

# Franklin Delano Roosevelt

## *The Enigmatic Angler*

After four ballots, the Democratic Party Convention of 1932 finally brushed aside Governor Al Smith and nominated Franklin Delano Roosevelt for president. Tradition dictated that a committee would travel—not too quickly—to New York and proffer the nomination to Governor Roosevelt. But with the country in the grip of the Great Depression, this nominee chose something more dramatic. As soon as the California delegation put him over the top, Roosevelt chartered a small trimotor airplane from American Airlines and made the rough nine-hour flight to the convention in Chicago, battling strong head winds all the way. He landed in the midst of a brawl between advisors about the speech that Columbia professor Samuel Rosenman had helped write for him. Serene and unflappable, Roosevelt took the hasty edits and electrified the convention—and the country. “This appearance before a National Convention,” he told the delegates, “is unprecedented and unusual, but these are unprecedented and unusual times.... I broke traditions,” he continued. “Let it be from now on the task of our party to break foolish traditions.” And break tradition they did.<sup>1</sup>

More than eight months later, on Saturday March 4, 1933, Roosevelt took the oath of office. The entire banking system teetered on the edge of complete collapse—four thousand banks had already gone under. On Sunday, Roosevelt called Congress into extraordinary session. On Monday, he snatched up a World War I measure, the Trading with the Enemy Act, and used its (questionable) authority to shut the nation’s

banks. On Wednesday he held his first press conference and promised “delightful family conferences” without the old stuffiness or written questions—the press loved it and the transcript, even in that parlous moment, repeatedly notes *laughter*. On Thursday, the Emergency Banking Bill, which put all the resources of the Federal Reserve behind the nation’s banks, flashed through a frightened Congress in eight hours—the president signed it forty-five minutes later before a phalanx of news cameras. On Sunday, FDR went on the radio and gave a warm, calm talk—the first Fireside Chat—explaining in plain language why the system had failed and what he had done to fix it. “Let me make clear that the banks will take care of all needs,” he assured the nation, smoothly adding, “[I]t is my belief that hoarding during the past week has become an exceedingly unfashionable pasttime.” When the banks opened the next day, a reassured nation poured its cash back into the institutions—\$1.25 billion went back into American banks in March alone. The first 100 days of the Roosevelt administration had begun with a bang. The inspired, frantic, chaotic jumble of proclamations, programs, and public statements (stretching from March 9 to June 15, 1933) would become the unreachable star of every subsequent administration.<sup>2</sup>

In the pantheon of American presidents, Franklin Roosevelt ranks alongside George Washington and Abraham Lincoln. Each of these greats redefined the relationship between government and the people. Franklin Roosevelt described his own contribution as “a long overdue political and economic reconstruction” that took the Constitution’s negative rights—government may not interfere with the people’s rights to speak freely, practice religion, own guns, or enjoy equal protection under the laws—and appended positive economic rights. Government would now guarantee the people’s basic economic needs. “Necessitous men,” said Roosevelt in a speech, paying homage to Abraham Lincoln, “are not free men.” The government must “benefit the great mass of our farmers, workers, and businessmen.” His philosophy, Roosevelt would say at different times, could be summed up as “human security,” “social justice,” or—when talking to church groups—“Christianity.” By the time Roosevelt was through, the government’s role extended to protecting economic security. FDR repeatedly cast his innovation in the resonant tones of the American founding: the “four freedoms” and the new “economic bill of rights.”<sup>3</sup>

Taking responsibility for the economy was part of an even larger political project. The presidency replaced the parties, the Congress, and the states at the heart of American politics. From now on, the person

in the Oval Office would represent the people and their aspirations. In negotiating this change, Franklin Roosevelt birthed the modern presidency and transformed American government. Throughout his tempestuous thirteen years in the White House, he relished his role—perhaps more than any other president. Roosevelt had a love affair with power in that place, wrote political scientist Richard Neustadt: “It was an early romance and it lasted all his life.”<sup>4</sup>

Beneath the great transformation of national government lay the famous multitude of New Deal promises and programs. None had a more curious passage through Roosevelt’s three-plus terms than national health insurance—the New Deal’s lost reform. Health care dropped out of the Social Security package (in 1935), almost became an issue in the 1938 midterm campaign, and seemed to gather momentum again in 1944, when Roosevelt tasked a trusted advisor—the same Samuel Rosenman who had drafted his dramatic acceptance speech twelve years earlier—to prepare a health plan and a strategy for winning it. But by the time the plan was ready, President Roosevelt had died. The elusive reform passed into Harry Truman’s hands and, from him, down through the decades, tantalizing generation after generation of Democrats who would chase Roosevelt’s great unfulfilled social policy.

It is an odd legacy. Not only did President Roosevelt fail to win health insurance, he barely tried. And therein lies one of the great mysteries in the history of American health care policy. At its center sits a man of extraordinary power and political skill, deeply familiar with illness. He was a president during extraordinary times, with extraordinary opportunities. But when it came to health care, Roosevelt always disappointed his liberal advisors and chose not to fight. Why did he keep ducking? Understanding those choices illuminates FDR’s persona and administration, as well as the health care experiences of every modern president.

There are many metaphors for Roosevelt’s management style, but the one that best captures his health care policies is that of the expert angler. Roosevelt loved to fish, and according to his Labor Secretary and admirer, Frances Perkins, he had an almost “childish vanity about his skill.” Fishing was one sport that FDR could master with his powerful upper torso and atrophied legs. Early in his presidency, FDR took long cruises during which he would angle for big game in warm Caribbean waters.<sup>5</sup> (Once, when Roosevelt docked in Galveston, a young Congressman named Lyndon Johnson clambered aboard and charmed the president with a heavy load of bull about fishing and boating.) FDR’s management style reflected his passion for fishing. He

skillfully let out many lines, pulling in some, lengthening others, constantly changing lures, sometimes sitting patiently, and always knowing instinctively when to set the hook and when to cut bait. Naturally, all the lines led right back to Roosevelt.

#### MISTREATED AND OVERCHARGED

Roosevelt grew up gifted and charmed. He was handsome, wealthy, well educated (Groton, Harvard, Columbia Law), well traveled (he always had that vaguely European accent), and much fussed over, especially by his mother. He also enjoyed the most famous family name in politics. Franklin knew and admired his distant cousin, Theodore Roosevelt; he adopted Theodore's pince-nez spectacles as well as his habit of calling things "bully"—as in the "bully pulpit" that they would both so effectively stand on. In 1905, President Roosevelt became "Uncle Ted" when Franklin married the president's niece, Eleanor Roosevelt.<sup>6</sup>

Franklin entered politics in 1910 and glided into a seat in the New York state Senate. Three years later, when Democrat Woodrow Wilson won the White House—thanks to a split in the Republican ranks between President Howard Taft and Uncle Ted—Franklin became assistant secretary of the Navy. He served until the end of the Wilson administration (with time out for a failed run for the U.S. Senate in 1914) and became the Democratic nominee for vice president in 1920. He was only thirty-eight years old when he ran with Governor James Cox of Ohio and got thumped. The Republican candidate, Warren G. Harding, didn't even bother to campaign—and crushed the Democrats, 16 million (and 404 electoral votes) to 9 million (and 127). But Franklin cut a fine figure on the campaign trail, and the political wreckage did not seem to mar his own image. Franklin Roosevelt faced a bright, and apparently easy, future.

#### *Polio*

The following August, the charmed life came to a terrible end. While the family was vacationing at its retreat on Campobello, an island off Northern Maine, Franklin began to complain about feeling tired and "logy." That did not change his robust exercise routine; Franklin and two sons went sailing, leaped ashore to stamp out a brush fire, jogged to a favorite swimming lake, jogged back, and plunged into the icy ocean water. Franklin returned to the house, exhausted and chilled. By the

next morning, he felt sharp pains in one leg. Over the next three days, an acute paralysis spread over his entire lower body all the way up his chest. Roosevelt had contracted poliomyelitis—polio.<sup>7</sup>

Medical follies came next. The local GP arrived and declared the problem a heavy cold. As Roosevelt's condition deteriorated, family friends called up and down the Maine coast before locating Dr. W. W. Keen, a celebrated physician—now in his eighties—who had performed one of the most dramatic operations in presidential history when he removed a cancer from Grover Cleveland's upper mouth (secretly, on the presidential yacht) in 1893. Now Keen arrived, misdiagnosed a blood clot in the spinal column, later changing that misdiagnosis into another—an intractable spinal lesion—and charged the family the astounding sum of \$8,000 for the less-than-helpful consultation.

