

Democratic Platform
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HON FRANKLIN D ROOSEVELT

EXECUTIVE MANSION ALBANY NY

PLEASE STUDY THE FOLLOWING PROPOSED PLANK AS I AM TODAY
 INTRODUCING IT IN RESOLUTION COMMITTEE AND HAVE GIVEN TO THE
 PRESS QUOTE WE FAVOR THE PAYMENT TO UNEMPLOYED VETERANS OF
 THE WORLD WAR OF THE BALANCE TO BE DUE THEM
 UPON THEIR ADJUSTED COMPENSATION CERTIFICATES SUCH PAYMENTS TO BE MADE
 IN A SERIES OF MONTHLY INSTALLMENTS UNQUOTE MY STATEMENT ON
 PLANK QUOTE THE SUGGESTED PLANK IS PROPOSED AS A FAIR SOLUTION
 OF THE ADJUSTED COMPENSATION PROBLEM STOP THE CHIEF OPPOSITION TO
 THE PAYMENT OF THESE CERTIFICATES ARISES BECAUSE OF THREE OBJECTIONS
 FIRST IT IS UNFAIR TO PAY CASH TO MEN WHO
 HAVE JOBS AND INCOMES OR WHO ARE RECEIVING COMPENSATION FROM
 THE GOVERNMENT AT THE PRESENT TIME WHILE OTHER MILLIONS ARE
 UNEMPLOYED AND RECEIVE NOTHING STOP SECOND A CASH PAYMENT WOULD
 IN SOME INSTANCES BE EXPENDED UNWISELY AND ONLY A TRANSIENT
 BENEFIT WOULD ACCRUE TO THE VETERAN STOP THIRD THE TREASURY
 CANNOT STAND AN APPROPRIATION OF THE AMOUNT NECESSARY TO PAY
 ALL CERTIFICATES IN FULL STOP THESE OBJECTIONS ARE MET BY
 THE PROPOSED PLANK STOP FIRST ONLY THOSE VETERANS WHO ARE
 CERTIFIED BY LOCAL UNEMPLOYMENT RELIEF ORGANIZATIONS TO BE EMPLOYED
 AND IN NECESSITOUS CIRCUMSTANCES WOULD OBTAIN THE PAYMENTS STOP THESE
 MEN WILL NEVER WE HOPE HAVE GREATER NEED FOR THIS MONEY THAN AT PRESENT

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CABLES

FOR AMERICAN
CABLES

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~~MIPO~~ HON FRANKLIN D. ROOSEVELT SHEET 2

STOP SECOND PAYING THE CERTIFICATES IN INSTALLMENTS COULD GIVE THE
VETERANS AN AVERAGE OF FIFTY DOLLARS OR TWENTY FIVE DOLLARS
PER MONTH FOR TEN OR TWENTY MONTHS DEPENDING UPON THE
PERCENTAGE PAID EACH MONTH AND WILL SUSTAIN THEM AND THEIR
FAMILIES UNTIL A DEMOCRATIC NATIONAL ADMINISTRATION CAN BRING ABOUT A
BETTERMENT OF PRESENT CONDITIONS STOP THIRD IT IS ESTIMATED THAT
NOT TO EXCEED THREE HUNDRED MILLION DOLLARS WOULD BE EXPENDED
IN ANY ONE FISCAL YEAR TO MEET THESE PAYMENTS STOP
THIS AMOUNT CAN BE CUT FROM OUR PRESENT GOVERNMENTAL EXPENDITURES
UNQUOTE.

HARRY H. WOODRING.

510 P. M.

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PLATFORM

Adopted by

**The Democratic
National Convention
1932**



"I AM FOR THIS PLATFORM

100%"

Franklin D. Roosevelt



IN this time of unprecedented economic and social distress the Democratic Party declares its conviction that the chief causes of this condition were the disastrous policies pursued by our government since the World War, of economic isolation, fostering the merger of competitive businesses into monopolies and encouraging the indefensible expansion and contraction of credit for private profit at the expense of the public.

Those who were responsible for these policies have abandoned the ideals on which the war was won and thrown away the fruits of victory, thus rejecting the greatest opportunity in history to bring peace, prosperity, and happiness to our people and to the world.

They have ruined our foreign trade; destroyed the values of our commodities and products, crippled our banking system, robbed millions of our people of their life savings, and thrown millions more out of work, produced wide-spread poverty and brought the government to a state of financial distress unprecedented in time of peace.

The only hope for improving present conditions, restoring employment, affording permanent relief to the people, and bringing the nation back to the proud position of domestic happiness and of financial, industrial, agricultural and commercial leadership in the world lies in a drastic change in economic governmental policies.

We believe that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe. We hereby declare this to be the platform of the Democratic Party:

The Democratic Party solemnly promises by appropriate action to put into effect the principles, policies, and reforms herein advocated, and to eradicate the poli-

cies, methods, and practices herein condemned. We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than twenty-five per cent in the cost of federal government, and we call upon the Democratic Party in the States to make a zealous effort to achieve a proportionate result.

We favor maintenance of the national credit by a federal budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

We advocate a sound currency to be preserved at all hazards and an international monetary conference called on the invitation of our government to consider the rehabilitation of silver and related questions.

We advocate a competitive tariff for revenue, with a fact-finding tariff commission free from executive interference, reciprocal tariff agreements with other nations, and an international economic conference designed to restore international trade and facilitate exchange.

We advocate the extension of federal credit to the states to provide unemployment relief wherever the diminishing resources of the states make it impossible for them to provide for the needy; expansion of the federal program of necessary and useful construction affected with a public interest, such as adequate flood control and waterways.

We advocate the spread of employment by a substantial reduction in the hours of labor, the encouragement of the shorter week by applying that principle in government service. We advocate advance planning of public works.

We advocate unemployment and old age insurance under state laws.

We favor the restoration of agriculture, the nation's basic industry; better financing of farm mortgages through recognized farm bank agencies at low rates of interest on an amortization plan, giving preference to credits for the redemption of farms and homes sold under foreclosure.

Extension and development of Farm Cooperative movement and effective control of crop surpluses so

that our farmers may have the full benefit of the domestic market.

The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost.

We advocate a Navy and an Army adequate for national defense, based on a survey of all facts affecting the existing establishments, that the people in time of peace may not be burdened by an expenditure fast approaching a billion dollars annually.

We advocate strengthening and impartial enforcement of the anti-trust laws, to prevent monopoly and unfair trade practices, and revision thereof for the better protection of labor and the small producer and distributor.

The conservation, development, and use of the nation's water power in the public interest.

The removal of government from all fields of private enterprise except where necessary to develop public works and natural resources in the common interest.

We advocate protection of the investing public by requiring to be filed with the government and carried in advertisements of all offerings of foreign and domestic stocks and bonds true information as to bonuses, commissions, principal invested, and interests of the sellers.

Regulation to the full extent of federal power of

- (a) Holding companies which sell securities in interstate commerce;
- (b) Rates of utility companies operating across state lines;
- (c) Exchanges in securities and commodities.

We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks, and a more rigid supervision of national banks for the protection of depositors and the prevention of the use of their moneys in speculation to the detriment of local credits.

The severance of affiliated security companies from, and the divorce of the investment banking business from, commercial banks, and further restriction of federal reserve banks in permitting the use of federal reserve facilities for speculative purposes.

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

We advocate a firm foreign policy, including peace with all the world and the settlement of international dispute by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with appending reservations; the Pact of Paris abolishing war as an instrument of national policy, to be made effective by provisions for consultation and conference in case of threatened violations of treaties.

International agreements for reduction of armaments and cooperation with nations of the Western Hemisphere to maintain the spirit of the Monroe Doctrine.

We oppose cancellation of the debts owing to the United States by foreign nations.

Independence for the Philippines; ultimate statehood for Porto Rico.

The employment of American citizens in the operation of the Panama Canal.

Simplification of legal procedure and reorganization of the judicial system to make the attainment of justice speedy, certain, and at less cost.

Continuous publicity of political contributions and expenditures; strengthening of the Corrupt Practices Act and severe penalties for misappropriation of campaign funds.

We advocate the repeal of the Eighteenth Amendment. To effect such repeal we demand that the Congress immediately propose a Constitutional Amendment to truly representative conventions in the states called to act solely on that proposal. We urge the enactment of such measures by the several states as will actually promote temperance, effectively prevent the return of the saloon and bring the liquor traffic into the open under complete supervision and control by the states.

We demand that the Federal Government effectively exercise its power to enable the states to protect themselves against importation of intoxicating liquors in violation of their laws.

Pending repeal, we favor immediate modification of the Volstead Act to legalize the manufacture and sale

of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue.

We advocate continuous responsibility of government for human welfare, especially for the protection of children.

We condemn the improper and excessive use of money in political activities.

We condemn paid lobbies of special interests to influence members of Congress and other public servants by personal contact.

We condemn action and utterances of high public officials designed to influence stock exchange prices.

We condemn the open and covert resistance of administration officials to every effort made by Congressional committees to curtail the extravagant expenditures of the government and to revoke improvident subsidies granted to favorite interests.

We condemn the extravagance of the Farm Board, its disastrous action which made the Government a speculator of farm products and the unsound policy of restricting agricultural products to the demands of domestic markets.

We condemn the usurpation of power by the State Department in assuming to pass upon foreign securities offered by international bankers as a result of which billions of dollars in questionable bonds have been sold to the public upon the implied approval of the Federal Government.

We condemn the Hawley-Smoot Tariff Law, the prohibitive rates of which have resulted in retaliatory action by more than forty countries, created international economic hostilities, destroyed international trade, driven our factories into foreign countries, robbed the American farmer of his foreign markets, and increased the cost of production.

