The Nemesis of the New Deal: The New York State Economic Council and the Ives Committee in New York State

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I. Introduction

Americans in the 1930s experienced unprecedented economic, political, and social experiments through which the liberal political forces triumphed. The New Deal legislations repudiated the primary reliance on “rugged individualism,” “voluntary associationalism” and “laissez-faire capitalism” that had been the cornerstone of the Republican ideology of the 1920s. As a consequence, the era of the “New Capitalism” surrendered to the era of the New Deal; and the dominance of the pro-capital discourse yielded to the social-democratic aspirations.
Whereas Franklin D. Roosevelt and the New Dealers succeeded in gaining enormous support from a majority of Americans exemplified in the New Deal coalition, the opponents to the New Deal shrank their political stance as well as their power. This political change dislodged the Republican Party's nearly seventy-year dominance, signaling the abandonment of laissez-faire in favor of state regulation. The Republican Party, which was long conditioned to playing an influential role in American politics, suddenly found itself cast in the role of a divided minority party.

However, as much as the New Deal programs generated an ideological and institutional offspring that constituted a challenge to traditional hierarchies and values, they provoked criticisms from the conservatives as well as the radicals of the time. Conservative Republicans like Herbert Hoover and old-time Democrats like Al Smith groaned about the loss of individual liberty and the corruption of American ideals. However, while the dominant forces of the past were in defense positions, they continued to remain as significant commentators on the American society in general and the New Deal programs in particular. This paper, focusing on the political circumstances of New York State, will examine, first of all, the ways in which diverse groups of opponents chose to fight against the New Deal, and secondly, the consequences the New Deal opponents brought to the development of labor policy thereafter.

II. The New York State Economic Council

Business antagonism to the Roosevelt administration was mounting on many fronts.1) In David Plotke's words, there has been no moment of