Finally, the family located an expert in “infantile paralysis,” Dr. Robert Lovett of Children's Hospital in Boston, to become Roosevelt's physician. Lovett gloomily insisted that there was nothing anyone could do to improve Franklin's muscular control, a judgment Roosevelt rejected. After that, Roosevelt directed his own rehabilitation with a vigorous exercise program. He grittily stuck to his routine and cheerfully minimized the problem. Almost everyone around him commented on his sheer determination. Eventually, Roosevelt bought and managed a hotel in Warm Springs, Georgia, where geothermal waters enabled him and other people with polio to exercise in a warm pool. “The water put me where I am,” said Roosevelt, “[and] the water will bring me back.”<sup>8</sup>

The hotel became the 1920s equivalent of a modern rehabilitation hospital, where FDR designed exercise regimens for the polio victims who flocked to the facility. He wrote a letter describing how he managed his own rehabilitation from polio and his observations on how to treat the effects of the illness, “judging from my own experience and that of hundreds of other cases which I have studied.” It was published in the *Journal of the South Carolina Medical Association*. Roosevelt asked to present his work at a meeting of the American Orthopedic Association in 1926. When the Association refused, he and Eleanor crashed the meeting and secured a commitment from the orthopedists to evaluate the Warm Springs program. The association made good on its promise and confirmed the program's positive effects. Speaking to his fellow Warm Springs patients at a 1934 reunion in the White House, FDR said: “During that first year, I was doctor and physiotherapist rolled into one.” Roosevelt's work at Warm Springs is now the province of an entire medical specialty called physiatry. No president has ever come

closer to practicing medicine without a license than Franklin Delano Roosevelt did in the 1920s in rural Georgia.<sup>9</sup>

Frances Perkins claimed that the illness remade the man. “The pain and suffering had purged the slightly arrogant attitude” of the young Roosevelt. Now, she wrote, the “lack of humility” and “the streak of self righteousness” were replaced by a more serious, more warm-hearted, more deeply empathetic man. “He had a firmer grip on life and ... he had become conscious of other people, of weak people, of human frailty.” Not everyone agreed with Perkins; Franklin’s son James claimed that his father remained his father and would have been a great man, polio or no. But every observer was impressed at Roosevelt’s courage, grit, and spirit in the face of the illness.<sup>10</sup>

### *Political Comeback*

Eleanor kept Franklin in the public eye—giving talks and meeting public officials. Although their marriage had foundered in 1918 when she discovered a stash of love letters between her husband and his elegant secretary, Lucy Mercer, Franklin and Eleanor stuck together and forged an extraordinary political partnership. In 1924, Franklin resumed his public role. He addressed the Democratic national convention and, in 1928, was elected governor of New York.

It was not easy for a man in a wheelchair to negotiate the political trail—especially in the 1920s, long before anything was “handicapped accessible.” Franklin would arrive at the national convention and be lifted out of his car, dropped into a wheelchair, and wheeled down the service corridors of the convention hall. When he arrived near the stage, he would need help standing up, and someone would lock his stiff metal braces into place. Then, gripping his son James with one arm and his cane with the other, he would “walk” by swinging himself forward—always distracting observers with smiles, charm, and wit—until he reached a podium he could grip for support. He took some spectacular spills when his braces failed or a podium collapsed—but the falls never seemed to rattle him. Throughout, Roosevelt forbade any pictures of himself in a wheelchair or with his leg braces showing. The media conspired to keep the secret. Running for governor in 1928, FDR stopped just short of a brazen lie: “Seven years ago ... I came down with infant paralysis, a perfectly normal attack.... By personal good fortune, I was able to get the very best of care and the result of having the best of care is that today I am on my feet.” On his

feet, perhaps, but gripping the railing, the podium, or his son to keep from crashing down.<sup>11</sup>

As governor, Roosevelt took an immediate and strong interest in health care. In his first annual message to the legislature, he declared it “the duty of the state to give the same care to removing physical handicaps of its citizens at it now gives to their mental development.” Restoring to health those “who have the misfortune to be crippled” was “as important in a modern state as universal education.” He made the same comparison to the *New York Times*: “Public health ... is a responsibility of the state.... The state educates its children. Why not also keep them well?” He formed a special committee of citizens and experts to “study a new health program for the state” and then tangled with the legislature when it “absolutely declined to pass the bill.” In 1931, speaking at a governors’ conference, Roosevelt pointed to health insurance, along with a more progressive tax system and unemployment insurance, as part of the remedy for the growing economic crisis.<sup>12</sup>

Prepared by personal life to understand the consequences of illness, and by professional experience to understand its policy implications, FDR stepped into the White House with a brief but unparalleled freedom of to act. But the story of President Roosevelt’s health care policy is a story of baiting hook and encouraging supporters, then always pulling back.

### *Health and Politics in the Oval Office*

Did Roosevelt’s illness sensitize him to the illness of others? Search as one might for evidence of this, very little emerges. He rarely spoke about health care during his presidency—only two speeches focused on it during his entire tenure. Indeed, FDR’s public life after polio focused heavily on denying his illness.

A second question turns on Roosevelt’s reaction to the profession that so abused him. Physicians misdiagnosed, overbilled, discouraged, and rebuffed him. He pursued his vigorous and largely self-designed rehabilitation program in the face of naysaying physicians who told him, between 1921 and 1924, that medicine had nothing to offer him. Nor did he find the exercise specialists or their regimens particularly helpful. Roosevelt might easily have entered the Oval Office with a big chip on his shoulder where doctors were concerned. And yet, just the opposite seems to have been the case during most of his administration. He deferred to, flattered, and retreated before organized medicine. He

seriously weighed the views of the few medical professionals to whom he turned for advice about health policy. On the other hand, Roosevelt constantly stirred his liberal advisors—renewing their hopes for a good brawl with organized medicine. His last word on the subject seemed to promise—yet again—a battle with the American Medical Association once World War II had been won.

Among the many enigmas that surround Franklin Delano Roosevelt, few are more intriguing than the relationship between his own illness and his health care politics. Perhaps the angler valued political mastery too much to be distracted by his personal traumas.

After meeting with the newly inaugurated Roosevelt in March 1932, the great retired Supreme Court justice, Oliver Wendell Holmes, then ninety-two, is said to have remarked of the fifty-year-old president: “A second-class intellect but a first-class temperament.”<sup>13</sup> Whether Holmes was correct about the intellect (indeed, whether he was referring to Franklin Roosevelt instead of Teddy, who appointed him to the Supreme Court) is open to debate. But Holmes was right about FDR’s temperament—a constellation of personal attributes and styles that, according to some scholars, virtually defines the effective president.<sup>14</sup> Perhaps it was that first-class temperament that enabled Roosevelt to toss off his own hurts when he pondered health care policy.

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#### CREATIVE CHAOS: ROOSEVELT’S MANAGERIAL STYLE

Roosevelt was a complex man. He had few intimates but could inspire loyalty, affection, love and enmity from both close associates and distant masses. He drew intelligent people to him, used them for his purposes, and, not infrequently, tossed them overboard when he no longer needed them. Roosevelt was enormously persuasive—opponents sometimes emerged from sessions in the Oval Office lauding the man in the wheelchair with that signature cigarette holder. He was manipulative: fully capable of telling people (even the same person) diametrically opposite things at different times on the very same day; when confronted, he laughed off the contradictions. He could be vindictive: long before Richard Nixon took the heat for it, FDR used the Internal Revenue Service to harass his opponents.<sup>15</sup> He had extraordinary political intuitions and was the first great presidential communicator to speak directly to the public, thanks to the exciting medium that had developed in the previous decade—radio. Roosevelt touched individual citizens in a way that only John F. Kennedy and Ronald Reagan have equaled since.

Roosevelt's managed by controlled chaos—both within the White House and through the executive branch—always keeping things loose through misdirection, competition, and ad hoc processes. Future Democratic presidents would often try to emulate FDR's three-ring administrative circus—as he called it—but none pulled it off successfully. In part, this reflects the nature of the presidency when Roosevelt took office. The White House staff in 1932 consisted of 4 personal secretaries and 1 executive secretary; by the time he died, a formally organized Executive Office of the President had a staff of over 1,000. Today, it is closer to 2,000. It was easier to play the master of ceremonies with a staff of five than with a cast of thousands.<sup>16</sup>

And play the master of ceremonies he did. “He saw the job of being President as being FDR,” commented Richard Neustadt. One way he kept control was by assigning multiple aides and groups the same task—and keeping them in the dark about one another. He once told his secretary of the treasury, Henry Morgenthau, “Never let your left hand know what your right hand is doing.”<sup>17</sup>

Roosevelt used competition as a means of keeping himself informed and of pushing his aides. Assistants charged with some task would report what they had found, only to discover that FDR, having been briefed earlier by another capable assistant with the same assignment, knew everything the aide had to report—and more.<sup>18</sup> Roosevelt used the competition and confusion as a way to keep his options open, to discover different perspectives, and to keep everyone on their toes. He kept issues alive by commissioning studies, talking, arguing, listening, waiting, floating plans, changing direction, and finally deciding—“only,” as Schlesinger put it, “at the long frazzled end.”<sup>19</sup>

#### FDR: THE TIMES

There was plenty of action to challenge FDR during his long presidency. The major events and trends are well known, but we recall a few points because they frame his health care presidency.