In conclusion, to accomplish these purposes and to recover economic liberty we pledge the nominees of this convention the best efforts of a great party whose founder announced the doctrine which guides us now in the hour of our country's need:

Equal rights to all; special privileges to none.



The platform suggestions submitted by the American Farm Bureau Federation to the convention resolutions committee are as follows:

I.

We recognize that the restoration of American agriculture to a firm basis of prosperity is a first essential to general welfare of our Nation.

To this end, we pledge to the American farmers effective protection of the American market for that portion of his production consumed in America.

To accomplish this, we pledge First, Immediate enactment of measures necessary for the disposal of accumulated agricultural surpluses so as to remove their depressing effect on American price levels for such commodities.

Second, Such emergency measures must be enacted as are necessary for the immediate improvement of the price levels of basic agricultural commodities.

Third, we further pledge the Party to so amend "The Agricultural Marketing Act" as will provide an opportunity for the commodity to bear the costs of proper and effective control of that part of its production which is above domestic requirements.

II.

TARIFF AND THE MARKETING ACT.

The Party pledges itself to make such revision of tariff schedules as is necessary to give true parity of protection to agriculture with other industry.

The American farmer is entitled not only to tariff schedules on his products but to protection from substitutes therefor.

III.

STABILIZATION OF THE UNIT OF VALUE.

Fluctuations in the average commodity price level unbalance all relationships between the different classes of our people, especially the relationship of debtor and creditor. When such changes are large, great hardships

3 - Farm Bureau.

are entailed.

It is, therefore, imperative that in order to save millions of our people from bankruptcy that the general price level of commodities be restored to that prevailing when the average of the long term debts, both public and private, were contracted.

The Party, therefore, pledges itself to so amend the monetary laws as to make the gold unit constant in purchasing power; to work in conjunction with other nations to re-establish silver to its proper place in monetary use and to make such changes in the currency and credit system that it shall be fully responsive to the requirements of agriculture, industry, commerce and all other classes of our people without favor or bias.

IV.

AGRICULTURAL CREDITS.

We pledge the necessary adjustments in our federal reserve system to provide agriculture with credits as easily available and as adjustable to varying economic conditions as are enjoyed by other groups.

We pledge the further development of the federal farm loan system to the end that it will fully meet the farm mortgage requirements of agriculture.

V.

GOVERNMENT ECONOMY.

We pledge that such governmental economies will be effected as are necessary to bring the total cost of government to a proper relationship with the income of the people.

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MEMORANDUM

We favor immediate modification of
Wetland Act to permit such States as
so desire to allow the sale of ^{2.75%} beer
~~that~~ non intoxicating in fact, thus
creating increased employment and
a source of immediate Taxation.

—+—
We favor same.

—

PSF Platform

[1932]

MEMORANDUM

A firm consistent foreign
policy with these objectives:

peace with all nations
without entangling alliances;
resort to arbitration for
the settlement of all international
disputes;

international agreements
for a real reduction in armaments;

no intervention in the
internal affairs of other nations,
and, save with the consent of
Congress, no further employment

MEMORANDUM

(2)

of our armed forces abroad
except to protect American lives;
insistence upon the validity
of the existing foreign debt
agreements, but lenience with
regard to the payment of interest
and sinking fund charges by
our debtors whenever in our
judgment such lenience may
help to restore a healthy world;

participation by all the
American Republics in maintaining
the spirit of the Monroe Doctrine,

MEMORANDUM

③

and coöperation with our
sister nations in stimulating
inter-American commerce and in
strengthening on this Hemisphere
the orderly processes of elective
Government.

[Handwriting of W. C. Bullitt]

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Platform

Agriculture

Twelve years of Republican neglect of agriculture and subservience to powerful interests opposed to agricultural equality were ended by the people at the polls in 1932 after agricultural decline had led to nation-wide depression.

The Administration which was inaugurated on March 4, 1933, has kept faith with the farmers through policies which have restored to them a measure of prosperity. This is evidenced by the recovery of farm prices from the depths of 1932; the increase of about three billion dollars in annual cash farm income; and substantial improvement in business and employment throughout the nation.

The record of this Administration on agriculture speaks for itself and includes:

1. Establishment in the law of the principle of agricultural equality, of parity of farm income.
2. AAA cooperation with three million farmers in national programs to balance their production with effective demand.
3. Farm credit legislation to stop the wave of farm foreclosures, halt concentration of land ownership, and afford credit at low interest to farmers and farmers' cooperatives.

PSF
Platform
Box 143

4. Transfer of national money powers from Wall Street to Washington; recognition of agriculture's interest in shaping national money policies; creation of Federal gold valuation powers which protected the farmers against ruinous deflation.
5. Legislation providing for effective regulation of commodity exchanges.
6. Actual steps for conservation of the nation's most valuable asset of the soil, forests, oil and other natural resources, in contrast to the Republican party's record of waste and scandal.
7. The Rural Electrification program.
8. Reversal of the ruinous tariff discrimination against agriculture typified by the Smoot-Hawley Act, completion of 14 reciprocal trade agreements which are moderating extreme tariff rates and reopening markets for farm exports abroad.
9. Enactment of the emergency drought relief act to protect farmers and the nation from the worst drought in the nation's history.
10. Assistance to livestock, dairy and fruit producers and their cooperatives; AAA marketing agreements and orders; Federal Surplus purchases to prevent market collapses; the Federal Cattle Disease Eradication program.

On the foregoing record, the Democratic party stands. We also affirm that, to assure the continuance of national recovery, the fight for agricultural equality must and shall go on. To further that great cause we pledge:

1. Continued payments and other Federal support of farmers' efforts to operate nation-wide soil conservation programs; cooperation with the states and encouragement of inter-state compacts so that farmers may within the current judicial interpretation of the Constitution to protect themselves against the devastating effects of huge surpluses.

2. A permanent system of commodity loans, patterned after the beneficial corn loans, to prevent seasonal surpluses from unduly affecting market price levels. The loans to be made, in periods of low prices due to excessive supplies or contraction of foreign markets, to farmers participating in agricultural programs. The amount of the loan per bushel or other unit would depend on effectiveness of adjustment programs in preventing heavy accumulation of supplies.

3. Vigorous encouragement of farmers' cooperatives; broader use of AAA marketing agreements to stabilize marketings of milk, fruits and special crops; support of farm cooperatives in emergency by federal purchases for relief or other non-commercial distribution.

4. Further measures to reverse the dangerous trend during three Republican Administrations toward tenancy and corporation farming; Federal legislation such as the Bankhead-Jones bill to aid tenants to become owners; increased payments to small farmers under agricultural conservation programs.

5. Further development of farmer owned and controlled credit systems to provide ample short and long term loans at interest rates commensurate with those available to other American industries.

6. Resubmission for ratification of the St. Lawrence waterway treaty with Canada.

7. Revival of export markets for agricultural products by moderation of extreme tariff barriers through reciprocal trade agreements, with ample protection for farm producer groups against injury from sudden or abnormal increases in imports of their commodities. The United States can not sell abroad unless it buys abroad. Preservation of the Reciprocal Trade Agreement Act is vital to agriculture and industry.

8. In the future as in the past we propose to encourage development of new industrial uses and new markets for farm products. We do not favor, however, artificially stimulated production of agricultural ~~commodities~~ which must be sold either at home or abroad for meager prices, with consequent losses to the taxpayers and to the soil itself.

9. A new Federal crop insurance plan to provide farmers an additional safeguard against natural calamities such as drought and flood. This would supplement existing income insurance features of the AAA payments. It would afford farmers opportunity to take out crop insurance with premiums based on farm productivity as established in the agricultural conservation program and deducted from conservation payments.

We believe that the rights of economic democracy are as precious to farmers and to all the people as the rights of political democracy. In that belief, and because success of any farm program depends upon participation by farmers at every step, we will support operation of

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future programs by farmers through county associations and committee-men of their own choosing.

We recognize the unity of interest that exists between the great agricultural regions, and the mutual dependence of agriculture and labor upon each other's purchasing power. We reject as reactionary and incredible the proposition that the agricultural problem is a local matter. We pledge that Democratic party policy will be based upon the fundamental principle that agricultural welfare and national welfare are linked inseparably.

PSF Platform file

READ THIS BOOKLET

If you are interested in the working principles outlined, . . . or

If you would like to initiate a movement in this direction in your own competitive group, . . . or

If you have any suggestions for executing these principles, Please Write GEO. A. HORMEL, Post Office Box 606, Beverly Hills, California.

This is one of 3,000 copies being sent to a carefully selected list of business men throughout the nation who are known to be interested in social and economic progress.

Your comments will be treated as strictly confidential, and those writing will be given in return a summary of the replies received.

THE
GOLDEN RULE WAY
TO
UNEMPLOYMENT
RELIEF
by



GEORGE A. HORMEL
*Chairman of Board
George A. Hormel and Company*

*The opportunity to earn a decent living is
the inalienable right of every
American citizen.*

For any information, write:
GEORGE A. HORMEL
Box 606, Beverly Hills, California

April 15, 1938

THE CODE OF THE AGES



Literary Digest—June 3, 1922:

"President Harding invited 41 leaders of the iron and steel industry to dine with him at the White House and discuss the feasibility of abolishing the twelve-hour work day in the steel mills."

The Outlook—Vol. 134, Page 572, Aug. 15, 1933:

"One of Mr. Harding's last acts before he left Washington on the trip that ended in his death, was to urge Judge Gary a second time to move at once in the matter of reducing the workers' day from twelve to eight hours. A fortnight later Judge Gary as President of the American Iron and Steel Institute, and Chairman of the U. S. Steel Corporation, announced that the steel industry would make an immediate beginning in the elimination of the twelve-hour day."

THE GOLDEN RULE WAY TO UNEMPLOYMENT RELIEF

No matter whether we have a Democratic or Republican administration, as long as unemployment continues on the present scale American business will be taxed for relief funds.

