out that it's not that easy to fulfill his plans and promises. The reforms formed by his cabinet were often ill-considered and justifiably criticized by Republicans and economic experts.

¹¹² Ibid., 128.

6 IMPACTS AND ACHIEVEMENTS OF FDR'S FIRST 100 DAYS

6.1 Effects of FDR's 100 days

From a first hundred days point of view New Deal generated a success. In contrast to the inactive Hoover's cabinet, FDR was more determined to help his country and was more successful than his predecessor. USA was so depressed in 1930s that some historians remarked that Roosevelt saved country from revolution.¹¹³ Roosevelt's administration quickly reacted to troubled issues of its times as agriculture and banking sector and brought the immediate relief. It implemented lost confidence of people in the banking system and politics after Hoover's presidency. It created working opportunities for unemployed young people.

After the striking first hundred days it seemed that America was on a way to recovery. Some of the New Deal programs had effect mainly in the long-run. In fact, the institutions created by FDR, such as TVA remained the pillar of economic stability according to Paul Krugman.¹¹⁴ America's Gross National Product was \$80 billion in 1928, in 1933 it was \$45 billion and in 1939 \$65 billion. Private investment in industry rose from 2 billion in 1933 to 10 billion in 1939. From 15 million unemployed in 1933, there left 9.2 million in 1939.¹¹⁵ All these figures demonstrates that New Deal policies which started during the first days of Roosevelt's presidency had some effects on economy but didn't led the country out of economic depression completely. Over 9 million unemployed in 1939 proves that New Deal programs weren't planned to the distant future, rather it was aimed at immediate relief as FDR called it. Because the economic problems weren't completely eliminated in 1933 but only suppressed by government's economic intervention, it was possible that they will emerge again later during the Roosevelt presidency. This has confirmed during the 1937 Recession where unemployment after a period of growth backed up to 19%.¹¹⁶

¹¹³ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 26.

¹¹⁴ Krugman, Paul. "Franklin Delano Obama?." *The New York Times*. N.p., n.d. Web. 7 Mar. 2010. <<http://www.economics.utoronto.ca/gindart/2008-11-10%20-%20Franklin%20Delano%20Obama.pdf>>.

¹¹⁵ "Was the New Deal a success." *History Learning Site*. N.p., n.d. Web. 6 Apr. 2010.

<http://www.historylearningsite.co.uk/New_Deal_success.htm>.

¹¹⁶ See Badger, *The New Deal*, 66.

6.2 Criticism of the New Deal

There were many critics of Roosevelt's New Deal. Some of them came from left, some of them from right and some were his former colleagues, co-workers and supporters. Typical example of last group of critics was the Democratic senator from Louisiana Huey Long. Firstly he favoured Roosevelt as a Democratic Nominee, but after FDR launched his Banking legislatures he started to oppose him.¹¹⁷ Because of Roosevelt policies the split in Democratic party became apparent. Most of the conservative democrats opposed Roosevelt policies and another presidential nomination. They believed that New Deal was against the historical purpose of the Democratic party.¹¹⁸ Democratic senator Thomas of Colorado said "If Roosevelt is a Democrat, I am not and never was."¹¹⁹

Since Roosevelt came from a rich family, he was regarded to be a member of high class. One of the measures to gain finances for his New Deal plan was cutting the taxes for the rich. The rich people therefore believed that he betrayed his own social class.¹²⁰

New Deal legislative often faced the problem of being proclaimed unconstitutional by Supreme Court.¹²¹ This related the matter of states and federal laws. Supreme Court blamed Roosevelt for imposing the federal legislation into the states.¹²² In 1936 AAA was declared unconstitutional by Supreme Court in a matter of processing the taxes to farmers.¹²³

Roosevelt often didn't accept the advices given to him by economists and financial experts and was skeptical towards the "laws" of economy. Once he stated: "We must lay hold of the fact that economic laws are not made by nature, they are made by human beings".¹²⁴

¹¹⁷ "Huey Long." *Spartacus Educational - Home Page*. N.p., n.d. Web. 5 Apr. 2010.

<<http://www.spartacus.schoolnet.co.uk/USAlongH.htm>>.

¹¹⁸ See Schlesinger, *The Coming of the New Deal*, 482.

¹¹⁹ *Ibid.*, 483.