Roosevelt took office in March 1933 with one overwhelming task: saving the nation from economic collapse. His first year focused on the crisis and solidified the unlikely coalition of liberals, urban ethnics, African Americans, and southern segregationists that kept the Democrats in office for all but eight of the next thirty-five years. He began with his brilliant inaugural address, continued with radio broadcasts, and mastered the press with informal Oval Office press conferences

twice a week. He was the first president to speak so directly to the American people, and he used his public support to threaten and cajole resistant congressmen (of whom there were many) into supporting his legislative program. Indeed, his inaugural address laid down a gauntlet, now largely forgotten: if Congress did not grant him the authority he needed, he would ask for “broad executive power to wage a war against the emergency, as great as the power that would be given to me if we were in fact invaded by a foreign foe.”<sup>20</sup> At a time when Hitler had just become chancellor of Germany and Mussolini ruled Italy, the idea that desperate democracies might grant their leaders extraordinary powers did not seem far fetched. Roosevelt got his way and generated the famous frenzy of alphabet agencies and programs. “Take a method and try it,” said the president. If it fails, try another. Above all, “try something.”<sup>21</sup>

During its second year, the Roosevelt administration turned from immediate recovery efforts to long-term economic security. FDR sent one of his most trusted domestic policy aides, Harry Hopkins, to Europe in June 1934 to study the social security programs pioneered in Germany and the United Kingdom; at the same time—typically, Roosevelt wanted action in all three rings of his circus—he commissioned a new Committee on Economic Security (CES) to “explore thoroughly the possibilities of a unified social insurance system affording protection [against] all major personal hazards which lead to poverty and dependency.”<sup>22</sup>

The CES plays a critical role in our story, for it offered FDR his best opportunity to address health care security during his first term, when his political influence was at its height.

In January 1935, the CES recommended the creation of what is now known as the Social Security Program, which FDR signed into law—after a considerable legislative battle—in August of that year. This 1935 achievement is in some ways the capstone of FDR’s domestic presidency—and arguably the most important piece of social policy in the twentieth century. In November 1936 he was resoundingly reelected, carrying 46 states and 523 electoral votes.

But after 1936, the politics turned more difficult. The Supreme Court had begun overturning New Deal measures in 1935, and in response, Roosevelt proposed legislation expanding the size of the court (the constitution does not specify the number of justices) so that he could inject fresh (and sympathetic) blood. The legislation failed in 1938, although two members of the Court got the message and swung their votes. The

New Deal was safe from judicial review after that (a switch in time, quipped the political wags, saved nine). Roosevelt also tried to remake the legislature by “purging” conservative Democrats. That plan failed miserably, and in contrast to the court, the members who beat FDR’s electoral threat felt no urge to back off from their confrontations. In the 1938 midterm election, the Democrats suffered serious legislative losses (inevitably, since their majority had been so lopsided—331 to 89 in the House). A new coalition of conservative southern Democrats and Republicans came to dominate the Congress. By the last two years of his second term, FDR was weakened at home and was turning his attentions toward the crisis in Europe—especially after Germany attacked Poland in September 1939.

Reelected in 1940, Roosevelt regained his dominance on the American political scene as a war president during the great conflict. His leadership secured reelection to a fourth term in 1944, but the war left him scant time, energy, or resources for domestic innovation. In 1944, as he began to contemplate the shape of postwar America, his health and energy were failing. Domestic advisors expected a great push for health reforms—inspired by the new programs in Great Britain—as part of the return to domestic politics. But in April 1945, less than a month before victory in Europe, Roosevelt died.

#### SOCIAL SECURITY AND HEALTH (1934–1935)

The angler-in-chief trolled the troubled waters of health care coverage three times during his long presidency (although the issue occasionally broke the surface between these episodes). In the first two instances, which occurred in 1934–35 and 1936–39, FDR played with the idea of universal health insurance but never set the hook. The third time, in 1944–45, Roosevelt’s early death leave us uncertain about what he might have done to shape a postwar nation. This last turn to health care produced the plan that Roosevelt’s advisors passed on to Harry Truman—FDR’s most enduring and underappreciated health care legacy.

#### *The Committee on Economic Security*

The Committee on Economic Security (or CES) may have offered the United States its best hope of achieving universal access to health insurance. Certainly, the political prospects have rarely seemed better: a powerful president with an ambitious reform agenda, an economically

devastated nation, and lopsided Congressional margins of 219 in the House (322–103) and 44 in the Senate (69–25).

It may seem odd that FDR entrusted health care to a committee on *economic* security, whose focus and expertise lay elsewhere. President Bill Clinton had a health care task force of 500 that labored for months on health care alone. Other presidents have relied on domestic policy councils and on aides with deep health care expertise. Why the Committee on Economic Security?

This banal historical footnote illuminates FDR's attitude toward health care: in the early part of his administration, he regarded it as part of the economic challenge that confronted workers. Illness and its attendant costs were on a long a list of economic troubles—including money for retirement, disability, unemployment, and dependent children. One important advisor later explained that Roosevelt had an intuitive understanding of how Social Security would work, but no comparable feel for health care insurance.<sup>23</sup>

Right from the start, President Roosevelt established a pattern that he would maintain throughout his administration: he stirred the health care waters and watched to see what might surface—and despite plenty of hints and feints, he never committed himself.

The CES consisted of five Cabinet secretaries and delegated most of its work to a technical committee chaired by Perkins's deputy, the assistant secretary of labor Arthur J. Altmeyer; Altmeyer was a progressive from Wisconsin who powerfully shaped the administration's Social Security legislation. A colleague from Wisconsin, Edwin Witte, directed the staff. At a meeting in August 1934, Roosevelt charged the committee with finding ways to alleviate the economic plight of the American worker. He did not mention health care one way or the other. Witte came away with the impression that protection against the costs of illness was clearly within the CES mandate, though not as important as the other issues. Old-age pensions and unemployment insurance topped the list, but "hardly less important were deemed health insurance public, employment and relief." Anxious for more direction, Witte consulted with eight other senior administration officials but got no more insight into FDR's wishes. Witte later wrote that he never got any guidance from FDR on health care issues.<sup>24</sup> For his part, Altmeyer believed that "the President ... felt that unemployment insurance should have top priority," and that health insurance was third on the list, at best—not surprising in a nation where a quarter of the workforce was out of work.<sup>25</sup>

The CES formally announced its plans in September 1934 and suggested that it would consider a long list of programs: unemployment insurance, old age insurance, retirement annuities, family endowments, crop insurance, invalidity insurance, and health insurance. It also announced that one of its five technical subcommittees would tackle medical care. The mere mention of health insurance—much less an entire committee devoted to it—prompted a vigorous response from the ever-vigilant American Medical Association. It pushed Secretary Perkins to include physicians on any committee considering health care.<sup>26</sup> And the AMA also went directly to the top.

### *The Profession Strikes Back*

Organized medicine had two direct routes to the president: his personal physician, Ross McIntire (an ear, nose, and throat specialist who had been chosen for this responsibility because Roosevelt suffered from chronic sinus problems), and the eminent New England neurosurgeon, Dr. Harvey Cushing, whose daughter—whom one historian describes as “beautiful, vivacious and rich”—had married Eleanor and Franklin’s son James (the first of four marriages for James). McIntire checked in on Roosevelt every morning at 8:30 while the president took breakfast in bed and every evening when he exercised his legs in the newly constructed White House pool. Dr. Cushing was one of the few people in the United States who continued to address Roosevelt not as “Mr. President” but as “Franklin.” Cushing’s correspondence with FDR before his death in 1939 is full of proud references to shared grandchildren, jocular exchanges about family events, and quotations from classical Roman historians.<sup>27</sup>

Both McIntire and Cushing gave FDR an earful of the AMA’s strong opposition to any governmentally sponsored insurance. Harvey Cushing dismissed European social insurance programs—irrelevant to America—and warned Franklin not to “ram health insurance down the doctors’ throats.”<sup>28</sup>

Roosevelt made at least two decisions in response to the AMA’s protests. First, he decided in the fall of 1934 to create a Medical Advisory Committee (MAC) to the Committee on Economic Security, and designated Dr. McIntire his liaison. Ross McIntire became Witte’s chief link to FDR, and Witte vetted CES health initiatives with McIntire before moving forward with them. McIntire also became Roosevelt’s link to the leadership of the AMA. Thus, an ENT physician chosen because of

the president's sinus problems, with no policy credentials or training, became a key link between the president, his health care policy process, and organized medicine at one of the most critical moments in the history of the American health care system.

Roosevelt chose the members of the Medical Advisory Committee, which included leaders of organized medicine as well as his inlaw, Harvey Cushing. In a letter accepting the invitation to join the MAC, dated October 8, 1934, Cushing wrote Frances Perkins: "I am glad the Committee has thought of establishing such an advisory group, particularly since most of the agitation regarding the high cost of medical care has been voiced by public health officials and members of foundations most of whom do not have a medical degree, much less any first-hand experience with what the practice of medicine and the relation of doctor to patient means."<sup>29</sup>

In these views, Cushing voiced the suspicion of physicians through the ages that reformers were charging like bulls through medicine's china shop. In this case, his reference to "foundations" also reflects the fact that two CES staff members responsible for medical issues, Edgar Sydenstricker and Isidore Falk, came from the Milbank Fund, a New York philanthropy (still in existence) whose members advocated universal health care coverage.<sup>30</sup> Dr. Cushing found Mr. Sydenstricker especially irritating and eventually complained about him to Roosevelt.