Even with the tremendous government spending, only industries in essential lines are active. With more than ten million people jobless, and commercial loans begging at less than one percent, it does not spell business recovery.

In spite of the highest taxes in the history of our nation, our administrations' greatest problem is to provide adequate funds to meet the Federal, State and Municipal budgets.

OUR ONLY HOPE FOR TAX RELIEF IS TO PUT THE UNEMPLOYED TO WORK

When the war broke out a wave of prosperity set in with feverish activity. It was then that a miracle took place which changed the whole basis of American life. After our own country entered the war, the army took large numbers of the best of our young men. This created a shortage of labor and the wage rate was correspondingly increased. Everyone was busy throughout the war period, and wages were the highest they had ever been in the history of the world.

What followed the close of the war should be a guide to industry in the future. We shortened the hours and substantially maintained the pay, and that was the greatest contribution to our period of prosperity.

At the end of the war the demand on American industry for war supplies was cut off, and the time for an economic readjustment had arrived. This was one of the most serious problems we ever faced, but a depression was prevented at that time by **supplying a need. The need was employment for the men returning from overseas**, and we supplied that need by **reducing hours of labor.**

At that time the railroads were operated by the government and an eight-hour day without reduction in wages was established. But industry was reluctant to follow, claiming, as some claim today, that the increased cost of living would reduce buying and retard industry, thus throwing labor out of work.

However, President Harding conferred with the leading business men of the nation, urging the adoption of the shorter hour day. After several sessions with the heads of the steel industry, the ten and twelve-hour day was reduced to an eight-hour day, and it was only a short time until eight hours became the working schedule for nearly all lines of business throughout the nation.

It is stated that the late Judge Gary, then at the head of U. S. Steel, was strong in his contention that it was the best thing that ever happened for business.

The following years drew millions of people from the farm into town and city industries, and the ex-farmer became an industrial consumer. Increased efficiency in farming gave an over-supply of agricultural products, notwithstanding the decreased number of farmers.

However, in the later twenties the nation began to feel the effect of the many new labor-saving and automatic machines in industry. Often when such a machine was invented one man

operating it would do the work of ten or twenty, but industry failed to divide the work among all the willing workers. Therefore they must either remain idle or go back to the farm to crowd the ranks of agriculture.

Newer industries failed to spring up as fast as labor-saving machines were installed. The more we sent men back to the farm, the more the excess of farm products increased, until in 1929 and 1930 our elevators and warehouses were bulging with a surplus of foodstuffs. The law of supply and demand lowered market prices of farm products to a level which was under their cost of production. **Hence demand for farm relief.**

The year 1929 brought our greatest crisis and found our people drunk with speculation. Then came the stock market crash. This was a tremendous shock to buying power. Business was at a standstill. Manufactured goods began to accumulate. Business America became panicky.

We cut and slashed prices to make sales. Later we cut and slashed wages to reduce cost, and by so doing further curtailed buying power, and **in this way** we utterly destroyed the most perfect economic situation this country had ever enjoyed.

In other words, the reduced pay sapped the life blood from our business system and within six months we were in the depths of depression. Withdraw one-third of the blood from the human system and we have a sick patient with many ailments. Likewise, if we reduce the pay check by one-third we withdraw one-third of the money from circulation, and we have an anemic nation, with grave disorders in many of its economic departments.

Is it not reasonable, therefore, to conclude that a transfusion of money throughout the arteries of our national trade will revive our

sick nation and restore business to normal health?

Here, then, we find the solution to our problem, through shortening the hours of labor and increasing the pay check of those now at work. The increased buying power thus established will put into circulation billions of dollars, which will revitalize our national life.

The idea of shorter hours and more pay is not new. We are not required to experiment. We applied this very remedy to a sick nation after the war. It resulted in prosperity. Is there any **good reason** why the **same treatment** will not be **just as effective today?**

Let us see how this remedy will work. A thirty-six hour week for all employees between the ages of eighteen and sixty, a \$4.00 per day minimum basic wage for figuring hourly rates for common labor, with skilled workmen higher in proportion, would mean an increase of \$8.00 per week over the NRA basis of \$16.00 per week.

There are at least thirty-five million wage earners on our payrolls. If each pay check is increased \$8.00 per week it would mean \$280,000,000 added money circulating through all avenues of trade each week.

For every added dollar that is spent, someone must work to make that which the extra dollar buys.

It is claimed that the extra spending of \$280,000,000 weekly will create enough jobs to put ten million of the unemployed back to work within six months.

The combined new buying power (\$240,000,000 per week) of the newly employed, and the increase of \$280,000,000 of those at work, will place more than \$500,000,000 of added money into circulation every week.

Is it not reasonable to conclude that the addition of two billion dollars a month to our buying power and the thirty-six hour work week will result in giving every willing worker a job and will restore prosperity to every line of industry and business?

Every employer might well ask himself the question—is it more hazardous to add a trifle to the selling price of his product in order to insure an increased pay check, **and pass it on to the consumer**, than to pay the tremendous Federal, State and Municipal taxes which are unavoidable, and will continue to be so as long as we permit millions to remain jobless?

Is it as costly and ruinous as the income and inheritance tax?

Can we reasonably expect anything but destructive taxation if economic disorders **are not corrected by our business leaders themselves?**

Is not employment assurance, after all, the most sound business insurance?

We have reached the crisis. Something must be done. The longer we defer shortening hours and raising pay, the more burdensome will become our taxes and the more we will be encouraging **crime, Communism and Socialism.**

The burden of a substantially increased pay check would be a much lesser burden than that which industry has already attempted to carry.

In the company in which the writer is interested, for example, the statistical report for the year ending October 26, 1935, shows an average of 2,925 people employed at the main plant in Austin, Minnesota. The total tonnage of packing house product sold during the year was 336,259,660 pounds. According to these figures, it would require adding to the price of the product sold, three-tenths of a cent per pound in order to increase each pay check \$8.00 per week.

One of the leading milling companies in America advised that it would require adding six cents to the cost of a barrel of flour to increase each pay check on their payroll \$8.00 per week.

Like a thunderclap out of a clear sky our government demanded of the meat packer a processing tax of \$2.25 per hundred on all hogs slaughtered, or about \$5.00 per hog. For the year ending October 26, 1935, this tax amounted to \$4,325,017.39 for our Company at Austin, while our entire plant payroll totalled \$3,730,407.07 for the same period. In other words, the processing tax for the year amounted to \$594,610.32 more than was paid in wages.

The government at the same time demanded of the miller a processing tax of \$1.38 per barrel of flour. This enormous tax of the packer and the miller was added to the cost of what they produced. Like any other item, the tax was **passed on to the consumer.**

According to the above figures, the processing tax cost \$2.25 per cwt., while the cost of an \$8.00 weekly increase in pay would only be \$.30 per cwt. The processing tax for the miller was \$1.38 per barrel of flour, while an \$8.00 higher weekly pay check would only cost \$.06 per barrel.

Surely all industries in their respective groups could somehow afford this extra cost. Would not every line of business benefit by the extra buying power if all workers received a higher rate of pay?

Since the educated brain from our high schools and universities has entered **your business and my business**, it has developed efficiency methods and labor-saving machinery which has multiplied the production per man so enormously that a trifle added to that which is produced will make possible the increased pay check and the thirty-six hour week.

Is it not more reasonable to give money directly to the employee than to have it collected by governmental agencies and redistributed with a high and necessary wastage?

Application of the Principle of Give and Take

The Golden Rule will work in business. It is the solution of our unemployment problem. The fundamental law of human life is service, co-operation. All progress of our race must be measured in terms of this law.

America has excelled all other nations because it has recognized and put into practice this principle to a higher degree than any other country.

The employer, in helping the worker and the unemployed, will inevitably help himself.

Why should we let unscrupulous employers who chisel for longer hours and lower pay, disrupt a uniform basic policy? Why not discourage the demand for government regimentation and regulation of business by a **voluntary uniform basic work day and wage scale?**

True, industry can take care of only part of the unemployed, but industry can take the initiative in adopting a thirty-six-hour week now, the same as it did following the war when the working schedule was reduced from a ten and twelve-hour day to an eight-hour day.

It set the example, and employers of labor throughout the nation followed. **It required no law to establish the eight-hour day. It will require no law to establish a thirty-six hour week.**

A Voluntary Rather Than a Legislative Solution

The business flurry we are having now is not enduring. When more than ten million remain unemployed, this activity is artificial. Government spending is like a hypodermic; when the administration of government funds ceases, we will again have increased unemployment and business depression.

We reached the lowest depth of our depression within six months after we cut and slashed the pay in 1932.

Cut the pay check **now** \$8.00 a week and within six months half of our present industries will, for lack of buying, close up shop.

Increase the pay check \$8.00 a week and within six months, with a thirty-six hour week, every willing worker will have a job and we will have renewed business activity in every line.

By what method can we achieve the shorter hour day and higher pay? It is suggested that every local Chamber of Commerce throughout the country cooperate with the Chamber of Commerce of the United States and the National Association of Manufacturers of the United States, and sign up employers in establishing the readjustment of hours and wages, to become effective on a certain date.

No employer will suffer because the relative level of competitive cost for **each group** will advance by the same amount for all. If industry and commerce take the lead, **employers in miscellaneous lines will be obliged to follow.**

Whatever plan is adopted, action must not be delayed. It makes no difference what administration is in power. **Our problem is one for American business to solve and must not be left for legislative solution.**

Buying power is the paramount need. An increased pay check is no tax on business; it is passed on to the consumer. We must either put the jobless to work with higher pay and stop the need of huge government spending, or submit to continued increases in taxes each year which are bound to ruin us.

