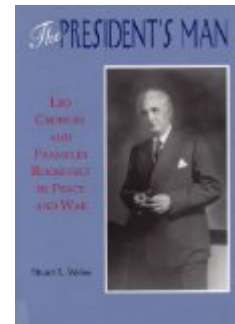


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Stuart L. Weiss. *The President's Man: Leo Crowley and Franklin Roosevelt in Peace and War*. Carbondale: Southern Illinois University Press, 1996. xii + 295 pp. \$39.95 (cloth), ISBN 978-0-8093-1996-1.

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One of FDR's Forgotten Men

Leo T. Crowley is remembered chiefly, when he is remembered at all, as the administrator of Lend Lease at the end of World War II when aid to the Soviet Union was abruptly ended. He typically appears only in passing, when he appears at all, in the standard accounts of the Roosevelt administration. Little wonder, then, that the characteristic response of Stuart L. Weiss's friends and acquaintances on learning of his research on Crowley was "Leo who?" (p. ix).

Yet Crowley ought to be better known. As Weiss shows, he was a significant administrator, troubleshooter, and political operative for Franklin D. Roosevelt from 1934 to 1945. Depending upon which study of the Roosevelt years one picks up, Crowley might be found mentioned in one of his numerous capacities—as chairman of the Federal Deposit Insurance Corporation (FDIC) from 1934 to 1945; as a political agent looking after Roosevelt's interests in Wisconsin and the upper Midwest; as an administration liaison with conservatives, business, and Congress; as the intermediary to the Catholic Church who helped silence Father Charles Coughlin during the war; as Alien Property Administrator from 1942 to 1944; as the person chosen in mid-1943 to direct the Office of Economic Warfare (OEW) created to end conflict between Vice President Henry Wallace and his Bureau of Economic Warfare and Commerce Secretary Jesse Jones; and then from 1943 to 1945 as head of the Foreign Economic Administration (FEA), which oversaw Lend Lease and OEW among other agencies. In 1943, *Time* magazine dubbed Crowley the "Nation's #1 Pinch

Hitter," and one commentator called him FDR's "manager par excellence" (pp. 164-65).

Weiss, professor emeritus at Southern Illinois University at Edwardsville, is the first scholar to examine Crowley's career in its entirety, and he provides a clearly-written and detailed recounting of Crowley's service in the Roosevelt administration. Yet what initially attracted Weiss to Crowley was something quite different from his remarkable resume. Conducting research on another topic at the Wisconsin State Historical Society, Weiss was invited by an archivist to look at papers of William T. Evjue, the editor of the Madison (Wisconsin) *Capital Times*, which contained material suggesting that Crowley had embezzled funds from the Madison bank he headed in the late 1920s and early 1930s. His interest piqued, Weiss read on in the Evjue collection and found intriguing evidence of Crowley's "long, fascinating, and significant career in public service and business" (p. x).

Though perhaps more fascinating than significant, Crowley's long career was indeed interesting and often important on a number of grounds. In part, Weiss says, Crowley's is "the darker story of the businessman as speculator and embezzler, whose fraud was covered up in Wisconsin and Washington." In part it is "the morally complex and compelling story of Crowley as a bureaucrat and politician in Washington, administering multiple major agencies, often simultaneously;...but also deeply involved in conflicts of interest a later generation would find unacceptable and even incomprehensible" (p.

xii). Most importantly, argues Weiss, Crowley's story sheds new light on FDR's views, purposes, and administration and contributes significantly to understanding the policy and politics of the Roosevelt years.

Certainly Leo Crowley had an extraordinary life and career. Born into a railroad worker's family in Wisconsin in 1889, he became the family's financial mainstay by the age of twenty after his father had died of tuberculosis and his older brothers injured in railroad accidents. By dint of personality, talent, hard work, and a readiness to take chances, he became a successful businessman and Madison's most important banker by the end of the 1920s. Then the Crash and the Depression brought the collapse of his financial success, and Crowley's efforts to salvage his position compounded a pattern going back to 1928 of overdrafts and illegal loans and led to huge personal indebtedness. But though his unethical and illegal practices led to the quiet termination of his bank presidency, such as Crowley's public reputation that he was named chair of the Wisconsin Banking Review Board by Governor Philip LaFollette in 1932. Then under newly-elected Democratic Governor Albert Schmedeman, Crowley became the behind-the-scenes power in the state in 1933, the "Richelieu" of Wisconsin according to state newspapers.

Crowley quickly established connections with the Roosevelt administration. As he addressed the related problems of bank liquidity and farm mortgages in Wisconsin, he worked with Jesse Jones and the Reconstruction Finance Corporation and with Henry Morgenthau and the Farm Credit Administration—two men whose careers would again converge with Crowley's over the next decade and more. By mid-1933, Crowley was also Wisconsin's national recovery administrator and then later in the year became FCA general agent at the St. Paul (Minnesota) district federal land bank. In all this, he won plaudits from bankers, businessmen, and political leaders for his energy and effectiveness in dealing with the banking crisis.