The Committee on Economic Security was operating on a tight timeframe. FDR understood the importance of striking fast. He chartered the CES in June and asked for its report by December 1, 1934. Because it was not fully staffed until September 1, the CES had, three months to design a national program of economic protection for working and elderly Americans. The decision to organize a Medical Advisory Committee inevitably pushed health care issues behind in the crowded queue at the Committee on Economic Security. The AMA bluster also discouraged Social Security advocates on the committee, who feared that the medical profession might delay or even kill the entire Social Security package. "It was my original belief," recalled Witte, "that it would probably be impossible to do anything about health insurance in a legislative way, due to the expected strong opposition of the medical profession. I found that this was also the view of Secretary Perkins and Dr. Altmeyer, whose primary interest was in unemployment insurance." Harry Hopkins, a member of the CES who grew so close to FDR that he eventually won the sobriquet of deputy president, was more interested in health insurance than in any other

phase of social insurance, but he knew that this subject would have to be handled very gingerly.”<sup>31</sup>

The effects of delay and political controversy soon became clear. On November 13, Cushing lunched with FDR in the White House. The surgeon was in town for the first meeting of the Medical Advisory Committee, scheduled for November 15. Dr. Cushing complained about the strident advocacy for governmental “sickness insurance” among the MAC staff. Roosevelt reassured him that the administration would proceed slowly and give the medical profession plenty of time to study any proposals and weigh in with its opinion. He also promised to separate the health bill from the rest of the Social Security Program.<sup>32</sup>

Of course, FDR routinely said different things to different people. But not this time. The next day, November 14, Roosevelt addressed the National Conference on Economic Security. Drafts of his talk show that he penned most of the following words himself, inserting them into a draft written by Arthur Altmeyer: “There is also the problem of economic loss due to sickness—a very serious matter for many families with and without incomes, and therefore an unfair burden upon the medical profession. Whether we come to this form of insurance soon or later on I am confident that we can devise a system which will enhance and not hinder the remarkable progress which has been made and is being made in the practice of the professions of medicine and surgery in the United States.”<sup>33</sup>

Roosevelt saw the problem but was making no commitments—all options were open, including indefinite delay. But when families could not afford health care, the burden fell on both the sick and the doctor (who would offer care without payment). FDR did make one promise that every health reformer would repeat for the next half century: no one would hinder the “remarkable progress” of the profession. It all certainly sounded deferential to the white coats.

### *“Grand Times” and “Foul Means”*

Advocates for health insurance on the CES and its staff continued to press for inclusion of health care coverage within the emerging social insurance package. In addition to Sydensticker and Falk, its chief proponents included Harry Hopkins, who had directed public health programs for FDR in the New York state government. Relieved by Roosevelt’s words, the AMA became less truculent during the next two months, which led Witte to muse briefly that it might still be possible to

work out a health insurance plan that the Medical Advisory Committee and AMA would support.<sup>34</sup>

But advocates ran up against the caution of other senior aides, including Perkins, Altmeyer, and Witte himself.<sup>35</sup> Eleanor Roosevelt was also said to have concerns about the effect of sickness insurance on the quality of medical care.<sup>36</sup> And now FDR had clearly indicated his own intention to delay. At a final decisive meeting at Perkins's home on December 23, 1934, the leaders of the CES, approved a final report that included recommendations for increased expenditures on public health measures, but none on health insurance. FDR accepted the report the next day.

On January 6, 1935, Cushing sent Roosevelt a handwritten "Dear Franklin" note, thanking him for a Christmas box of preserved fruit, gushing that "the children had a grand time at the White House parties," and then going on to praise FDR's decision to hold off on health insurance: "I'm glad you did not stress immediate sickness insurance—though friend Witte seems to be doing so. We need more time, and more local experiments with the various plans proposed if the backing of the profession is to be secured. This will be necessary for the success of any plan though public health officials backed by the Milbank Fund don't seem quite to realize this."<sup>37</sup>

Roosevelt, however, had not pulled in all his lines. Perhaps an agreement with the AMA could be worked out. They had been relatively quiet since his November 14 talk, so he granted the Committee on Economic Security a three-month extension to consider health insurance. The January report included language suggesting that the committee would make recommendations regarding coverage at a later time.<sup>38</sup>

The AMA responded with a roar. At an emergency meeting of its House of Delegates in February, it made a tactical change designed to unify opposition to any CES intimations of government health care. It accepted the idea of voluntary health insurance coverage (which it had previously opposed) as long as it remained in the hands of the medical societies (the Blue Cross and Blue Shield Plans); it also supported the increased expenditures for public health activities that were part of the original CES report. These moves were enough to bring several wayward medical groups, including the American College of Surgeons, which had supported government health insurance, back into the medical fold.<sup>39</sup>

The AMA generated a storm of protesting letters, telegrams and editorials criticizing the president. FDR's personal files from the period contain newspaper clippings reporting the ferocious attacks. A rather

plaintive memo from Steven Early, one of FDR's personal secretaries, to Ross McIntire on January 21, 1935, cried foul: "Dear Doc: I wonder if there is an indirect method of reaching the responsible officers of the American Medical Association and advising them that the editor of their journal is resorting to foul means of attacking the President of the United States."<sup>40</sup>

In Congress, which had by then received the president's Economic Security Program, members of the House Ways and Means Committee announced that they would not even hold hearings on any package that contained a health insurance program—or even a mention of further studies of a health insurance program. The White House gave back-channel approval to cut any mention.<sup>41</sup> The entire economic program faced tough going, especially in the Ways and Means Committee. Many Republicans opposed the measure, and southern Democrats fretted about the implications for segregation. Senator Thomas Gore peered at Secretary Frances Perkins during Senate hearings and mocked, "Isn't this a teeny-weeny bit of socialism?"<sup>42</sup>

Meanwhile, populist Huey Long thundered on the left with something that was more than a teeny bit like socialism: a 100 percent tax rate on any income over \$1 million and on any estate over \$8 million, all redistributed to the common folk—making, in his words, "every man a king." A California physician named Francis Townsend advocated another popular scheme: pay everyone over sixty years old a monthly stipend with just one condition—they had to spend every penny. Long and Townsend could be heard in the background as the administration and Congress negotiated the far more moderate Social Security package.<sup>43</sup>

### *The Debate Goes On*

Within the Committee on Economic Security and its Medical Advisory Commission, the debate over health insurance continued. Cushing clashed heatedly with Sydenstricker. In March, Sydenstricker and Falk proposed a package that, according to Witte, seemed to gain some traction with CES members. In a striking preview of proposals gaining favor in many states today, the two CES staff proposed levying a tax on employers to support federally approved state health insurance programs for the nonpoor and drawing funds from general revenues to support state-run health insurance programs for low-income Americans. This proposal, though, could be piggybacked on the Economic Security Program making its bumpy way through Congress.

Witte was concerned that this plan could jeopardize the entire economic program. “At this stage, I indirectly consulted the President, through Dr. McIntire,” he wrote, “and was advised that it was his view that it would be very unwise to throw health insurance into the hopper while the rest of the program was still before Congress. I then strongly urged that the committee ... [consult] the President in advance of any filing of any formal recommendations.”<sup>44</sup>

Perkins and Josephine Roche, assistant secretary of the treasury and a member of the CES technical committee, duly trooped over to the White House, where FDR responded with his special brand of ambiguity: the committee could “file a report in favor of compulsory health insurance which the committee had in mind,” but he himself would “decide what should be done with it.”<sup>45</sup> The CES obediently delivered its final recommendations on June 1, 1935. In a side letter accompanying the report, Perkins wrote FDR: “In view of the controversial character of certain phases of the subject, I suggest the report not be made public until the Social Security Bill, now pending before the Congress, has been enacted into law.”<sup>46</sup>

On July 1, 1935, FDR received a letter from his childhood friend and Hyde Park neighbor Gerald Morgan, who had written a book on social insurance. Referring to a previous conversation with FDR about the opposition of the AMA to health insurance, Morgan proposed providing Americans cash benefits with which they could purchase health care—another idea that would return, generations later, as health care vouchers.<sup>47</sup>

On July 26, 1935, FDR replied: “Dear Gerald: Many thanks for your note. Your suggestion is one way out which may be the best we can do. However, I doubt if this highly controversial subject will come up even at the next session of Congress. The latter is exhausted by my suggestions! Love to Mary and boys, Affectionately.”<sup>48</sup> The Social Security Bill was signed into law on August 14, 1935. The CES report on health insurance—which never saw the light of day—did release one residual spore that might just have bloomed into something big. The Social Security Act contained a little-noticed clause giving its governing commission, the Social Security Board, the charge to study new ways to provide health insurance to Americans and to report back to Congress on the subject. Altmeyer dismissed this mandate. The Social Security Board was busy and the AMA aroused. “If the President had indicated that he wanted to press for a health insurance program, there is no doubt that the Social Security Board would have given the subject more attention.”<sup>49</sup>

In the event, FDR met with Perkins in September 1935 and informed her that he wanted the Social Security Board to take no action on health insurance until after the 1936 election at the earliest.<sup>50</sup> At the same time—here’s that characteristic misdirection again—Roosevelt had the CES report forwarded to the Social Security Board in January 1936 with the instruction that the board undertake “further research” on health insurance. As always, Roosevelt sent different instructions in different directions while keeping his own options open.<sup>51</sup>

The election campaign further clarified Roosevelt’s public views on universal health care coverage—at least for the time being. Campaigning in New Jersey on October 2, 1936, Roosevelt spoke at the dedication of a new medical center in Jersey City. He faced a swelling volume of inquiries from physicians and journalists on his attitudes toward what the doctors called “socialized medicine.” Roosevelt put all those nettlesome questions to rest.