Would not the universal adoption of the Golden Rule Plan help to lift our people once more to a plane of self-respecting citizenship through honest employment, so that it will again be true in fact that this is a nation "of the people, by the people and for the people."



Free Speech - Press - Religion -

THE WHITE HOUSE
WASHINGTON

Peace - work for

PSF

Platform

Public Works -

Finances of gov.

~~Spends~~ What can be done
without the tax. form of gov.

C.C.C. Conservation

Youth

Education

Housing

Labor - Collective bargaining

THE WHITE HOUSE
WASHINGTON

PSF
Platform

Wagner as Gov. said

"The Court. is what the
Sup. Ct. says it is"

Production expand. }
Rail Budget }

Hope that internat. currency
will be stabilized.

Charges communications & Transport

" Distribution

Proper profits -

Wearing
Soil erosion
Conservation
Pub. Wk.
Fruit

Purchasing power.

Shorter hours.

Wintona Foreign Travelles

W. C. Crowe

Campaign Book
of the
Democratic Party
Candidates
And Issues

1932

PSF
Platforms



Published by

The Democratic National Committee
The Democratic Senatorial Committee
The Democratic Congressional Committee

Hotel Biltmore
New York City

Price 25 Cents



PREFACE

*(From radio speech by Governor Franklin D. Roosevelt,
July 30, 1932)*

In the olden days campaigns were conducted amid surroundings of brass bands and red lights. Oratory was an appeal primarily to the emotions and sometimes to the passions. It always has been my feeling that with the spread of education, with the wider reading of newspapers and especially with the advent of the radio, mere oratory and mere emotion are having less to do with the determination of public questions under our representative system of government. Today common sense plays the greater part and final opinions are arrived at in the quiet of the home. I am weighing all the things which I have learned in all my years in public service—first in Albany 21 years ago, then during 8 busy years in Washington interspersed with visits into all the States of the Union and, during and after the war, to the nations of Europe; then in these latter years in my tasks as Governor of New York.

The only hope for improving present conditions, restoring employment, affording permanent relief to the people and bringing the nation back to its former proud position of domestic happiness and of financial, industrial, agricultural and commercial leadership in the world lies in a drastic change in economic and governmental policies.

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PROPHECY AND PERFORMANCE

"The Republican Party isn't a 'Poor Man's Party': Republican prosperity has erased that degrading phrase from our political vocabulary. Republican prosperity has reduced hours and increased earning capacity, silenced discontent, put the proverbial 'chicken in every pot'. And a car in every backyard, to boot." Advertisement in N. Y. American, Oct. 20, 1928.

"He organized 5,000,000 unemployed men back to their jobs, and he organized export outlet for their product. He showed manufacturers how to adjust their plans and re-adapt their machinery to new conditions." Hoover advertisement in N. Y. Times, Oct. 21, 1928.

"A vote for Herbert Hoover is a vote for *experience*, not *experiment*—a vote for the continuance of an administration which has led America to new peaks of achievement—a vote for the party which has wiped soup-kitchens, strikes and bread lines from the land." Hoover advertisement in N. Y. Times, Oct. 28, 1928.

"The fundamental business of the country, that is, production and distribution of commodities, is on a sound and prosperous basis."—President Hoover, Oct. 25, 1929.

"There is no reason why business could not be carried on as usual."—President Hoover, Oct. 25, 1929.

"The sudden threat of unemployment and the recollection of the economic consequences of previous depressions under a much less secure financial system, created unwarranted pessimism and fear. We have re-established confidence."—President Hoover in message to Congress, Dec. 3, 1929.

"I wish to emphasize that during the past year (1929) the nation has continued to grow in strength. Our people have advanced in comfort."—President Hoover in message to Congress, Dec. 3, 1929.

All the evidence indicates that the worst effects of the crash and unemployment will have passed during the next sixty days."—President Hoover in press statement, March 7, 1930.

"We have now passed the worst."—White House statement, May 1, 1930.

"The income of a large part of our people has not been reduced,"—White House statement, Oct. 1930.

"We have already weathered the worst of the storm."—White House statement, Dec. 3, 1930.

THE ROOSEVELT CREED

By

FRANKLIN D. ROOSEVELT

I, too, believe in individualism; but I mean it in everything that the word implies.

I believe that our industrial and economic system is made for individual men and women, and not individual men and women for the benefit of the system.

I believe that the individual should have full liberty of action to make the most of himself; but I do not believe that in the name of that sacred word a few powerful interests should be permitted to make industrial cannon-fodder of the lives of half of the population of the United States.

I believe in the sacredness of private property, which means that I do not believe that it should be subjected to the ruthless manipulation of professional gamblers in the stock markets and in the corporate system.

I share the President's complaint against regimentation; but unlike him, I dislike it not only when it is carried on by an informal group amounting to an economic Government of the United States, but when it is done by the Government of the United States itself.

I believe that the government, without becoming a prying bureaucracy, can act as a check or counter-balance to this oligarchy so as to secure initiative, life, a chance to work and the safety of savings to men and women, rather than safety of exploitation to the exploiter, safety of manipulation to the financial manipulator, safety of unlicensed power to those who would speculate to the bitter end with the welfare and property of other people.

The word "individualism" is a bitter word in the mouths of Republican leaders, who have fostered regimentation without stint or limit. Opposition to financial exploitation is a ghastly sham in men who have created, encouraged and brought into being the very power of exploitation. We must get back to first principles; we must make American individualism what it was intended to be—equality of opportunity for all, the right of exploitation for none.

FRANKLIN DELANO ROOSEVELT

THE early life of Franklin Delano Roosevelt was ideal in its wholesome Americanism, in its opportunities to "learn by doing" and in the stern teaching of personal devotion to duty. Even those who know him best often wonder that one man can so perfectly understand the viewpoint of the dirt farmer and the city laborer, the man in the street and the one in high places—and can so quietly, impartially, firmly, uphold the rights of each and achieve a fair deal for all.

The clue lies in the background and training which fitted the boy exceptionally well for the responsibilities of the man. He was the only child of James Roosevelt, descendant of early Dutch settlers, and Sara Delano Roosevelt, of equally fine Colonial ancestry, and was born January 30, 1882, in a fine old home overlooking the Hudson River, surrounded by trees and looking across a field where the hay had been cut for over a hundred years. His godfather was Elliott Roosevelt, only brother of Theodore, who was at that time just beginning his political career.

The boy "learns by doing"

As a boy, young Franklin roamed the woods, read in the well-stocked library, rode horseback and took a child's eager interest in all that pertained to the management of a large and prosperous farm. He thus laid the foundation of a self-reliance and of a fine, sturdy physique which was to carry him later through the tension of war days and political campaigns, through serious disease to the successful fulfilling of the exacting duties of the Governorship of a great state. At the age of fourteen, he sailed his own 21-foot boat across the Bay of Fundy and learned navigation by experience as well as theory. He traveled abroad, cycling from country to country.

Breaking athletic records

At school, he broke athletic records, kept up his classwork without difficulty but without enthusiasm, and was prevented from running away to enlist in the Navy during the Spanish-American War only by coming down with measles the very day he planned to smuggle himself off the grounds in the "pie-man's" traveling wagon. In 1900, he entered Harvard, meaning to study law thereafter. His active brain enabled him to complete the four-year course in three, at the same time keeping up with campus activities of all sorts. Early taught by his illustrious cousin Theodore that good citizenship demands both an interest in politics and an active share in its burdens, he used his position as editor of the college paper to preach this doctrine. He exposed the famous "fire escape" scandals and bucked his first "machine" by denouncing the control of class elections by select clubs.

Meanwhile, young Franklin Roosevelt did not neglect more personal interests, and soon after graduation he married Miss Anna Eleanor Roosevelt, his distant cousin and the favorite niece of the President. Theodore Roosevelt gave the bride away, dashing from a St. Patrick's day parade in New York to the ceremony. With typical Roosevelt enthusiasm, the young wife threw herself wholeheartedly into her husband's interests, and when after a brief period of law practice he was urged to run for state senator from his home community of Hyde Park, long ruled by Republican bosses, her influence was thrown on the side of his public duty.

Even in this first campaign, Franklin D. Roosevelt broke traditions. He campaigned from an automobile, then a detested "contraption" hated by farmers—and yet was elected over his complacent opponent by a strong rural vote. Ignoring the common legislative practice of living at home and visiting the capital only on certain days, the Roosevelts, with their three small children, moved to Albany, installing themselves in a comfortable house which was to become famous as headquarters of a little group of Democratic insurgents.

A young senator stands firm

Few of the old-line politicians paid any attention to the election of the green young senator from Dutchess County, but Big Tim Sullivan of New York City fame had been seized with prophetic powers when he read the names of newly elected legislators. His exclamation "If we've caught a Roosevelt, we'd better take him down and drop him off the dock!" foretold trouble which was only a few months in coming. Then the smooth "machine" election of a United States Senator was rudely arrested. William H. Sheehan's confident progress to Washington was threatened and then blocked by an absurdly small group, held together by the courage and high spirits of young Franklin D. Roosevelt. To the dismay of seasoned politicians, including the famous Charlie Murphy of Tammany Hall, Sheehan was defeated. At twenty-nine Roosevelt had won his spurs as an aggressive liberal leader, with a definite program and the ability to carry it through against experienced, organized opposition. And when, soon after, he publicly refused an appropriation which he said his home district did not need, his reputation was sealed—to old-time politicians at least—as a very dangerous man. However, his constituents expressed their approval of his qualities by their strong affirmative vote for his re-election.