¹²⁰ "Opposition to the New Deal." *History Learning Site*. N.p., n.d. Web. 8 Apr. 2010.

<http://www.historylearningsite.co.uk/New_Deal_opposition.htm>.

¹²¹ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 143.

¹²² "Opposition to the New Deal." *History Learning Site*. N.p., n.d. Web. 8 Apr. 2010.

<http://www.historylearningsite.co.uk/New_Deal_opposition.htm>.

¹²³ See Leuchtenburg, *Franklin D. Roosevelt and the New Deal*, 170.

¹²⁴ *Ibid.*, 344.

The agricultural problem also wasn't solved by New Deal. Crop reduction and loans couldn't eliminate surplus and overproduction nor did it worked out the problem of too many farmers living on the land.¹²⁵

FDR is often criticized for implementing too much government effort during his first Hundred Days. However it was his responsibility to take action to help the economy. There were 17 million unemployed people in a nation of 125 million people and there were no federal benefits for them.¹²⁶ His predecessor at White House Herbert Hoover maintained the idea of self help, in other words he did almost nothing to stop the Depression. The result was however scary. During Hoover's presidency Depression deepened and worsened in a radical way and become world wide spread. Roosevelt was elected to change political methods and attempt to save butchered economy. To resolve such a complicated matter he had to come up with different solutions and legislatives which of course wasn't popular among the politicians and individual states. As there was no similar situation in US history, Roosevelt had to experiment in passing different kinds of bills although he didn't know much about the economic principles.

¹²⁵ See Badger, *The New Deal*, 299.

¹²⁶ Black, Conrad. "The Obama Economy ." *National Review Online*. N.p., n.d. Web. 9 Apr. 2010. <<http://article.nationalreview.com/423767/the-obama-economy/conrad-black>>.

7 IMPACTS AND CRITICISM OF OBAMA'S FIRST 100 DAYS

7.1 Effects of Obama's 100 days

Obama tried to disregard the significance of the first hundred days in office created by media for a simple reason. His policies couldn't make noticeable effects in such a short time. When giving a speech after his first hundred days passed he said "There's also an impatience that characterizes Washington, that insists on instant gratification in the form of immediate results or higher poll numbers".¹²⁷

Nevertheless Americans still viewed him as a competent and right president when he reached this time period. At the end of his 100 days period, as much as 63% of Americans approved his president job handling according to research. It's the highest approval of first hundred days since president Reagan in 1981 who had 67%. In a matter of economy, 60% Americans approved the way Obama was handling this issue, which was relatively higher than other issues like health care reform, or tax policies (both 50%). On the other hand American public realized that the changes are coming slow or needs more time for showing a real effects. 50% thought that his economical reforms either didn't create effect so far or it's too early to tell.¹²⁸ The considerably high support from public gave him a good start to the future presidency.

However the first hundred days are just a media popularized method how to measure newly elected president. It's not relevant factor in measuring the presidency as a whole, which is the case of Obama himself. He suffered the largest decline of his job approval since any other preceding president. After a year in the office, only 48% Americans approved his presidency.¹²⁹

Obama's administration managed to create many legislative actions and pass it through the Congress despite the Republican Party disapprovals. It launched a huge 787 billion Recovery Act which created new job opportunities and invested widely into infrastructure

¹²⁷ Shell, Callie. "Sizing Up Obama's First 100 Days - TIME." *Breaking News, Analysis, Politics, Blogs, News Photos, Video, Tech Reviews - TIME.com*. N.p., n.d. Web. 3 Apr. 2010. <<http://www.time.com/time/politics/article/0,8599,1893277,00.html>>.

¹²⁸ "Obama at 100 Days: Strong Job Approval, Even Higher Personal Ratings: Overview - Pew Research Center for the People & the Press." *The Pew Research Center for the People & the Press*. N.p., n.d. Web. 10 Apr. 2010. <<http://people-press.org/report/509/obama-at-100-days>>.

¹²⁹ "Gallup Daily: Obama Job Approval." *Gallup.Com - Daily News, Polls, Public Opinion on Government, Politics, Economics, Management*. N.p., n.d. Web. 11 Apr. 2010. <<http://www.gallup.com/poll/113980/gallup-daily-obama-job-approval.aspx>>.

and education. His 275 billion housing plan helped lots of people from foreclosures. Nevertheless these are only the positive sides of these bills which also had its drawbacks in particular the massive deepening of the national budget deficit.