Let me tell you with great sincerity of the great praise which is due to the Doctors and the Nurses of the Nation for all they have done during those difficult years that lie behind us, often at great sacrifice.... And these professions can rest assured that the Federal Administration contemplates action only in their interest. I mention, just in passing, the splendid Social Security Act recently enacted by the Congress. That action taken in the field of health is clear.... For that Act ... contains four provisions that are very often forgotten, especially in the heat of a political campaign. Those four provisions have to do with health, and those provisions received the support of outstanding Doctors during the hearings before the Congress.... This in itself assures the Nation that the health plans will be carried out in a manner compatible with our traditional social and political institutions.... Let me add that the Act contains every precaution for insuring the support and cooperation of the Medical and Nursing profession.... The overwhelming majority of the Doctors of the Nation want medicine kept out of politics. On occasions in the past attempts have been made to put medicine into politics. Such attempts have always failed and always will fail.<sup>52</sup>

Not surprisingly, the president’s talk—the only public remarks he would ever make during his presidency that were devoted entirely to health care—received thunderous applause from the AMA, which printed a glowing editorial about the speech in the *Journal of the American Medical Association*.

The political usefulness of the speech became clear immediately. On October 7, 1936, reacting to a letter from Dr. L.D. Redway, the chairman of the Public Relations Committee of the Medical Society of the County of Westchester, Stephen Early, sent a note to McIntire:

“Doctor McIntire: Here is the Westchester letter with a copy of the Jersey City address.... Do you want to fix up an answer for us—or shall we do it?” McIntire replied in handwriting: “Suggest you write a letter quoting paragraph marked # and stating this should be an answer to anyone for no legislation is contemplated.”<sup>53</sup>

Indeed, for the rest of Roosevelt’s presidency, whenever he received an inquiry from physicians about his attitude toward “socialized medicine,” “state medicine,” or any similar hot-button term, his staff would reply by citing the 1936 assurance that physicians “can rest assured that the Federal Administration contemplates action only in their interest.” Certainly, this meant the end of universal health insurance under Roosevelt’s tenure in the Oval Office—at least for now.

#### AMAZING PUBLIC SUPPORT—TECHNICIANS WORKING WITH ALL SPEED: 1937–1940

In a Roosevelt presidency nothing was ever quite as it appeared. This was a president who kept his options open. And so he let the issue of health insurance stay alive but deep under the surface, with no presidential commitment to bringing it into view. The result was a second go-around on universal coverage that, even as the CES initiative was fading, started to incubate under the auspices of an entity with the numbingly bureaucratic title of the Interdepartmental Committee to Coordinate Health and Welfare Activities.

The Interdepartmental Committee’s health care initiative had its origin, somewhat improbably, in a letter from Cushing to Roosevelt written on November 10, 1934, as the neurosurgeon was preparing to leave New Haven for Washington to lunch with the president. The letter contained a suggestion that seemed intended to rescue (or divert) the MAC from an anticipated clash over sickness insurance: “Before Mr. Witte’s Medical Advisory Committee gets deep in this tangled subject [of sickness insurance], would it not be a good move just at this time to take into consideration the establishment—if not of a governmental department—at least of a super-bureau of public health to coordinate a number of welfare agencies? ... There will be difficulties about such a concentration, but you are accustomed to overcoming difficulties, and such a favourable opportunity as the present may not occur again.”<sup>54</sup>

As he wrote back on November 13—and probably told Cushing at lunch the same day—Roosevelt said that he liked the idea but doubted that the time was wholly ripe. “The difficulty,” said the rueful bureaucrat

in chief, is that “shuffling bureaus between existing departments raises much ruction.” However, he forwarded the letter to Perkins the same day, asking whether they should “set up an interdepartmental committee of coordination of the existing health and welfare activities.”<sup>55</sup> Perkins replied dutifully that she would discuss the matter with her colleagues, but it was not until May 2, 1935, that she responded: there was no need for a “super-bureau” of the type Cushing suggested, but it would be useful to have a committee coordinating federal health and welfare agencies. The committee should consist of “technically trained persons, to study and make recommendations concerning specific aspects of the government’s health activities.” Wary, like FDR, of provoking physicians, Perkins added that the committee would “recognize professional interests.”<sup>56</sup>

In a first rush of enthusiasm, Roosevelt scribbled on Perkins’s memo: “I hope you will issue this at once.”<sup>57</sup> But then he thought better of throwing another issue—however tangential—into the Social Security maelstrom. On May 8, 1935, he wrote Perkins more formally: “I think this is a good idea to be developed during the summer (read: once Social Security is safely home). Will you let me have the kind of endorsement which I can send to the other Departments?”<sup>58</sup> When Perkins responded, Roosevelt told her to wait until after the signing of the Social Security Act.<sup>59</sup> The day after the Social Security Bill was signed, Perkins nudged Roosevelt, who issued an order creating the Interdepartmental Committee.

That presidential statement—Roosevelt edited it himself—implied that the committee’s activities would consist chiefly of bureaucratic housekeeping, including “a complete coordination of the government’s activities in the health field.”<sup>60</sup> But the committee soon emerged as something very different. It became a haven for advocates of comprehensive health insurance, who, with FDR’s apparent acquiescence, used it to push the coverage issue back onto the national agenda.

The committee was chaired by Josephine Roche, a strong advocate of universal insurance. Roche, Altmeyer, and national health insurance advocates drew a now-familiar lesson: national health insurance had gone down in 1934–35 because the public did not support or understand it. Without a strong campaign to mobilize support for the policy, most Americans did not see it as a social problem. The Interdepartmental Committee set out to awaken the public to what its members thought was a national health care crisis.<sup>61</sup>

External events assisted them. As the economic condition of the country improved, the residual threat associated with uncovered medical

expenses became clearer, and a number of private groups organized to press for universal coverage. The first national survey of American health care, conducted in 1935–36, found large gaps between the rich and poor in terms of their access to basic medical services.<sup>62</sup> National public opinion polls began including questions on health care, revealing (as they so often did in subsequent decades) popular support for government assistance with the costs of paying for medical services.<sup>63</sup> Inevitably, when it came down to specific policies, differences of opinion emerged. Perhaps intrigued by this evolving political climate, FDR's thoughts seem to have turned back to health care coverage, especially for the poor. The successful implementation of Social Security and his landslide reelection in November 1936 may have convinced him that he could start trolling for new social initiatives. On January 21, 1937, he received an invitation from the AMA to address its annual meeting the coming June. In his February 3 reply declining the offer, he abandoned the elaborate deference he had shown organized medicine in past communications and instead threw out a modest challenge: "As you remember in my [second] Inaugural Address, I stated that one-third of the people in our country are lacking in the bare necessities of life.... I might have added that this one-third of our people is unable to secure adequate medical and hospital care. It would seem to me that there is no better time for the American Medical Association to give careful consideration to this vital problem. I assure you in this connection that the Federal Government will welcome the cooperation of the American Medical Association and will be glad to receive any suggestions which the Association may make."<sup>64</sup>

Concurrently, Altmeyer and Roche suggested to FDR doing another survey of the health needs of Americans, which he approved.<sup>65</sup> Roosevelt also approved, in March 1937, the chartering of the Technical Committee on Medical Care under the aegis of the interdepartmental body to conduct the survey and make recommendations based on its findings. Isidore Falk, who had been one of the key drafters of the CES report on compulsory health insurance (and one of the Milbank liberals who had so gotten under Dr. Cushing's skin) joined the Technical Committee.

In the summer of 1937, a few key senior administration officials—including Roche, Altmeyer, Hopkins, and Surgeon General Thomas Parran (a former Roosevelt aide from the New York state government days)—met at the Brookings Institution and decided the time was right to formulate a National Health Program. They charged the Technical Committee with the task.<sup>66</sup> Health care was stirring again.