Meanwhile in Jersey another progressive Democrat was fighting for truly representative government. Roosevelt met Woodrow Wilson—he went to the convention of 1912 a Wilson man. Wilson was elected, and Roosevelt, then a member of a senatorial committee to investigate vice conditions in New York City, was offered the assistant secretaryship of the Navy. Six weeks after his 31st birthday he took

the oath of office, and from 1913 on he had under his immediate direction the civilian personnel, the navy yards and docks, and the purchasing of supplies. He inaugurated every sort of reform, from forcing the "middies" to learn to swim to breaking the organized system by which steel and other manufacturers sold materials to the Navy—at their own price. He turned the navy yards from white elephants into busy manufacturing plants within a few years, saving the country many million dollars. And when war broke out, it was found that the Navy had collected data on more than 18,000 industrial plants, had contracts for a year's supplies, and had actually placed orders for guns, ammunition and other equipment.

Helping to win the War

It was Roosevelt who suggested the first government war labor board, who commandeered materials from private concerns, and who fought constantly to eliminate dead wood and to adopt such imaginative and effective war measures as the North Sea barrage—made possible by an invention he sponsored—and the building of American submarine chasers. He appealed to the uniformed force by his lack of official aloofness and for the spirit shown by such acts as his prompt descent in a submarine immediately after one had sunk on the Pacific Coast with all hands on board. In the Department, his harmonious relations with the laboring men under him were based on equally solid ground.

At a time when there was frequent and inevitable friction between employers and labor, Roosevelt had direct charge of 125,000 men, workers on Navy projects, and by virtue of his honest desire to give every man a square deal and his ability to grasp all sides of a question, he came triumphantly through a time when such relations were often seriously strained. He never expected to have labor trouble and he never had labor trouble—nor did the navy workmen have employer trouble. Between the two existed a mutual liking and respect that was more than skin-deep.

Under fire in the War Zone

During these busy years, Franklin Roosevelt had refused to run for Governor of New York State and, again refusing the nomination in 1918, had suggested Alfred E. Smith, whom he regarded as having "not only an unsurpassed knowledge of the administration of state affairs but a single-minded purpose to carry on these affairs for the liberal and progressive good of the State as a whole." Roosevelt himself went abroad, expecting to resign and enlist, and started a study of the conduct of the war which was said to be more thorough than that of any visiting American authority.

Fitted for the Presidency

He was attacked by what the layman calls infantile paralysis ("poliomyelitis" to the physician), a disease which is

attended by muscular atrophy. It almost killed him and apparently removed him while still a young man from the field of public endeavor.

Today, however, he is altogether fitted for the presidency. This is shown not only by the testimony of the most eminent physicians but by his actual record. In 1931 a committee of specialists selected by the Director of the New York Academy of Medicine and composed of Dr. Samuel W. Lambert (physician), Dr. Russell A. Hibbs (orthopedist), and Dr. Foster Kennedy (Neurologist), conducted a thorough examination and afterwards reported:

"We have today examined Franklin D. Roosevelt. We find that his organs and functions are sound in all respects. There is no anemia. The chest is exceptionally well developed, and the spinal column is absolutely normal; all its segments are in perfect alignment and free from disease. He has neither pain nor ache at any time. Ten years ago Governor Roosevelt suffered an attack of infantile paralysis, the entire effect of which was expended on the muscles of his lower extremities. There has been progressive recovery of power in the legs since that date; this restoration continues and will continue."

In addition, over a half a million dollars worth of life insurance has been written on the Governor's life by a group of the largest insurance companies of the country at the lowest rates. Dr. E. W. Beckwith, medical director of one of the great companies, examined the Governor after the terrific strain of a state convention. "It has rarely been my privilege . . . to see such a splendid physical specimen as yourself," the Doctor reported, later stating that the examination "disclosed conditions comparable to a man of 30, and a little better than gilt-edged for a man of 48." The beneficiary of the insurance policies is the Warm Springs Foundation,—devoted to the study and treatment of infantile paralysis which affects large numbers of people in the United States every year.

His party's choice for Vice-President

In 1920, at the National Convention, occurred the historic Wilson demonstration, when, the New York delegation remaining silently seated, Roosevelt wrested the standard from the leader and triumphantly put his state into the marching ranks. Alfred E. Smith seconded his nomination for vice-president, a selection made quickly and with enthusiasm. The campaign with Cox was a stressful one; the vice-presidential candidate traveled by car, train and airplane, speaking from Oregon to New England, and went down to defeat with the good-humored reflection that now he could attend to his private affairs. He moved to New York with his family, now numbering five children, resumed the practice of law, and with only a half-dozen or so philanthropic interests was leading what for him might be called a selfish existence when again, and for a very different reason, public attention was sharply focussed upon him.

A year later Roosevelt was back in his office, on crutches, but apparently "as good as new." His incessant activity, during the National Convention of 1924 in New York City was a marvel to well men. His personal difficulties never interfered with his deep-seated belief in a Progressive Democratic party, national in scope, with an alert, working membership to keep its beliefs before the country and see them translated into action. Just before the convention, Roosevelt took over the Smith campaign—his appearance when he put Smith's name into nomination remains a historic incident of modern Democratic history.

A real Governor

At the next convention, walking with a cane and leaning on his son's arm, he again nominated Smith and won a tremendous personal ovation. Differing with the nominee and the national chairman on certain details of the campaign, he yet stood shoulder to shoulder with them on the essential principles of democracy. At last, well on the way to physical recovery, he proved his friendship for Smith to the hilt by consenting to run for Governor of New York.

The story of his governorship is one of a man steadily growing in mental, physical and spiritual strength.

"A glutton for hard work"

Governor Roosevelt's week in and week out program is even stronger witness to his physical fitness. Daily he dictates a heavy mail, conducts dozens of private conferences and formal ones, plans or makes radio speeches, analyzes with his keen legal mind suggestions for legislative action, taxation, reports and figures, and administers state affairs equably and promptly and effectively. His day starts at 8 with breakfast and his mail, it ends after midnight with a little light reading. Governor Roosevelt, after a brief spring visit to Warm Springs, has spent each July, August and September touring the state, by car, train and canal boat, traveling from 20,000 to 30,000 miles annually, inspecting state institutions, meeting local authorities, speaking, writing, carrying on state business as he travels. He exhausts those who go with him—but he seems never exhausted.

Governor Roosevelt, before his election, made 3, 4, 5 and so on up to 14 speeches daily, from cars, train platforms, street corners, auditoriums, hotel steps and other formal and informal surroundings, often in autumn drizzles which chilled his companions to the bone but seemed only to invigorate him. He runs his own car, swims daily, takes prescribed exercise and even rides horseback to regain the grip of his still weakened knees. The papers never carry items to the effect that "the Governor is home with a slight cold" nor tell of other normal human capitulations to minor illness or fatigue.

As to what he has done and how well he has done it, the most convincing answer is the unprecedented vote by which

he was re-elected. The first election was in itself a triumph—Governor Roosevelt was the first Democrat to carry upstate rural counties, being elected by a 25,000 majority in a year when the Republican Party swept the country and even carried New York State itself. The re-election was one of the most dramatic in the history of the state—and it is safe to say, in the history of any state. Governor Roosevelt took the campaign straight to the people, especially to the upstate Republican strongholds, where his progressive and enlightened policies had done so much for the farmer-citizens. The result was the now-famous "land-slide"—victory with the unprecedented and overwhelming plurality of 725,000 votes.

He knows the farmers' needs

Mention has been made of the fact that Governor Roosevelt is particularly concerned with the problems of the farmer and the laborer. Brought up to know farm methods at first hand, he has sponsored the most intelligent and constructive program for helping the farmer that the state has ever known. It strikes at the heart of the situation by substantially lightening the tax load on agricultural communities, while at the same time providing better roads, better schools and more accessible markets. The now nationally-known \$20,000,000 reforestation program provides for the systematic planting of unproductive and abandoned farmlands for the future enrichment of the state and the increase of present employment.

Labor approves his record

To labor, both organized and unorganized, Governor Roosevelt has proved himself a firm friend. He has urged the passage of bills providing for an extension of the Workmen's Compensation Law, for the shortening of the working week in certain industries, for an advisory minimum wage board, and for the regulation of the issuance of injunctions in labor controversies. He has had the pleasure of signing bills of his own initiation which provided additional protection in various industries, including women in factories and mercantile establishments, and one authorizing a thorough study of unemployment. And upon the completion of his first term as Governor he received from William Green, President of the American Federation of Labor, a letter warmly commending both the humanity and the practicality of his constructive program.

Acts, not words, for the needy

Governor Roosevelt regards old age security as of equal importance with safe adult employment. In accordance with laws proposed by him, the state has adopted old age insurance provisions of a workable nature, which already have saved thousands of self-respecting old men and women from the tragedy of complete destitution. Yet even more serious than the need of labor for insurance is the need of man for a job. In the face of the worldwide depression, New

York State stands as first in the Union to take constructive direct action to relieve the unemployment of its citizens. In August, 1931, long before any Federal plan had passed the stage of vague conjecture, Governor Roosevelt called an extraordinary session of the state legislature for the definite purpose of appropriating \$20,000,000 for the "Temporary Employment Relief Administration," the officers of which serve without pay. Anticipating the exhaustion of this fund, the Governor has warned the legislature that it must recognize the need for continued, adequate action while critical economic conditions continue.

Wards of the state have never had a more sympathetic friend than the present Governor. He has the amazing record of having personally visited every state institution within the New York borders. He knows both hospital and prison capacity equipment and personnel; he has eaten institution food, talked with inmates as well as officials, and made many unexpected inspections as well as more formal ones. He has taken the prison, hospital and state institution program out of politics and put it in the hands of experts and business men, and he stands behind its constant improvement and expansion.

A fair deal for the consumer

Roosevelt's stand on the rights of the consumer as against the special protection of private interests is well known. He is not an enemy of "Big Business"—the size of the business to him is no objection, so long as it is fair business. But the invasion of the rights of the individual citizen is an instant challenge to his Jeffersonian creed. He demands of public utilities "fair service at reasonable rates" and has managed to put teeth into New York State laws that really protect the poor man and the obscure man, whether he be farmer, small business owner or city apartment dweller.