7.2 Criticism of Obama's 100 days

Critics of Obama's recovery legislation's were pointing out that it created only limited number of jobs and despite the big amount of money it wasn't as effective. Obama defended himself by saying "The Recovery Act was not designed to work in four months -- it was designed to work over two years,"¹³⁰

One of the challenges Obama faced before taking the office was reducing the national budget deficit. The government spending and economic reforms of Barack Obama yet created the record-breaking national budget deficit. Because of massive government intervention to the national economy budget deficit hit a 1.42\$ trillion.¹³¹ This number answers only for fiscal year 2009, not including expensive health care reform planned for upcoming years. Yet it needs to be said Bush's administration contributed to this number as well. After not very successful program TARP, Obama shouldn't had continue to encumber budget deficit with another part of the program which was very unpopular and confusing for most of the nation. Historically highest government spending into economy in US history, namely the ARRA, also wasn't as effective as promised.

All in all, the promised recovery was coming slow. Despite the huge stimulus bill, unemployment was still rising after the period of first hundred days. Two million more jobs were lost since the signature of the Recovery Act. Obama made excuses that the Recession turned out to be worse than he predicted in January and that his policies need more time to be more efficient.¹³²

¹³⁰ Shear, Michael D. . "Obama Responds to Growing Criticism of Recovery Act | 44 | washingtonpost.com." *Blog Directory (washingtonpost.com)*. N.p., n.d. Web. 29 Apr. 2010. <http://voices.washingtonpost.com/44/2009/07/11/obama_responds_to_criticism_on.html>.

¹³¹ Jackson, David. "Obama team makes it official: Budget deficit hits record. By a lot. - The Oval: Tracking the Obama presidency." *News, Travel, Weather, Entertainment, Sports, Technology, U.S. & World - USATODAY.com*. N.p., n.d. Web. 12 Apr. 2010. <<http://content.usatoday.com/communities/theoval/post/2009/10/620000005/1>>.

¹³² Kuhnhenh, Jim. 2009. "Analysis: It's Obama's Economy Now." *BusinessWeek Online* 15. *Business Source Complete*, EBSCOhost (accessed April 18, 2010).

8 CONCLUSION

The financial crisis is often discussed topic nowadays. Most importantly because it affects everyone. The goal of this bachelor thesis was to provide comparison between historic situation and today's situation and how two most important characters of the times were dealing with the difficult conditions and to what extent was their actions similar and on the other hand different. The writer of the thesis wanted to discover if it is appropriate to measure today's American president and his conditions with his famous predecessor and whether it's possible to learn a lesson from history and apply it for today's world.

First of all, the situation of the Great Depression was much more serious than today. The comparison therefore cannot be fully neutral. As FDR faced the greatest crisis in US history and concentrated fully on that, Obama was occupied by other serious topics apart from domestic economic downturn, such as foreign policy, health care reform, wars overseas etc.

Even if FDR was the most active president during his first hundred days and because of him this benchmark is applied on all of his successors in White House, Obama can be measured with him at least at the lawmaking activity. However Roosevelt legislations were more miscellaneous and the money spent by him was used much more effectively, whereas Obama used up the money sometimes carelessly and without effect.

The first hundred days is not accurate at all and it is completely misleading to determine the successful president. Mainly because, it is a short time to change something. The effects of the legislation passed by both presidents in the first hundred days needed more time to show itself. They both implemented a series of legislation focused on boosting the economy in the long term. The comparison of effectiveness of these programs can't be compared thoroughly yet because in the Obama case, the effect is coming more slowly. Roosevelt was therefore more successful in removing the biggest problems and securing the initial relief. Roosevelt secured the confidence in the nation during his first hundred days, which was the basis for his initial success. Obama so far has not achieved similar accomplishment, and it will be very hard for him. The first hundred days benchmark is according to historians "critical window into the character of his

administration," and "it is too short a period of time to draw meaningful conclusions."¹³³ Another evidence of inaccuracy of the first hundred days, is both presidents later presidency. The long awaited impact, in matter of full economic recovery didn't come neither during FDR first hundred days nor during his long term presidency. The World War II ended the Depression, by creating war production and by sending thousands of men to war. After the winning election of 1936, FDR administration cut spending and raised taxes which led to rapid increase of unemployment and start of a new crisis within the old one.¹³⁴ Obama's popularity after relatively successful first months in the office, radically dropped. Only a time will show whether Obama will be more successful in solving economic crisis and avoiding potential dangers arising from it. As The great Depression led to World War II, the similar situation should be avoided nowadays because of institutions like a European Union and International Monetary Fund which are trying to cooperate globally to solve the economic problems of the world.