The president, however, still did not relish head-on confrontation with organized medicine. After his mildly provocative letter of February 1937, he and his staff expended enormous energy on avoiding an almost comical collision with the AMA. Senator James Hamilton Lewis (D-IL)—a colorful, spats-wearing member of the Democratic leadership known as “Pink-Whiskers”—went before the AMA annual meeting in early June, gave them the president’s regards and then lobbed his bomb: if Doctors did not rise to the challenge of addressing the health care needs of the indigent, the government would take over the health care system, and that doctors might then be treated as though they were “an office of the army.” Lewis insinuated that he was speaking for FDR—some press accounts have him flatly saying so—and the AMA leadership quickly wrote the president on June 10, agreeing to cooperate with the administration in getting care to the indigent by pointedly asked him to clarify his views on the subject of government-run medicine. FDR referred the letter to one of his secretaries, Marvin McIntyre, who in turn wrote a sheepish, “strictly personal” letter to Lewis asking for his help in making the issue go away: “[I find myself] in a bit of an embarrassing situation with respect to a letter from the American Medical Association to the President.... I do not see how I can properly acknowledge it without committing the President definitely to statements made by you to the Association. As a matter of fact, I do not know just exactly what you said to the Association and, as you know, the whole subject is rather a delicate one.... Would it, in your opinion, be all right if I just let the matter slide.” *Time*, a distinctly Republican publication in this era, heated up the matter with a cover story on June 21, 1937, entitled “Nationalized Doctors.” The very first sentence told the sensational story: “Only a handful of the 9,200 Doctors who attended the convention of the American Medical Association last week ... knew before hand that President Roosevelt had been discussing a plan to federalize their entire profession.”<sup>67</sup>

In reply, Lewis made it clear that he was not going to help FDR with this problem—he cheered the American Medical Association for “expressing their desire to ... cooperate with the president ... in serving with medicine and hospitalization [of] the poor and those unable to protect themselves.” He made more mischief by telling the AMA leaders that they would be hearing shortly from the president—and then decamped to Europe, where he ignored repeated entreaties from both FDR’s staff and the AMA. The matter dragged on into the fall and the winter, with Lewis stoutly refusing to help get Roosevelt off the

hook onto which he had stuck him.<sup>68</sup> The president was exquisitely sensitive to any public perception that he supported compulsory health insurance, any state intrusion on the prerogatives of physicians, or any open conflict with the nation's doctors. And yet, there was the issue—promoted by a member of the Senate leadership and blaring from the cover of *Time*.

The White House could not control Lewis. But it did allow the potentially explosive work of the Technical Committee to proceed—albeit always under Roosevelt's cautious control. On February 11, 1938, Josephine Roche sent the Technical Committee's final report to the president. Noting that the report had been unanimously adopted by the Technical Committee, she gushed, "The Interdepartmental Committee feels that this report and its recommendations are the most important result of its three years of work ... because it represents the first complete agreement as to method and program for meeting health needs ever reached by all the Federal agencies working in health and welfare fields." She then asked permission to call a conference of "interested groups" to discuss the document in the near future.<sup>69</sup> The conference was part of the committee's strategy to make health care issues more visible, attracting public support.

The program set out by the report contained five major elements, which would be repeated by health insurance bills for the next decade. It included expansions of the maternal and child health, federal grants for hospital construction, grants to the states to pay for the medical care of the "medically indigent" (those too poor to pay medical bills), a voluntary program of grants to states that wanted to set up statewide health insurance programs for the general public, and a disability program. Some members of the committee argued against creating separate programs for the indigents and the rest of the population. They feared that Congress would address the problem of the poor and take pressure off health insurance for everyone else.<sup>70</sup> This concern would prove justified, both in 1938 and in the years ahead, when programs such as Medicare and Medicaid would extend coverage to the most needy—and sap support from more comprehensive health insurance legislation.

Three days later, in a meeting with Roche and Altmeyer, FDR sanctioned the release of the report and approved the idea of the national conference. When the report hit the press in late February, it attracted widespread attention, including prominent coverage in the *New York Times* that emphasized data on the burden of illness afflicting the Americans, the unmet costs of care, and the need for programs to

address these issues. At the same time, the president capily instructed Roche to schedule the meeting for June 1938—after Congress had adjourned—and suggested that it be announced by Roche’s office, not the White House. In other words, he encouraged the project—nudging it along at every step of the way—while keeping a safe distance from it himself.<sup>71</sup>

In the meantime, Eleanor Roosevelt had changed her views on health insurance. In June 1938, she encouraged a gathering of 4-H club members to try “socialized medicine” in their communities. “Don’t hang back from new things,” she told a group of rural boys and girls, according to the *Washington Post*.<sup>72</sup>

On July 17, 1938, the Interdepartmental Committee for the Coordination of Health and Welfare Activities (evidently unburdened by its numbing and now anachronistic title) convened a three-day National Health Conference that was attended by a wide array of groups—ranging from organized medicine to labor unions and agriculture interests. The conference enthusiastically cheered the Technical Committee’s National Health Program.<sup>73</sup> The president, however, did not attend. He was fishing aboard the Navy cruiser USS *Houston*—and in the middle of a fateful voyage with lasting implications for health reform.

The conference was the high point of this second New Deal venture into health care reform. On July 23, Roche eagerly telegraphed the president: “CANNOT RESIST SENDING YOU WORD AMAZING PUBLIC SUPPORT AT NATIONAL HEALTH CONFERENCE FOR NATIONAL HEALTH PROGRAM. AND [sic] WHICH IS MOUNTING DAILY AS EVIDENCED BY PRESS COMMENT TELEGRAMS, AND LETTERS. OUR TECHNICIANS ARE WORKING WITH ALL SPEED TO DEVELOP SPECIFIC PROPOSALS WHICH WE EXPECT TO HAVE READY FOR YOU ON YOUR RETURN. MEANWHILE WE ARE FOLLOWING YOUR INSTRUCTIONS TO MAKE NO PUBLIC COMMITMENTS AS TO FUTURE PROGRAM.”<sup>74</sup>

Another telegram from one of Roosevelt’s secretaries reached the *Houston* about the same time. This one reported that the AMA’s president had pledged “QUOTE WHOLEHEARTED COOPERATION IN ANY EFFOTS WHICH YOU MAKE FOR BETTERMENT IN THE HEALTH CARE OF THE PEOPLE OF THIS COUNTRY UNQUOTE,” and went on to note that this was a “WELCOME SURPRISE BECAUSE CONFERENCE EXPECTED DETERMINED OPPOSITON FROM MEDICAL ASSOCIATION.”<sup>75</sup> The AMA had decided on a new strategy of give-and-take instead of outright opposition.<sup>76</sup>

The advocates of universal coverage were now in full-throated charge, so confident that they turned down an offer from the AMA leadership

to embrace the other four elements of the national program (including state programs to support care of the indigent) if the administration would abandon the proposal to create state-based health insurance programs.<sup>77</sup>

President Roosevelt had his hands full in the summer of 1938. Although he enjoyed enormous majorities in both the House (where Democrats outnumbered Republicans almost 4-1) and Senate (almost 5-1), the conservative Democrats—especially from the South—had turned decisively against the New Deal. In July, just before the national health conference, FDR took to the hustings and crossed the country trying to knock off some of the conservative members of his own party. In August, after the month-long recreational cruise from California to Florida on the USS *Houston*, he picked up the campaign again in the South. In Georgia, which he considered a second home thanks to the spa at Warm Springs, Roosevelt took on the courtly, mild-mannered, and formidable (not to mention formidably conservative) Senator Walter George.

The whole effort was a bust. Senator George and most of the other conservative Democrats easily won reelection. Although the Democrats still held a big majority (ninety-seven seats in the House), a coalition of southern Democrats and northern Republicans would now block New Deal reforms. And there was still another problem in the electoral wreck: Walter George easily beat back the Roosevelt challenge—whipping the candidate that FDR endorsed—and then, two years later, took the gavel of the powerful Senate Finance Committee. The “amazing public support” stirred up by the health care conference had advocates all excited. But if and when FDR decided to go for national health insurance, he would have to figure out a way to get it through Walter George’s committee. And in this era, committee chairman were not easy to get around. The national health insurance debates would continue—but the Congressional politics would be out of joint for the rest of the Roosevelt administration, and beyond.

Meeting with Roche and Altmeyer on return from his cruise and campaign swing, FDR found their enthusiasm briefly infectious. Altmeyer later recalled: “He was so impressed that I remember very distinctly. He said: ‘We’ll make this an issue this fall in the campaign.’” But then, he immediately reversed course. “No,” Altmeyer recalled him saying in his next breath, “I think it would be better to wait for a presidential year.”<sup>78</sup>

FDR then began pulling the rug out from under the health care reform movement—perhaps simply calculating the legislative odds. In

September 1938, the AMA, which had been steadily strengthening its Washington presence, issued a statement expressing its opposition to any form of governmentally sponsored insurance. That same month, the president instructed Roche, Altmeyer, and the Technical Committee to take no further action with regard to the National Health Program.<sup>79</sup> Perhaps in response to this directive, on October 12, 1938, the committee sent the president a long, unsigned memorandum, drafted, presumably by Roche: "Following the National Health Conference, the recent recommendations of the Technical Committee ... have become of such potential importance as a basis for development of a national health program that I am prompted to present [them] to you in brief review."