Roosevelt is for fundamental measures which will prevent the recurrence of the present economic disaster. He is for a substantial lowering of the tariff—which will allow a flow of goods between countries; as well as for the building up of the home market by a reduction in the differential between the farmers and the industrial workers; and by giving the industrial workers security of wages through unemployment insurance.

His carefully worked out tax program puts sound business into Government.

Roosevelt's course as governor is a fundamentally simple one—to devise and actively press the adoption of well-considered, progressive legislation; to appoint men of experience and high qualifications; to hold all public officials strictly accountable and to move without fear or favor should that trust be betrayed and to give the best administration within his power, holding himself equally responsible to every section, every class and every citizen.

Serious consideration of Franklin D. Roosevelt for the Democratic nomination for President manifested itself among party leaders from Maine to California immediately after the election of 1928, when he was elected governor of New York despite a Republican landslide. When he was re-elected by more than 725,000 after two years of service at Albany he became the "logical nominee".

Even in most states where a majority of the leaders preferred some other candidate, almost invariably Roosevelt was second choice. So that when the hosts of Democracy gathered at Chicago in June, after the perfunctory Republican conclave had gone through the parliamentary motions of renominating candidates with hogtied delegations of federal officeholders, it was fore-ordained that Roosevelt would be nominated. He had been first in most of the primaries held. He had been second in the rest. He had been first choice of enthusiastic delegates to state conventions in most states. He had been second in the others. In fact he had the pre-convention approval of a vaster majority of his party than any other candidate not already occupying the White House in America's political history.

So it was not surprising that he had a clear majority of all the delegates on the first ballot, not counting any of his second choice strength, or that tied away from him under unit rules. Nor that his lead mounted on the second and third ballots, making his selection so sure that there was literally a stampede to him on the fourth, Texas and California merely bending other states to the announcement because of the more fortunate position of California on the alphabetical roll-call.

The moment word of his nomination flashed out Roosevelt electrified the convention and bewildered the whisperers who charged he was a sick man by his spectacular airplane flight from Albany to Chicago.

Radiant with Health

Radiant with health, forceful in manner, vigorous in speech, and with the same disregard for outworn political theories that he demonstrated by eliminating the farce of being officially informed of his nomination a month later, Roosevelt thrilled the great audience which tested the 35,000 capacity of the Chicago stadium.

"My friends," he said, "may this be the symbol of my intention to be honest and to avoid all hypocrisy and sham, to avoid all silly shutting of the eyes to the truth in this campaign. You have nominated me and I know it, and I am here to thank you for the honor!

"Let it also be symbolic that in so doing I broke traditions. Let it be from now on the task of our Party to break foolish traditions. We will break foolish traditions and leave it to the Republican leadership, far more skilled in that art, to break promises.

"I pledge myself to a new deal for the American people."

JOHN N. GARNER

John N. Garner, Speaker of the House of Representatives and Democratic candidate for Vice President of the United States, was born at Blossom Prairie, Texas, November 22, 1868.

A log cabin in the Red River County settlement, just outside of the little town of Detroit and not more than 20 miles from the Oklahoma line, had been the home of the Garner family for a quarter of a century when Mr. Garner was born, but the history of both the Garners and the Nances may be traced back into colonial days. There was a Nance with George Washington on the Braddock campaign and another with the revolutionary hero at the surrender of Yorktown. Existing records go back to Clement Nance who was born in Virginia in 1756 and whose family coat of arms bore the motto "By sea, by land." There is evidence to support the belief that the Garner line was established on this continent and in the same colony about that time.

Pioneer Stock

Both families were of pioneer stock. Its members with thousands of others looked towards the West in those early days. It was, therefore, in Tennessee that the two were joined through marriage, and in that then outpost of civilization that the first John N. Garner was born. The Speaker of the House is the fourth in direct and unbroken descent to bear the same name.

Andrew Jackson, Stephen Austin and Sam Houston were the leaders of that period and the men from whom the Garners adopted their verile Democracy. It was only natural that where these men led the Garners followed. A woman was, however, responsible for the move that took the family to Texas. The Speaker's grandmother, Mrs. John N. Garner, born Katherine Walpole, and descended from the Walpoles who produced the English prime minister, brought her family of six children through the perils of that long journey after her husband's death. John N. Garner, third of the name, and father of the Speaker was between 4 and 5 years old at the time of the migration.

The virgin land which was selected for the Garner homestead was and still is splendid agricultural country. Forests of pecan and other trees had to be cleared to make available the deep, rich and black soil from which the family drew a living. The natural advantages attracted other settlers. John Nance Garner, father of the present holder of the name, married Miss Sarah Guest, also of Red River County, who imparted many of her intellectual qualities and sensibilities to her son. At 82 years of age she is still alive, still a resident of Detroit, confident and proud of her son's ability to have made an indelible impression on the world.

John N. Garner's boyhood was no different from any youth of the day and place. Country schooling, some home tutor-

ing, a heavy share in the family responsibilities made up his days. He was reared in the Methodist faith to which he still adheres. In quest of education he returned in early manhood to Tennessee for one term at Vanderbilt University. From there he went back to Texas and began to read law in the office of Capt. M. L. Sims and W. L. Wright at Clarksville, Texas. Admission to the bar was accomplished in 1890.

Young country lawyers then found fortune fully as difficult to grasp as it is today. While waiting for clients John N. Garner made a campaign for city attorney of Clarksville. He was defeated. Not long afterwards he was offered a junior partnership in a law firm in Uvalde. The distant field looked green. Mr. Garner accepted and was on his way up.

Lawyer and Newspaperman

It took only about five years to determine the benefits of the move. He and his law partner, Tully Fuller, not only made a success of the law but acquired an interest in the Uvalde Leader, a weekly. The profits of the two were put into a bank in Uvalde and one in Crystal City. These ventures well under way, the Garner instinct turned again to politics. He sought the county judgeship and obtained it.

His candidacy did not meet with the approval of Miss Mariette Rheiner, who lived on a 30,000 acre Uvalde County ranch, and who had been reared in much the same pioneer atmosphere with which Young Garner had been familiar. Miss Rheiner did not know Mr. Garner when his candidacy earned her disapproval. When she made his acquaintance, she changed her mind and her name. Political enmity was transformed into a partnership which has existed ever since. The wedding took place November 25, 1895. Their only child, Tully Garner, was born September 24, 1896.

Judge Garner served two terms, and was defeated for the third. His political vision, however, enlarged and a seat in Congress became his objective. The State legislature, in which Mr. Garner took a seat in 1898, was chosen as a stepping stone. The real opportunity came in his second term. The census of 1900 increased the Congressional representation of Texas. Uvalde County papers soon carried the announcement of John N. Garner as a candidate for Congress. He had forced out all of his opponents by the day of the nominating convention. When he triumphed in the election John N. Garner had begun his unbroken record of 30 years service to the nation.

The desire of Theodore Roosevelt, then President, to obtain passage of the Cuban reciprocity bill brought the new Representative from the Fifteenth Congressional District of Texas to Washington early in November of 1903 for a special session. Joseph G. Cannon had been designated to succeed David B. Henderson as Speaker. John Sharp Williams was minority leader, and Mr. Garner cast his first vote in the House supporting the Mississippian for the speakership.

The first time that Mr. Garner was called upon to register a legislative vote he went contrary to the endorsement of the Democratic caucus. The Cuban Reciprocity bill passed by an overwhelming vote, Garner's vote being one of only 21 in opposition. He took the position that he did because of the plank in the platform against Republican reciprocity drafted by his nominating convention.

He showed then as always his deep rooted conviction that platform pledges are not just "molasses to catch flies".

As a committee assignment Mr. Garner was placed first on the Committee on Railways and Canals. He perfected himself by study with the business that came before it. He introduced a few measures of particular interest to his district. He worked for his constituents, but on the floor of the House he bided his time and had little to say. He made many friends with individuals and won their respect. Among these was Speaker Cannon who saw only with a party eye from the chair, but whose affections off the floor were always given to men of mark. In less than two years he gave public recognition to the esteem in which he held his young opponent by calling him to preside over the House on February, 25 1905. It would have taken a long look into the future to predict that eventually the youthful figure in the chair would occupy that place in his own right.

End of "Cannonism"

There was a situation in the House in which Mr. Garner was vitally interested and concerned. Long Republican ascendancy had built up an autocracy which throttled any hint of free action on the part of that body.

The Speaker was absolute in his powers. He named all committees with power to change them at will. No legislation could be brought before the House without his permission. Even recognition was impossible without a prior understanding with the Speaker.

Resentment against and opposition to this situation, which has come down in history as "Cannonism", increased during Mr. Garner's first few terms. It came to a head when President Taft called Congress in extra session March 15, 1909. Champ Clark offered an amendment to the rules removing the Speaker from the Chairmanship of the Rules Committee and transferring from the Speaker to the House itself the power to appoint committees. In advance and during the debate Mr. Garner played a yeoman part. The time was not quite ripe, however, and the motion lost, despite support from a group of insurgent Republicans.

A year later the fight against "Cannonism" came to a different conclusion. John Garner's service in the struggle was not sensational but effective. The objective could not have been gained without a solid Democratic front. Mr. Garner did much to bring about such cohesion under his leader, Champ Clark. He became imbued with a spirit of liberalism which has never deserted him. He made a study

of the rules of the House which proved invaluable in parliamentary struggles as time went on. His value to his party and the nation had increased immeasurably.

