

FDR: How he Changed America--and Still Affects your Life Today

Adapted NY Times Upfront article: FDR's Legacy

At your after-school job, you probably earn at least the minimum wage of \$5.85 an hour. Your grandfather may get a Social Security check every month. And if you work late, there's a good chance you're paid overtime.

The minimum wage, Social Security, and overtime pay are just three of the countless aspects of American life today that are largely the handiwork of a single President: Franklin Delano Roosevelt, who took office 75 years ago, in March 1933.

During his 12 years in the White House--a period that included the Great Depression and World War II FDR revolutionized the role of the government in business and the economy, and by extension, in the lives of all Americans.

The legislation he pushed through Congress as part of his New Deal not only helped ease the Depression, it also formed the underpinnings of the modern welfare state.

Admirers credit him with rescuing capitalism and America's way of life at a time when widespread economic misery made socialism and Communism more appealing to many. Detractors argue that he opened the door to a government that was too big, too powerful, and too costly for taxpayers. But few deny his impact on the United States, then and now.

"No other President affects our lives today as much as FDR," says William E. Leuchtenburg, author of *The FDR Years*. "There is the growth of the presidency, the welfare state--including old-age security--and government regulation of so many areas of private life."

Here are some examples of how FDR's legacy influences American life in the 21st century:

MINIMUM WAGE

* If you work weekends or after school, at Wal-Mart or McDonald's, you're entitled to earn at least the federal minimum wage. In 1938, the Fair Labor Standards Act, part of Roosevelt's New Deal, established the first federal minimum wage: 25 cents an hour. This past July, it was raised from \$5.15 to \$5.85, as part of a three-step increase to \$7.25 in 2009. (Some states and cities have their own minimum-wage or "living wage" laws, which set the minimum higher than the federal level.)

9 to 5

* The Fair Labor Standards Act--which Roosevelt called "the most far-reaching ... program for the benefit of workers ever adopted in this or any other country"--not only set a minimum wage, it literally created the 9-to-5 workday we're so familiar with today. Until 1938, many people worked six days a week. The Act mandated a 5-day, 40-hour work week, with overtime pay (usually time and a half) beyond that. The idea behind a shorter work week wasn't to give people more time off, but to spread the work around and make it available to some of the millions of people who were unemployed as a result of the Depression. By the 1950s, "9 to 5," Monday through Friday, had become the standard work week for most Americans.

SOCIAL SECURITY

* If you have a job, you'll see Roosevelt's impact on every pay stub, in the deductions that are taken out for Social Security tax, or FICA. In 1935, Roosevelt signed the Social Security Act, which now provides 31 million Americans with retirement benefits and mandates unemployment insurance for workers who lose their jobs. It also pays benefits to disabled workers, and to nearly 2 million children whose working parents have died. The benefits people get are tied to the payroll taxes they've paid during their working lifetimes. Workers actually pay half the tax owed, with employers paying the other half: If \$25 is taken out of your check for F.I.C.A., your employer has also paid \$25 in tax for you.

DEPOSIT INSURANCE

* How do you know the money in your bank account will be there when you want it? As banks started to fail in the Depression, panicked depositors raced to withdraw their money, but millions of people lost their savings anyway. Thanks to the Federal Deposit Insurance Corporation (F.D.I.C.), established in 1933, checking and savings accounts in member banks are guaranteed, currently up to \$100,000 per account. The F.D.I.C. helped restore confidence in the nation's banking system, and few banks failed after 1933.

SAFER INVESTMENTS

* As a result of the 1934 Securities and Exchange Act, when a company like Google decides to "go public" and sell stock to investors, it must provide the public with an honest picture of its finances and prospects. This wasn't the case in the 1920s, when investors sank millions into stocks that turned out to be worthless. Today, the Securities and Exchange Commission (S.E.C.) over-see's the nation's stock and bond markets, with regulations designed to protect investors and get them the information they need to make investment decisions.

ROADS & PUBLIC WORKS

* Your local airport or even your school building may owe its existence to the New Deal. "Alphabet agencies" like the C.W.A. [Civil Works Administration] and the W.P.A. (Works Progress Administration) put millions of unemployed Americans to work building roads, bridges, schools, hospitals, and airports. Projects built under these programs include New York City's Triborough Bridge, the Overseas Highway in the Florida Keys, the University of Texas Library, and Aquatic Park in San Francisco.

COLLECTIVE BARGAINING

* The power that labor unions have today is largely the result of the National Labor Relations Act of 1935, which gave unions the right to organize workers and to engage in collective bargaining with employers. It also prohibited employers from "union busting" practices like firing or harassing workers who join a union.

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