Sometimes the economic problems lie far beyond economy itself. Tomáš Baťa once said during the Great Depression in 1932 "I don't believe that the crisis starts by itself. What we call economic depression is another word for moral decline. The moral decline is a cause, economic crisis is a consequence".¹³⁵

¹³³ Schlesinger, Robert. "Rating President Obama's First 100 Days in Office | Robert Schlesinger - iHaveNet.com." *World News, Politics, Movies, Recipes, NFL Articles, Careers*. N.p., n.d. Web. 11 Apr. 2010. <<http://www.ihavenet.com/politics/Rating-President-Obama-First-100-Days-Politics.html>>.

¹³⁴ Krugman, Paul. "Franklin Delano Obama?." *The New York Times*. N.p., n.d. Web. 7 Mar. 2010. <<http://www.economics.utoronto.ca/gindart/2008-11-10%20-%20Franklin%20Delano%20Obama.pdf>>.

¹³⁵ "Výroky Tomáše Bati." *Starý Zlín - historie Zlína, pohlednice a video*. N.p., n.d. Web. 16 Apr. 2010. <<http://staryzlin.cz/aktualne.php>>.

BIBLIOGRAPHY

Books

- Badger J. Anthony, *The New Deal: The Depression Years*, (Chicago: Ivan R. Dee, Publisher, 2002)
- Leuchtenburg, E. William, *Franklin D. Roosevelt and the New Deal*, (New York: Harper Perennial 2009)
- Schlesinger Jr., Arthur Meier, *The Coming of the New Deal: The Age of Roosevelt*. (New York: Mariner Books, 2003),
- Thomas, Tom. *Obama's First 100 Days: Promises Made, Promises Kept*. (London, UK: Createspace, 2009)
- Vodička, Milan. *Den, kdy došly prachy*. 2009. (Český Těšín : Práh, 2009)
- Wilson, John K. *Barack Obama: This Improbable Quest*. (Boulder: Paradigm Publishers, 2007)

Web articles and online database

- "1932 Roosevelt v. Hoover." *Kennesaw State University*. N.p., n.d. Web. 2 Feb. 2010. <<http://www.kennesaw.edu/pols/3380/pres/1932.html>>.
- "American Recovery and Reinvestment Legislative Summary." *Republican Party of Olmsted County, Minnesota*. N.p., n.d. Web. 5 Apr. 2010. <www.olmstedgop.org/docs/ARRAexsum.pdf>.
- Andres, Brittney. "Too Old To Run? - CBS News." *Breaking News Headlines: Business, Entertainment & World News - CBS News*. N.p., n.d. Web. 28 Mar. 2010. <<http://www.cbsnews.com/stories/2007/01/25/politics/main2397926.shtml>>.
- Black, Conrad. "The Obama Economy ." *National Review Online*. N.p., n.d. Web. 9 Apr. 2010. <<http://article.nationalreview.com/423767/the-obama-economy/conrad-black>>.
- Bohan, Caren. "Rescuing economy tops Obama's 100-day agenda | Reuters." *Business & Financial News, Breaking US & International News | Reuters.com*. N.p., n.d. Web. 7 Apr. 2010. <<http://www.reuters.com/article/idUSTRE50F1MC20090119>>.
- Cannon, Lou. "Obama's Bipartisan Mentors: F.D.R. and Reagan - 100 Days Blog - NYTimes.com." *US Presidencies - 100 Days Blog - NYTimes.com*. N.p., n.d. Web. 17 Mar. 2010. <<http://100days.blogs.nytimes.com/2009/02/24/obamas-bipartisan-mentors-fdr-and-reagan/>>.
- Carcasson, Martin. "Herbert Hoover And The Presidential Campaign Of 1932: The Failure Of Apologia - Research and Read Books, Journals, Articles at Questia Online Library."