This was the situation when in 1913 Clark assumed the speakership. The Democrats were to organize the House and Mr. Garner desired above all other things a place on the Ways and Means committee, the most powerful in the House, and to be headed by that time by Oscar W. Underwood. The Garner ambition did not fit in entirely with the plans of the Democratic House leaders. He was told that if he would yield the appointment to Ways and Means he could have the chairmanship of the Foreign Affairs Committee. The latter post is important and attractive. It was, however, not what Mr. Garner wanted.

"I don't want the chairmanship of Foreign Affairs," he told the slatemakers, "I am going to a place where I can make a chairmanship for myself."

Spurning Gifts

Not every House member can deliberately spurn the gifts that his leaders offer him and win. Mr. Garner already had enough power to do so. His refusal of the Foreign Affairs chairmanship threw the matter into the Democratic caucus. Before the members of his party he gained greater numerical support than any other candidate for a place on the Ways and Means committee. He had by then put his foot on the ladder which he intended to mount to the top.

President Wilson and the Democratic party had been placed in power on a definite platform pledge of revision of the tariff. Mr. Garner still believed in the platform on which he was first elected to Congress. He felt that the tariff should be made national rather than sectional in its application. On the committee he labored long and hard to perfect the bill, known ultimately as the Underwood-Simmons act. He aided in the spade work often so little publicized and in its passage through the House gave it his strong support.

Mr. Garner's position in the House was becoming firmly established. He frequently presided. Gradually he came to know the House better than any man in it, and, more important, how to accomplish what he wanted done.

It was, therefore, only natural that when America entered the World War, Mr. Garner should be ready to assume a place of real importance in the legislative activity which that conflict made necessary. The advice and assistance of Mr. Garner was often sought by the President. There were long periods when the Texas Representative was a daily caller at the White House, on intimate and confidential terms with the Chief Executive of the Nation.

During the war, too, Mr. Garner demonstrated that he had meant just what he said when he told House leaders that he "wanted to deal with American affairs." He foresaw then that there might be some difficulty in regaining for the

United States the money which its citizens were pouring into the conflict. In the course of a hearing on one of the many foreign loans he inquired of Secretary of the Treasury McAdoo whether the loans would be repaid. President Wilson's financial advisor said that they would. Mr. Garner had this in mind, no doubt, when years later as Speaker he was instrumental in adding to the moratorium resolution the clause that the war debts would not be cancelled.

Mr. Garner in his long career has performed no greater service to the public than he did when he first came to grips with Andrew W. Mellon. The Secretary of the Treasury was no mean foe. The country as a whole and Washington particularly believed in the early days of the Harding and Coolidge administrations that Mr. Mellon really was the "greatest Secretary of the Treasury since Alexander Hamilton." Many spectators of the Washington scene regarded the entry of Mr. Garner into the lists against The Pittsburgh Croesus with the same feeling that did those who saw David engage Goliath.

Mr. Garner was responsible, above all others, for the principle of the graduated income tax and the inheritance features written into the law. The original plan had been to report a flat income and inheritance tax. Through Mr. Garner's unceasing efforts this Republican project was abandoned. It was his theory that only by graduated levies could the interests of the poor man be protected and the rich be made to bear the burden of taxation which was justly theirs. Many persons disagreed with him but Mr. Garner stuck to his position and won the fight.

He resisted Mr. Mellon and the Republicans in 1924 and 1926 in their effort to repeal estate taxes. On both occasions there appeared to be strong likelihood of passage of this proposal until Mr. Garner organized the opposition, and even carried the fight to the Senate conferees with the warning that they could take the House bill or nothing.

Watchdog of the Treasury

These early encounters with the Secretary of the Treasury led to Mr. Garner's proposal in 1926 of a joint, non-partisan committee on Internal Revenue Taxation. It was established in February of that year. Two years later, after the work of the committee had resulted in a number of reforms, Mr. Garner succeeded in having its powers strengthened, giving it the right to review all refunds of income taxes amounting to more than \$75,000. The watchdog of the Treasury was making his presence felt more and more.

It was in the spring and winter of 1930 that Mr. Garner directed his real fire against Mr. Mellon. On those occasions he exposed the methods which were being followed in the matter of tax refunds. Millions of dollars were being appropriated by Congress each year because of alleged mistakes in income tax computations. Greater amounts were being allowed in abatements and credits on the accounts of big

taxpayers. Mr. Garner in a speech made December 16, 1930, dealt extensively with what he termed the efforts of the Treasury to "mislead the Congress and the country by statistics of conditions existing in its department." No more comprehensive criticism of the Treasury department had been made up to that time. Mr. Garner had previously pointed out the coincidence of the relationship between tax refunds and heavy contributors to the Republican party. In his attack of December, 1930, he went further. He charged that the government had been deprived of taxes to the amount of at least \$9,000,000 and possibly as much as \$26,000,000 through its settlement with the United States Steel Corporation. He questioned the refunds made to the Aluminum Co. of America, a company controlled by the Mellon interests. He showed that the percentage of refunds and abatements to collections of income, excess profits and estate taxes had reached 23.7 per cent in 1923; 25.3 per cent in 1924; 20.2 per cent in 1925; 24.5 per cent in 1926 and had shown no real downward trend until 1927 and 1928 when Congress, under the spur of Mr. Garner, had begun to interest itself in what was going on.

This was the culmination of Mr. Garner's fight against Mr. Mellon. Defeat for the Secretary of the Treasury was not acknowledged then but it was at hand. The nation no longer heard much of the "greatest Secretary of the Treasury since Alexander Hamilton" but heard a great deal of John N. Garner. The quiet retirement to the post of Ambassador to the Court of St. James was already beckoning to the man whose power the Texan had challenged.

Leadership in Congress

Recital of the long combat in which Mr. Garner engaged with Mr. Mellon necessitates picking up here some of the threads of his career in the House. By 1920 he had reached second place on the Democratic side of the committee on Ways and Means. With the death of Claude Kitchen in 1923 he became chairman. In the Seventy-First Congress, after twenty-six years of service, he succeeded to full and complete leadership. When Congress met in the winter of 1928 John N. Garner was the candidate of his party for Speaker.

As leader of the minority Mr. Garner labored against what he considered to be the iniquitous features of the Smoot-Hawley tariff act both in the Ways and Means Committee and on the floor of the House.

The capstone to Mr. Garner's long career in the House was placed in the Seventy-Second Congress when by virtue of a slender majority of six he was made the Speaker of the House of Representatives. He and his party were in power but by a smaller margin and under more difficult circumstances than had ever been the case in the history of the United States. There was work to be done and the means to do it were limited. John Garner needed all of the train-

ing and experience that he had had in national affairs to face the task ahead of him.

The first essential was co-ordination of the Democrats. Northern Democrats felt that they should have some recognition in organization of the House. Southern Democrats, by reason of longer service, were in line for most of the important committee chairmanships. There were indications that the Democrats might be hopelessly divided before the session opened. Speaker Garner solved the problem by obtaining consent of his colleagues to the elevation of Henry T. Rainey, of Illinois, to the floor leadership.

The next Garner move was also aimed at co-ordination of the Democratic forces. He initiated the creation of a Joint Steering Committee composed of Democratic leaders in both the House and the Senate before which party problems were thrashed out, and by which the decision was reached that the Democrats were firmly committed to a policy of balancing the national budget.

As Speaker, Garner recognized three obligations: his responsibility, first, to the nation as a whole; second, his responsibility to the House which had so honored him; and third, his responsibility to his party.

Opposed 18th Amendment

John Garner voted against the 18th Amendment at the time it was submitted by Congress to the states. He thought and still thinks that the individual states should be left free to determine for themselves how they should handle the liquor traffic, though always insistent that the full power of the federal government should be used to protect states which preferred to be dry from interstate shipments.

In company with some of the country's most enthusiastic wets at that time in Congress, Garner, after voting against the 18th Amendment, voted for the Volstead act on the theory that if three-fourths of the states had decided they wanted national prohibition, and approved the constitutional amendment providing for it, the duty of Congress to enact legislation to enforce it became clear.

When the time came that, despite every possible aid from the legislative department of the government, enforcement of prohibition still continued a farce, Garner reasserted his old position, and declared—on the eve of the Democratic National Convention—that he favored repeal.

"Balance the Budget"

Shorn by Democratic doctrine of the old time autocratic powers formerly exercised by Speakers, and made notorious in the days of Reed and Cannon, Garner was forced to rely, in the fight over the tax bill, purely on his powers of personal persuasion and dynamic oratory. It was he who turned the tide, after the debacle brought about by the revolt on the sales tax, and forced the enactment of a tax bill that would—the Treasury experts promised—balance the budget.

Support of Al Smith

Mr. Garner threw himself enthusiastically into the fight for Alfred E. Smith for President after the Houston convention in 1928. Always in close touch with popular sentiment, he realized perfectly that he was taking his political life in his hands by so doing.

But Garner never counted the cost. Smith was the regular nominee of his party. Smith stood for Democracy and the issues which Garner believed to be for the best interest of the country as a whole. So, regardless of the possible consequences to himself, regardless of how he might be ruining his political future, he gave every ounce of his energy to the battle.

Notwithstanding the manifold cares of the Speakership, Mr. Garner found time also to originate and advocate legislation designed to alleviate economic conditions. He proposed an emergency relief bill, one section of which provided for the construction of necessary public buildings all over the United States. He believed that in this way employment could be given the widest possible application. Administration pressure killed this proposal.

Mr. Garner engaged the President once more on the issue of making available to the people as a whole the facilities of the Reconstruction Finance Corporation. It was Speaker Garner's belief and contention that the small business man and the individual merited as much consideration in the way of government loans as the banks, insurance companies and railroads. The weight of the Administration was thrown against this proposal. The bill containing the Garner plan passed despite White House pressure and was vetoed.