The memo went on to recount in detail the response to the July conference, the committee's consultation with all the major interest groups, and the agreement during the conference itself on the need for a "well integrated health program." The memo continued that "the influence of the conference has already found expression in numerous significant developments," noting that the AMA in a recent meeting of its House of Delegates had "endorsed the principles included in the Committee's recommendations of expansion of public health and hospital facilities, medical care for the medically needy and disability insurance." Although the memo pointedly omitted discussion of the AMA's reaction to the idea of state/federal program of health insurance, it contended that the states were actively discussing the issue.<sup>80</sup> But by now, the midterm election results were in. In November 1938, he told Roche and Altmeyer at another White House meeting that he would forward the committee's report to the Congress with a message saying only that it merited further study.<sup>81</sup> Another memo followed from the committee on December 15, 1938, contending that "[i]n ... recent discussions, the committee has been impressed anew with the general recognition of the need for a national health program and the unquestioning assumption that action will be taken." The memo laid out the five-point program for the president's review still one more time.<sup>82</sup>

Roosevelt did not evidently share this "unquestioning assumption" about further action. He repeated his decision to forward the report to the Congress with no endorsement and instructed Roche, Altmeyer, and the committee to place no pressure on legislators to consider it.<sup>83</sup>

On January 23, 1939, the president sent the Interdepartmental Committee's report to Capitol Hill as part of a presidential health message, with no recommendation for action. At this point, the *New York Times* could already see the handwriting on the wall: "Mr. Roosevelt's health

program has been caught in a legislative draft.... The chill imposed upon it will undoubtedly give it a cold which will incapacitate it for this session of Congress—and possibly permanently.”<sup>84</sup>

Senator Robert Wagner (D-NY), dutifully announced that he would introduce legislation containing the report’s main recommendation, which he did on February 28, 1939. Altmeyer contends that he personally arranged with Wagner to develop the legislation<sup>85</sup> (perhaps the wily Roosevelt had approved Wagner’s action, keeping the issue alive but free of presidential fingerprints).

When hearings were held on Wagner’s bill the following April before the Senate Committee on Education and Labor, the American Medical Association opposed it in its entirety, backing away from its previous endorsement of sections of the National Health Program. The Public Health Service also opposed some of its public health provisions, revealing a brewing turf war within the administration’s own health care bureaucracy. Without backing from the administration, the legislation died in committee.<sup>86</sup>

On September 1, 1939, the world changed. Germany invaded Poland, and France and Britain responded with declarations of war against the Third Reich. The president’s attention turned from domestic programs to defense and industrial mobilization for war. In mid-December, however, he acceded to a request from his surgeon general and former New York state health director, Dr. Thomas Parran, to support a program of hospital construction in poor communities.<sup>87</sup> The proposal would cost only \$50 million a year rather than the hundreds of millions required for the Interdepartmental Committee’s full program. (Anticipated defense expenditures by then constricted budgetary options.) It would make the Public Health Service and some advocates of health care programs happy. And, by covering only the costs of construction (not of operation), it avoided even the appearance of governmental support for health services, thus avoiding a fight with the doctors. Hospital construction offered the president a dignified exit from troubled health care waters—for now.<sup>88</sup>

The president told Altmeyer and Roche about this decision when they met again with FDR in late December to discuss what to do about the failing National Health Program. “He said,” Altmeyer recounted, “he wanted to have only a hospital construction bill, which indicated that he had changed his mind about making a national health program an issue in the 1940 presidential campaign.”<sup>89</sup> Hoping to push the president, however gingerly, toward more aggressive health care action, the

Interdepartmental Committee voted on January 9, 1940, to recommend that the hospital program not only include funds for maintenance of the newly constructed hospitals but also support the building of outpatient diagnostic centers. The AMA and the American Hospital Association promptly opposed the idea, and the president rejected the recommendation on January 10. The committee requested a meeting with the president. At the January 16 gathering, the president gave his obstreperous health care reformers more bad news: not only would there be no maintenance funds and no diagnostic centers, but he was also reducing their request for construction funds from \$50 million to \$10 million. He told them that Dr. Parran would administer the program.<sup>90</sup> Hirschfeld contends that early on in the evolution of the National Health Program the Public Health Service and the Maternal and Child Health Bureau had bolted. Rather than support the reformers' five-part program, the bureaucrats in these agencies fought to preserve their own programs. Parran, a Roosevelt intimate, had succeeded in protecting what his agency cared about: hospital construction.

Ever the master of spin, the president showed the value of keeping some glimmer the National Health Program alive when he replied on January 17, 1940, to a letter from Mary Dublin, secretary of the National Consumers League, inquiring about the president's health care plans. Roosevelt answered that his proposed hospital construction program "may be considered at least a beginning toward strengthening and increasing the health security of the Nation."<sup>91</sup> Roosevelt was, after all, running for reelection in November 1940, and he did not ignore the liberals in his New Deal coalition.

On January 30, 1940, the president forwarded legislation to Congress proposing \$10 million dollars for hospital construction in poor communities. Patronizingly dubbed the "Forty Little Hospitals Bill," the legislation passed the Senate but died in the House. Roosevelt's second battle for national health insurance ended not with a bang, but a whimper. But by now the president and much of America were watching Europe to see what the Nazis would do now that they had conquered Poland.

#### FROM CRADLE TO GRAVE?

Universal health coverage disappeared from the public agenda during America's struggle with fascism. Nevertheless, the Social Security Board kept the issue warm behind the scenes. The board's authorizing legislation gave it a mandate to study the issue; and the board was home to

advocates of health care coverage, including I. S. Falk and the irrepressible Wilbur Cohen, a social insurance expert who would have an enduring imprint on national health policy. Eventually, Washington insiders would quip that a health expert was someone who had Wilbur Cohen's phone number.

Starting in 1939, the annual reports of the board began discussing health issues, and in 1942 it endorsed comprehensive health and social welfare insurance for all Americans.<sup>92</sup> In 1943, as the tide of war began turning toward the allies, the British published the Beveridge report, a comprehensive social welfare plan for postwar Britain that included health insurance. The Beveridge plan famously called for social insurance “from cradle to grave”—a phrase Roosevelt insisted that he himself had coined. “Why does Beveridge get his name on this?” he joked to Frances Perkins. “[I]t's not the Beveridge plan, it is the Roosevelt plan.” Roosevelt was not entirely joking; he began to turn back to the idea of comprehensive health insurance.<sup>93</sup>

In his January 1943 State of the Union address, FDR reflected on postwar American society. He took back his tag line and called for social insurance that would extend from “cradle to grave.”<sup>94</sup>

Public support was also increasing. The labor movement began to seriously engage the issue of comprehensive health care coverage. Polls showed growing public support for governmental health care coverage.<sup>95</sup> And it was now clear that the Supreme Court would not strike down the administration's progressive legislation. On June 3, 1943, Senators Robert Wagner and James E. Murray (D-MT) and Representative John Dingell (D-MI) introduced the Wagner–Murray–Dingell Bill—a national health plan that would be placed in the Congressional hopper, in one form or another, for at least the next decade. The bill left the old National Health Program behind and advocated comprehensive national health coverage for all Americans, financed by employer and employee contributions.

When Cohen and Falk, who wrote the bill, went to brief Senator Wagner he listened politely for five minutes and gave his okay. He didn't need to worry over details—the bill wasn't going to pass. This would just put the issue on the table.<sup>96</sup> The *New York Daily News* underscored the point: “It looks to us in this instance as if Senators Wagner and Murray have been sold a bale of extremely dangerous goods by some fanatic or others. It is to be hoped that Congress will scrutinize this bill from the ground up before it lifts a finger toward passing it or anything like it.”<sup>97</sup>

Nothing was going to happen until the president put his shoulder to the wheel and pushed. The liberals around Roosevelt kept urging and hoping. Secretary of the Treasury Henry Morgenthau decided in mid-1943 that his department would propose an expansion of Social Security to cover health care. Sir William Beveridge, who had designed the newly proposed British system, made a successful American speaking tour in May 1943. The social reformers from the two sides of the Atlantic engaged one another. In what might have been seen as a prophetic event, Beveridge found his English tweeds too heavy for the American weather and borrowed clothes from Arthur Altmeyer, the chair of the Social Security Board. Their ideas about social insurance, thought an enthusiastic Morgenthau, could be pressed into service as easily a gentleman's suit.

"Now what they are proposing in England is not only good for today, it's good for the post war [period]," wrote Morgenthau in his diary. "[T]hey are going to get unemployment insurance; they are going to get sickness insurance and the whole business." And Americans already had the machinery in place and set to go. "Now the beauty of the study of the social insurance over something else is ... you have got the mechanics.... It wouldn't be an additional burden from the standpoint of machinery. We will just extend it."<sup>98</sup>

Morgenthau thought he had persuaded FDR to endorse his plan in September 1943. Other advisors warned that this would "stir up more than a hornet's nest" (the very words Truman would hear when his turn came). Roosevelt first said that he'd do it and then, on reflection, that it would have to wait. His analysis would prove prophetic: "The people are unprepared [for a health plan]," the president told Morgenthau on September 27. "The only person who can explain this medical thing is myself." Roosevelt had precisely fingered the problem: the people had not been prepared. And he was going to need their help—a popular groundswell—to get a national health program through the reluctant Congress.<sup>99</sup>

Even while Morgenthau was lobbying for health insurance, Roosevelt was meeting with Senator Walter George (D-GA). FDR had tried and failed to purge George in 1938; now, the conservative Georgian chaired the powerful Senate Finance Committee. Any bill with financial provisions—like health care insurance—would have to go through him. Morgenthau heard Roosevelt say exactly what George wanted to hear: "You don't want, I'm sure, to have anybody come up and present a social security [based health care] plan at this time.... I know you don't

want it.... We can't go up against the State medical societies; we just can't do it."<sup>100</sup>

Roosevelt's advisors all got the point: Congress was not going to pass a national health insurance bill until FDR himself explained the "medical thing to the people"—until, that is, the president rallied enough popular support to push Congress. Gingerly, the president seemed to lay the groundwork for just that.