Questia Online Library. N.p., n.d. Web. 15 Dec. 2009.
<<http://www.questia.com/googleScholar.qst;jsessionid=Lp>>

"Civilian Conservation Corps (CCC)." *United States History*. N.p., n.d. Web. 4 Apr. 2010.
<<http://www.u-s-history.com/pages/h1586.html>>

Evans, Richard M.. "How Alcohol Prohibition Was Ended." *DRCNet Online Library of Drug Policy*. N.p., n.d. Web. 20 Mar. 2010.
<<http://www.druglibrary.org/think/~jnr/endprohb.htm>>

"Ekonomická krize: nejdříve špatné hypotéky, poté krach bank." *Ekonomika*. N.p., n.d. Web. 12 Feb. 2010. <www.ct24.cz/ekonomika/65850-ekonomicka-krize-nejdrive-spatne-hypoteky-pote-krach-bank/>

"FDIC: Failed Bank List." *FDIC: Federal Deposit Insurance Corporation*. N.p., n.d. Web. 13 Feb. 2010. <<http://www.fdic.gov/bank/individual/failed/banklist.html>>

"FRB: TARP Program Information." *Board of Governors of the Federal Reserve System*. N.p., n.d. Web. 6 Apr. 2010. <<http://www.federalreserve.gov/bankinfo/tarpinfo.htm>>

"Gallup Daily: Obama Job Approval." *Gallup.Com - Daily News, Polls, Public Opinion on Government, Politics, Economics, Management*. N.p., n.d. Web. 11 Apr. 2010.
<<http://www.gallup.com/poll/113980/gallup-daily-obama-job-approval.aspx>>

Green, Spencer. "Barack Obama's Stimulus Plan: Failing by Its Own Measure - TIME." *Breaking News, Analysis, Politics, Blogs, News Photos, Video, Tech Reviews - TIME.com*. N.p., n.d. Web. 4 Apr. 2010.
<<http://www.time.com/time/business/article/0,8599,1910208,00.html>>

Harrison, Selina. "The Public-Private Investment Program in the US." *Financier Worldwide - Corporate Finance Intelligence*. N.p., n.d. Web. 29 Apr. 2010.
<<http://www.financierworldwide.com/article.php?id=6152>>

Henry, Robin. " Bankers to blame for economic 'mess' - Times Online ." *Business News, Market and Financial News | Times Online Business* . N.p., n.d. Web. 5 Mar. 2010.
<http://business.timesonline.co.uk/tol/business/industry_sectors/banking_and_finance/article5820951.ece>

Hoxter, Curtis J. 2009. "Some believe Obama stimulus package is way too small." *Caribbean Business* 37, no. 48: 10. *Business Source Complete*, EBSCOhost (accessed April 2, 2010).

"Huey Long." *Spartacus Educational - Home Page*. N.p., n.d. Web. 5 Apr. 2010.
<<http://www.spartacus.schoolnet.co.uk/USAlongH.htm>>

Jackson, David. "Obama team makes it official: Budget deficit hits record. By a lot. - The Oval: Tracking the Obama presidency." *News, Travel, Weather, Entertainment, Sports, Technology, U.S. & World - USATODAY.com*. N.p., n.d. Web. 12 Apr. 2010.
<<http://content.usatoday.com/communities/theoval/post/2009/10/620000005/1>>

Jindra, Christine. "McCain, Obama clash over causes, cures of crisis | cleveland.com." *Blogs - cleveland.com*. N.p., n.d. Web. 5 Mar. 2010. <http://blog.cleveland.com/openers/2008/10/obama_mccain_engage_in_seco>

Jones, Jeffrey M.. "Obama's Leadership Qualities Stand Out to Americans." *Gallup*. N.p., n.d. Web. 17 Mar. 2010. <<http://www.gallup.com/poll/123104/obama-leadership-qualities-stand-out-americans.aspx>>.

Kirchhoff, Sue. "Millions could get help, but is foreclosure plan fair? - USATODAY.com." *News, Travel, Weather, Entertainment, Sports, Technology, U.S. & World - USATODAY.com*. N.p., n.d. Web. 4 Apr. 2010. <http://www.usatoday.com/money/economy/housing/2009-02-18-is-foreclosure-plan-fair_N.htm>.

Krugman, Paul. "Franklin Delano Obama?." *The New York Times*. N.p., n.d. Web. 7 Mar. 2010. <<http://www.economics.utoronto.ca/gindart/2008-11-10%20-%20Franklin%20Delano%20Obama.pdf>>.