Crowley's name thus logically emerged when the Roosevelt administration looked for a new chairman of the Federal Deposit Insurance Corporation early in 1934. But now Crowley's clouded banking record obtruded, as it and other questions of impropriety and conflict of interest recurrently did throughout his Washington career. Weiss follows the FDIC appointment process and its aftermath in great detail, showing how for a variety of reasons the evidence of Crowley's unethical and illegal practices and personal indebtedness to banks was sup-

pressed, first when Crowley was confirmed in February 1934 and then again in 1935 and 1936. In the first instance, FDR apparently was unaware of the issue; later, when more details were known and Treasury Secretary Morgenthau had become deeply concerned, FDR—whose specific knowledge cannot be ascertained—acquiesced in letting the matter lie, evidently because Crowley had proved himself an effective administrator who was popular among bankers, businessmen, and Republican and conservative lawmakers on Capitol Hill. In any case, exposing Crowley would have been a political embarrassment and might have eroded public confidence in the FDIC.

>From the mid-1930s on, Crowley did more than serve as chairman of the FDIC. He helped win congressional support for the 1935 banking legislation and also looked after FDR's needs in Wisconsin politics. Particularly for the 1936 and 1940 elections, Crowley was important to the President's efforts to make cooperative political arrangements with the LaFollettes and their Progressive party, and he was mentioned in 1940 as a possible replacement for James Farley as chairman of the Democratic National Committee. Crowley also acted as a useful connection to conservatives in Congress and to businessmen outside government, a key role especially after 1937 as the conservative coalition waxed in Congress and liberalism seemed on the wane. His place in the administration apparently secure, and his personal finances still strained, Crowley accepted late in 1939, probably with FDR's approval, a lucrative position (at first \$50,000, but later \$75,000) as chairman and then also president of Standard Gas and Electric, a large public utility holding company that obviously hoped that Crowley's status would bring influence with the Securities and Exchange Commission.

Crowley became even more important in Washington as an administrator and liaison with Capitol Hill after Pearl Harbor—especially as James F. Byrnes played a larger role in the administration and acted as Crowley's patron. In 1942, Byrnes helped prevail upon Roosevelt to appoint Crowley Alien Property Custodian over Morgenthau's strong objections. In 1943, circumstances combined to bring Crowley still more authority. The battle over overseas economic operations between Vice President Wallace and his Bureau of Economic Warfare and Secretary of Commerce Jesse Jones became increasingly troublesome, and at Byrnes's urging Roosevelt created a new Office of Economic Warfare under Crowley. Later in the year, again with Byrnes's support, Crowley was named head of the Foreign Economic Administration,

which consolidated the many overseas economic agencies, including the OEW and Lend Lease, under a single structure.

But things began to turn sour for Crowley in 1944. He did help win extension of Lend Lease, but he encountered criticism for his inability quickly to bring efficient management to the ungainly FEA. His conservative inclinations and connections worried liberals. And he came under new fire for his business ties, his Standard Gas and Electric salary, and accusations of unethical behavior, most dramatically in articles by the liberal journalist I.F. Stone published in the *Nation* and *PM*. Partly because of criticisms of conflict of interest and administrative shortcomings, he relinquished the alien property position in March 1944.

By 1945, even before FDR's death in April, Crowley's status within the administration had clearly declined and he often felt himself isolated from important foreign economic issues. He stayed on as FEA and FDIC head until the autumn of 1945, focusing especially on Lend Lease. On the crucial question of winding it down, his preference for a quick, business-like termination was essentially that of conservatives and Congress, though Weiss confirms other recent scholarship indicating that Crowley was unfairly blamed by Truman in his *Memoirs* for the abrupt cutoff of Lend Lease to the Soviets. After leaving the administration, Crowley served as head of the Chicago, Milwaukee, St. Paul & Pacific Railroad from December 1945 through the 1960s, advised the FDIC for a decade, served on the Civil Rights Commission created in the late 1950s by Eisenhower, retired in 1970, and died in 1972.

As he intends, Weiss sheds useful light not just on Crowley but on the politics and policymaking of the Roosevelt administration during the eventful years of the Great Depression and World War II. Yet the whole of Crowley's service does not seem equal to the sum of its parts, and Crowley ultimately was more a fascinating

than a major figure. Often Weiss seems to assign Crowley more significance and greater closeness to FDR than the record would indicate, and, perhaps inevitably in a biography, we learn more about the internal politics of the administration than about the development and implementation of policy. The analysis rests almost entirely on assiduous research in archives, Crowley's remaining personal papers, and contemporary newspapers; except for Lend Lease, the endnotes (there is no bibliography) cite little of the substantial relevant secondary literature on the Roosevelt administration.

Finally, the study is more surefooted in tracing Crowley's role within the administration than in analyzing electoral politics and establishing Crowley's significance in that arena. Especially with respect to national politics in 1936 and 1940, Weiss inflates Crowley's importance. And with politics and voting patterns, too, Weiss seems not to have much used pertinent recent scholarship on the Roosevelt era; his reference for a brief discussion of ethnoreligious divisions in Wisconsin politics in the 1930s, for example, cites only Paul Kleppner's and Richard Jensen's studies from the early 1970s of late-nineteenth century midwestern politics and Lee Benson's 1961 study of New York in the Jacksonian era.

But if Weiss tends to exaggerate Crowley's role and importance and might have more fully used the abundant relevant literature on the policy and politics of the Roosevelt era, he succeeds in rescuing Crowley from an obscurity verging on oblivion and in providing useful perspectives on the Roosevelt presidency and on the remarkable variety of men and women who served FDR's purposes from 1933 to 1945. In telling Crowley's story, Weiss's solid and interesting book enlarges our knowledge of Roosevelt and his administration.

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