In January 1944, Roosevelt returned to health care coverage. His "economic bill of rights" included "the right to adequate medical care" and "the opportunity to achieve and enjoy good health" as well as the "right to adequate protection from the economic fears of old age, sickness, accident and unemployment."<sup>101</sup> That same month, the Social Security Board's annual report again endorsed compulsory national health coverage as part of social insurance. Roosevelt campaigned for his fourth term on his economic bill of rights platform, including its call for adequate medical care, and after he won the 1944 election, he signaled a new activism of health care. The president's State of the Union address in January 1945 again included reference to "adequate medical care" but he did not go into details.

But the details were being worked out behind the scenes. Sam Rosenman, who had been with FDR from the start, began to put together a plan, an address, and a set of tactics. This time, the people putting the plan together were operating, not in the thickets of the bureaucracy, but in the White House and under the direction of one of FDR's most trusted advisors. One member of the group predicted, in 1944, that FDR "was clearly looking forward to doing battle with those fellows in Chicago"—referring to the American Medical Association, headquartered in Chicago.<sup>102</sup> Many future Democratic presidents would face this battle—though not all of them relished the prospect.

Working with a colleague at Columbia university, Milton Handler, Rosenman produced a early draft in January 1944. Handler attached a plaintive note to his version of the draft: "I find it difficult to write on social security problems in colorful terms. The subject, though an intriguing one, is quite technical and my writing on it tends to bog down." But both sides—especially opponents of the idea—would soon find a way to make the technical details catchy, even dramatic.<sup>103</sup>

That first draft laid out the logic of the argument: the war had exposed terrible health problems: "[W]e are reaping today in wartime the consequences of our past neglect. Between forty and fifty percent of those called in the military draft have been rejected on grounds of

health.” The solution: health insurance, disability protection, and hospital construction.<sup>104</sup>

On April 12, 1945, less than a month before victory in Europe, the Rosenman team was putting the finishing touches on FDR’s national health insurance speech when the incredible news hit: FDR was dead. The national health insurance plan would now have to be routed to a new man, Harry S. Truman.

#### FDR AND HEALTH CARE

Historians have largely granted FDR a bye on universal health coverage. They have traced his repeated decisions not to engage the issue (until, perhaps the end) as the results of the tangled politics of Depression-era America, the press of other issues, his waning political fortunes during the late 1930s, the war, and finally, his ill health. All these factors are relevant. But they are not enough to explain why one of the most effective domestic presidents in American history made the decisions he did—decisions that repeatedly led him to hold back proposals to extend health care coverage to vulnerable Americans.

Certainly, it would have been difficult for him in 1934–35 to pass both Social Security and health care coverage. And he had no choice but to put Social Security first. But he might have pushed for a health care program immediately afterward; and he might even have decided to use his connection with the American public to fight for both programs (as Harry Hopkins urged him to do). This was, after all, a leader who did not shrink from a good brawl, and who won more than he lost.

Why did he duck? Several factors appear to have shaped his behavior; we will see them all again in future presidents.

First, FDR did not appear to be comfortable with the issue. In contrast, to his firm grasp of Social Security, he did not intuitively understand how health insurance would work. This is a problem that would bedevil health care advisors seeking to engage future presidents. The issue is complex, and the policies are peripheral to the experience of most politicians. It is, as Professor Handler lamented, “quite technical”; the entire thing “tends to bog down.”

Second, other issues—unemployment insurance, Social Security, aid to families with children—mattered more, especially in the early years of the New Deal. Roosevelt was content—at least until 1944—to delegate health care to a largely apolitical group dominated by economists and labor experts. FDR was the first president to face the familiar health

care conundrum: Americans favor government guarantees of access to health care, but they don't generally value it nearly as highly as they do a host of other topics that rise and fall on the national agenda: war, terrorism, defense, the economy, political corruption, crime. Health care is technically complicated and politically undervalued.

Historians attribute Roosevelt's decision to abandon the fight the second time, in 1938, to his waning political influence after the mid-term election. His purge campaign flopped—worse, it was counterproductive, for it empowered the conservatives who had run against the president and won. But the blunt fact remains: he seems to have been unwilling to take risks for health care that he took for other programs.

His tendency to avoid political risk for health care issues may have been explained in part by a third consideration. Roosevelt seemed to show timidity in the face of the American Medical Association. Alone among modern Democratic presidents (and among some Republicans as well), FDR avoided confrontation with organized medicine. Some historians explain FDR's posture by citing the AMA's tremendous influence with the Congress at this time—but it was in fact their victory over FDR that made the doctor's reputation for invincibility. FDR took on other interests that were every bit as formidable, but the few times he spoke publicly on health care during the 1930s he talked as much about the prerogatives and burdens of the profession as he did about the health care needs of the public. Indeed, during the 1936 campaign, he even seemed to promise the doctors a veto over federal health care policy. FDR's deference to physicians' knowledge and their economic interests are all the more surprising because of his own experience with physicians who misdiagnosed him, overbilled him, and then quite wrongly dismissed the efficacy of his own treatment for polio.

Why was he so deferential? We can only speculate. Perhaps it was because of his close personal relationships with physicians whom he trusted—McIntire and Cushing—and who presented the American Medical Association's views in a sympathetic light. Cushing, in particular, was a giant of American medicine during the 1930s. Revered then—and now—as an extraordinary surgical innovator, he did not hold any AMA office (although some speculated that he wanted one), but he espoused its views on universal coverage and he had unparalleled access to FDR. His influence may have been all the greater because he did not abuse it. In fact, he only rarely visited the White House.

McIntire was far less charismatic and renowned, but he saw the president twice a day, and FDR clearly relied on him for policy advice

as well as for medical treatment. Roosevelt would not prove unique among modern presidents in using personal physicians as health care sounding boards. Presidents, like everyone else, develop emotional relationships with caretakers. These relationships, as we shall see, have mattered frequently in presidential health care policymaking, and they may have mattered here as well. Any abstract distrust or skepticism about the medical profession could recede in the very intimate, that evolves between a man and his doctors.

Moreover, in the 1930s and 1940s, physicians had a far more powerful monopoly over medical information than they have today. There was no academic field of health policy in the 1930s. There were no legions of health economists, sociologists, or former public health care officials who stood ready to draw on research to rebut the self-interested claims of organized medicine. Roosevelt's advisors on health care were predominantly labor economists without much knowledge of health care delivery. Cushing's warnings to FDR about letting "public health officials" and foundation staffers tell doctors how to practice would likely have given any responsible policymakers pause at the time. The proliferation of health care experts and the mistakes of organized medicine would give future presidents more freedom to challenge the medical profession, although that same abundance of health care expertise could prove paralyzing, as the Carter and Clinton administrations discovered.

Some historians dismiss the importance of the doctors—even the fabled Harvey Cushing. They point back to FDR's inevitable bottom line: politics. Health insurance, as Monte Poen puts it, was political dynamite from the start. And, crucially, there was no popular uprising for health care like the ones that Huey Long and Francis Townsend were leading for pensions.<sup>105</sup> After the 1938 purge debacle, the legislative deck was even further stacked against health insurance. Any scheme would have to get through the Senate Finance Committee, and by 1941, Senator Walter George—who had whipped Roosevelt's candidate by almost 2-1—held the gavel. Congressional scholars call this period the era of the committee chairs for good reason—barons such as George dominated the legislature.

How could FDR win health insurance? He himself put his finger on what may have been the only way: it was going to take a public uprising to get this through Congress, and no one could lead that charge more effectively than the president. But the reality remains: he never did.

Commentators so respect Roosevelt's temperament that they tend to treat his repeated decisions to equivocate, defer, and then bypass health

care issues as correct almost by definition. Surely, had it been possible to push universal health insurance to fruition, this titan of liberalism, would have done so. But when FDR's actions are compared to those of later presidents—another explanation emerges. The issue did not really grab him. To him, it wasn't worth the risks. He didn't have the confidence that the policy would work, or that the benefits would be worth the costs—politically, personally, economically, or socially. He wasn't passionate about it. His personal experience makes this fact the ultimate enigma. But, as we'll see again and again, presidential passion may be the crucial factor in determining whether the health care fight takes place. It may seem like the simplest possible lesson, but FDR shows how crucial it is. The first question of health reform is how badly the president wants it.

The final irony lies in the legacy. Generation after generation of Democrats would look at health care as the New Deal's unfinished task, FDR's lost reform. Although Roosevelt repeatedly put off the fight, what future generations would see was a liberal dream deferred.