Kuhnhenh, Jim. 2009. "Analysis: It's Obama's Economy Now." *BusinessWeek Online* 15. *Business Source Complete*, EBSCOhost (accessed April 18, 2010).

Lardinois, Frederic. "Obama's Social Media Advantage." *ReadWriteWeb - Web Apps, Web Technology Trends, Social Networking and Social Media*. N.p., n.d. Web. 15 Feb. 2010. <http://www.readriteweb.com/archives/social_media_obama_mccain_comparison.php>

Love, Alaina. 2010. "Barack Obama: Crisis and Leadership." *BusinessWeek Online* 6. *Business Source Complete*, EBSCOhost (accessed April 18, 2010).

Miller, S.A.. "Critics say Obama's economic bill lacks stimulus - Washington Times." *Washington Times - Politics, Breaking News, US and World News*. N.p., n.d. Web. 4 Apr. 2010. <<http://www.washingtontimes.com/news/2009/jan/27/obama-plan-draws-cries-over-largess/>>.

"New Deal Network Search Results." *New Deal Network*. N.p., n.d. Web. 6 Apr. 2010 <<http://newdeal.feri.org/tva/tva10.htm>>.

"New Deal Network Search Results." *New Deal Network*. N.p., n.d. Web. 6 Apr. 2010. <http://newdeal.feri.org/search_details.cfm?link=http://newdeal.feri.org/tva/tva01.htm>.

"Obama at 100 Days: Strong Job Approval, Even Higher Personal Ratings: Overview - Pew Research Center for the People & the Press." *The Pew Research Center for the People & the Press*. N.p., n.d. Web. 10 Apr. 2010. <<http://people-press.org/report/509/obama-at-100-days>>.

Obama, Barack. "Illinois Sen. BarackObama's Announcement Speech ." *washingtonpost.com - nation, world, technology and Washington area news and headlines*. N.p., n.d. Web. 17 Mar. 2010. <<http://www.washingtonpost.com/wp-dyn/content/article/2007/02/10/AR2007021000879.html>>.

Obama, Barack. "Barack Obama's Keynote Speech - The U.S. Constitution Online - USConstitution.net." *Index Page - The U.S. Constitution Online - USConstitution.net*. N.p., n.d. Web. 17 Mar. 2010. <<http://www.usconstitution.net/obama.html>>.

Obama, Barack . "American recovery and Reinvestment." *International Epolitik*. N.p., n.d. Web. 28 Mar. 2010. <www.internationalepolitik.de/ip/archiv/jahrgang-2009/februar2009/download/1ddf05ff244b1e2f05f11ddb661816d2b52302c302c/original_american-recovery-and-reinvestment.pdf>.

"Obamuv zachranny plan rok pote." *Financni Noviny*. N.p., n.d. Web. 7 Apr. 2010. <http://www.financninoviny.cz/zpravy/obamuv-zachranny-plan-rok-pote-fiasko-nebo-uspech/435485&id_seznam=>>.

"Opposition to the New Deal." *History Learning Site*. N.p., n.d. Web. 8 Apr. 2010. <http://www.historylearningsite.co.uk/New_Deal_opposition.htm>.

Schlesinger, Robert. "Rating President Obama's First 100 Days in Office | Robert Schlesinger - iHaveNet.com." *World News, Politics, Movies, Recipes, NFL Articles, Careers*. N.p., n.d. Web. 11 Apr. 2010. <<http://www.ihavenet.com/politics/Rating-President-Obama-First-100-Days-Politics.html>>.

"Smoot-Hawley Tariff." *Future Home Page*. N.p., n.d. Web. 20 Feb. 2010. <http://future.state.gov/when/timeline/1921_timeline/smoot_tariff.html>.

Steinhauser, Paul . "Poll: More disapprove of Bush than any other president - CNN.com." *CNN.com International - Breaking, World, Business, Sports, Entertainment and Video News*. N.p., n.d. Web. 27 Mar. 2010. <<http://edition.cnn.com/2008/POLITICS/05/01/bush.poll/>>.

Stein, Sam. "Obama's First 100 Days: 10 Achievements You Didn't Know About." *Breaking News and Opinion on The Huffington Post*. N.p., n.d. Web. 1 Apr. 2010. <http://www.huffingtonpost.com/2009/04/29/obamas-first-100-days-10_n_192603.html>.

Stephanopoulos , George. "Obama Has New Plans for TARP - George's Bottom Line." *Political Punch*. N.p., n.d. Web. 7 Apr. 2010. <<http://blogs.abcnews.com/george/2009/01/obama-has-new-p.html>>.

Stolberg, Sheryl Gay. "Obama Housing Plan Tries to Slow Downward Spiral - NYTimes.com." *The New York Times - Breaking News, World News & Multimedia*. N.p., n.d. Web. 4 Apr. 2010. <http://www.nytimes.com/2009/02/19/business/19housing.html?_r=1>.

Reiner, Tomas. " Pokles popularity u Obamy je největší za 50 let – Novinky.cz ." *Novinky.cz* . N.p., n.d. Web. 1 Apr. 2010. <<http://www.novinky.cz/zahranicni/amerika/182400-pokles-popularity-u-obamy-je-nejvetsi-za-50-let.html>>.

Roosevelt, Franklin Delano. "First Inaugural Address." *Advisor square*. N.p., n.d. Web. 6 Apr. 2010.
<www.advisorsquare.com/new/kannerfinancialservices/Franklin%20Delano%20Roosevelt.pdf>

Roosevelt, Franklin Delano. "Fireside Chat on Banking." *The American Presidency Project*. N.p., n.d. Web. 6 Mar. 2010.
<www.presidency.ucsb.edu/ws/index.php?pid=14540>.

UN World Economic and Social Survey, World Economic Situation and prospects _ WESS, WESP." *Welcome to the United Nations: It's Your World*. N.p., n.d. Web. 3 Mar. 2010. <<http://www.un.org/esa/policy/wess/wesp.html>>.

"The Great Depression: A Brief Overview." *Welcome to Innovative Teaching Concepts - Providing the educational community a resource for curriculum*. N.p., n.d. Web. 20 Feb. 2010.
<<http://www.todaysteacher.com/TheGreatDepressionWebQuest/BriefOverview.htm>>.

"The Tea Party Movement." *CBS News/NY Times Poll*. N.p., n.d. Web. 7 Apr. 2010.
<www.cbsnews.com/htdocs/pdf/poll_Tea_Party_021110.pdf?tag=contentMain;contentBody>.

"Three Top Economists Agree 2009 Worst Financial Crisis Since Great Depression; Risks Increase if Right Steps are Not Taken | Reuters." *Business & Financial News, Breaking US & International News | Reuters.com*. N.p., n.d. Web. 21 Feb. 2010.
<<http://www.reuters.com/article/pressRelease/idUS193520+27-Feb-2009+BW20090227>>.

"Výroky Tomáše Bati." *Starý Zlín - historie Zlína, pohlednice a video*. N.p., n.d. Web. 16 Apr. 2010. <<http://staryzlin.cz/aktualne.php>>.

Waggoner, John, and USA TODAY. "Is today's economic crisis another Great Depression? - USATODAY.com." *News, Travel, Weather, Entertainment, Sports, Technology, U.S. & World - USATODAY.com*. N.p., n.d. Web. 3 Mar. 2010.
<http://www.usatoday.com/money/economy/2008-11-03-economy-depression-recession_N.htm>.

Walsh, Kenneth T.. "The Most Consequential Elections in History: Franklin Delano Roosevelt and the Election of 1932 - US News and World Report." *US News & World Report - Breaking News, World News, Business News, and America's Best Colleges - USNews.com*. N.p., n.d. Web. 15 Mar. 2010.

<<http://www.usnews.com/articles/news/politics/2008/09/10/the-most-consequential-elections-in-history-franklin-delano-roosevelt-and-the-election-of-1932.html>>.

White, Deborah. "Profile of President Barack Obama." *Liberal & Progressive Politics & Perspectives*. N.p., n.d. Web. 11 Feb. 2010.

<<http://usliberals.about.com/od/congressionalleadership/p/SenObama.htm>>.

"Was the New Deal a success." *History Learning Site*. N.p., n.d. Web. 6 Apr. 2010.

<http://www.historylearningsite.co.uk/New_Deal_success.htm>.

Others

FDR - A Presidency Revealed (History Channel). Dir. David C. Taylor. Perf. Franklin Delano Roosevelt. DVD. A&E Home Video, 2005.