Supporting Franklin Roosevelt

Pressure of House duties prevented Speaker Garner from taking any part in the Presidential campaign conducted in his behalf prior to the Chicago convention. He refused consistently to make any statement or devote any time to the conduct of his candidacy. He entered the convention with the votes of Texas and California. During the early balloting additional support increased his strength to more than 100 votes. On the fourth ballot he released his supporters and they voted for Franklin D. Roosevelt. The following day Speaker Garner was nominated for the Vice-Presidency by acclamation.

AGAINST CLASS OR MOB GOVERNMENT

By FRANKLIN D. ROOSEVELT

There is too much disposition to mistake the part for the whole, the body for the head. I plead not for class control, but for a true concert of interests....this government is not and never shall be governed by a plutocracy. This government shall never be governed by a mob.

ISSUES DEFINED IN THE SPEECH OF ACCEPTANCE

ADDRESS OF FRANKLIN D. ROOSEVELT ACCEPTING THE PRESIDENTIAL NOMINATION

(Delivered Before the Democratic National Convention at the Stadium, Chicago, Illinois, July 2, 1932.)

Chairman Walsh, My Friends of the Democratic National Convention of 1932:

I appreciate your willingness after these six arduous days to remain here, for I know well the sleepless hours which you and I have had. I regret that I am late, but I have no control over the winds of Heaven and could only be thankful for my Navy training.

The appearance before a National Convention of its nominee for President, to be formally notified of his selection, is unprecedented and unusual, but these are unprecedented and unusual times. I have started out on the tasks that lie ahead by breaking the absurd tradition that the candidate should remain in professed ignorance of what has happened for weeks until he is formally notified of that event many weeks later.

Avoids Hypocrisy and Sham

My friends, may this be the symbol of my intention to be honest and to avoid all hypocrisy or sham, to avoid all silly shutting of the eyes to the truth in this campaign. You have nominated me and I know it, and I am here to thank you for the honor.

Let it also be symbolic that in so doing I broke traditions. Let it be from now on the task of our Party to break foolish traditions. We will break foolish traditions and leave it to the Republican leadership, far more skilled in that art, to break premises.

Let us now and here highly resolve to resume the country's interrupted march along the path of real progress, of real justice, of real equality for all of our citizens, great and small. Our indomitable leader in that interrupted march is no longer with us, but there still survives today his spirit. Many of his captains, thank God, are still with us, to give us wise counsel. Let us feel that in everything we do there still lives with us, if not the body, the great indomitable, unquenchable, progressive soul of our Commander-in-Chief, Woodrow Wilson.

Accepts Platform 100%

I have many things on which I want to make my position clear at the earliest possible moment in this campaign. That admirable document, the platform which you have adopted, is clear. I accept it one hundred per cent.

And you can accept my pledge that I will leave no doubt or ambiguity on where I stand on any question of moment in this campaign.

Failure of "Republican Leadership"

As we enter this new battle, let us keep always present with us some of the ideals of the Party: The fact that the Democratic Party by tradition and by the continuing logic of history, past and present, is the bearer of liberalism and of progress and at the same time of safety to our institutions. And if this appeal fails, remember well my friends, that a resentment against the failure of Republican leadership—and note well that in this campaign I shall not use the words "Republican Party," but I shall use, day in and day out, the words, "Republican leadership"—the failure of Republican leaders to solve our troubles may degenerate into unreasoning radicalism.

The great social phenomenon of this depression, unlike others before it, is that it has produced but a few of the disorderly manifestations that too often attend upon such times.

Opposes Wild Radicalism

Wild radicalism has made few converts and the greatest tribute that I can pay to my countrymen is that in these days of crushing want there persists an orderly and hopeful spirit on the part of the millions of our people who have suffered so much. To fail to offer them a new chance is not only to betray their hopes but to misunderstand their patience.

To meet by reaction that danger of radicalism is to invite disaster. Reaction is no barrier to the radical. It is a challenge, a provocation. The way to meet that danger is to offer a workable program of reconstruction, and the Party to offer it is the party with clean hands.

This, and this only is a proper protection against blind reaction on the one hand and an improvised hit-or-miss, irresponsible opportunism on the other.

There are two ways of viewing the government's duty in matters affecting economic and social life. The first sees to it that a favored few are helped and hopes that some of their prosperity will leak through, sift through, to labor, to the farmer, to the small businessman. That theory belongs to the party of Toryism, and I had hoped that most of the Tories left this country in 1776.

But it is not and never will be the theory of the Democratic Party. This is no time for fear, for reaction or for timidity. And here and now I invite those nominal Republicans who find that their conscience cannot be squared with the groping and the failure of their party leaders to join hands with us; here and now, in equal measure, I warn those nominal Democrats who squint at the future with their faces turned toward the past, and who feel no responsibility to the demands of the new time, that they are out of step with their party.

Yes, the people of this country want a genuine choice this year, not a choice between two names for the same reactionary doctrine. Ours must be a Party of liberal thought, of planned action, of enlightened international outlook, and of the greatest good to the greatest number of our citizens.

Main Issue Is Economic Situation

Now it is inevitable,—and the choice is that of the times,—it is inevitable that the main issue of this campaign should revolve about the clear fact of our economic condition, a depression so deep that it is without precedent in modern history. It will not do merely to state as do Republican leaders, to explain their broken promises of continued inaction that the depression is world-wide. That was not their explanation of the apparent prosperity of 1928. The people will not forget the claim made by them then that prosperity was only a domestic product manufactured by a Republican President and a Republican Congress. If they claim paternity for the one they cannot deny paternity for the other.

I cannot take up all the problems today. I want to touch on a few that are vital. Let us look a little at the recent history and the simple economics, the kind of economics that you and I and the average man and woman talk.

In the years before 1929 we know that this country had completed a vast cycle of building and inflation; for ten years we expanded on the theory of repairing the wastes of the war, but actually expanding far beyond that, and also far beyond our natural and normal growth. Now it is worth remembering, and the cold figures of finance prove it, that during that time there was little or no drop in the prices that the consumer had to pay, although those same figures proved that the cost of production fell very greatly; corporate profit resulting from this period was enormous; at the same time little of that profit was devoted to the reduction of prices. The consumer was forgotten. Very little of it went into increased wages; the worker was forgotten, and by no means an adequate proportion was even paid out in dividends,—the stockholder was forgotten.

And, incidentally, very little of it was taken by taxation to the beneficent government of those years.

What was the result? Enormous corporate surpluses piled up—the most stupendous in history. Where, under the spell of delirious speculation, did those surpluses go? Let's talk economics that the figures prove and that we can understand. Why, they went chiefly in two directions: First, into new and unnecessary plants which now stand stark and idle; and secondly, into the call money market of Wall Street, either directly by the corporations, or indirectly through the banks. Those are the facts. Why blink them?

The Crash

Then came the crash. You know the story. Surpluses invested in unnecessary plants became idle. Men lost their jobs; purchasing power dried up; banks became frightened

and started calling loans. Those who had money were afraid to part with it. Credit contracted. Industry stopped. Commerce declined, and unemployment mounted.

And there we are today.

Translate that into human terms. See how the events of the past three years have come home to specific groups of people. First, the group dependent on industry; second, the group dependent on agriculture; third, and made up in large part of members of the first two groups, the people who are called "small investors and depositors;" in fact, the strongest possible tie between the first two groups, agriculture and industry, is the fact that the savings and to a degree the security of both are tied together in that third group—the credit structure of the nation.

Never in history have the interests of all the people been so united in a single economic problem. Picture to yourself, for instance, the great groups of property owned by millions of our citizens, represented by credits issued in the form of bonds and mortgages—government bonds of all kinds, federal state, county, municipal—bonds of industrial companies, of utility companies, mortgages on real estate in farms and cities, and finally the vast investments of the nation in the railroads. What is the measure of the security of each of those groups? We know well that in our complicated, interrelated credit structure if any one of these credit groups collapses they may all collapse. Danger to one is danger to all.

And how, I ask, has the present administration in Washington treated the inter-relationship of these credit groups? The answer is clear: It has not recognized that interrelationship existed at all. Why, the nation asks, has Washington failed to understand that all of these groups, each and every one, the top of the pyramid and the bottom of the pyramid, must be considered together, that each and every one of them is dependent on every other; each and every one of them affecting the whole financial fabric?

Statesmanship and vision, my friends, require relief to all at the same time.

Taxes

Just one word or two on taxes, the taxes that all of us pay toward the cost of government of all kinds.

Well, I know something of taxes. For three long years I have been going up and down this country preaching that government—federal and state and local—costs too much. I shall not stop that preaching. As an immediate program of action we must abolish useless offices. We must eliminate actual prefunctions of government—functions, in fact, that are not definitely essential to the continuance of government. We must merge, we must consolidate subdivisions of government, and, like the private citizen, give up luxuries which we can no longer afford.

By our example at Washington itself, we shall have the opportunity of pointing the way of economy to local government,

for let us remember well that out of every tax dollar in the average state in this nation, 40 cents enters the treasury in Washington, D. C., 10 or 12 cents only go to the state capitals, and 48 cents out of every dollar are consumed by the costs of local government in counties and cities and towns.

I propose to you, my friends, and through you, that government of all kinds, big and little, be made solvent and that the example be set by the President of the United States and his Cabinet.

Repeal of 18th Amendment

And talking about setting a definite example, I congratulate this convention for having had the courage, fearlessly, to write into its declaration of principles what an overwhelming majority here assembled really thinks about the 18th Amendment. This convention wants repeal. Your candidate wants repeal. And I am confident that the United States of America wants repeal.

Two years ago the platform on which I ran for Governor the second time contained substantially the same provision. The overwhelming sentiment of the people of my State, as shown by the vote of that year, extends, I know, to the people of many of the other States. I say to you now that from this date on the 18th Amendment is doomed. When that happens, we as Democrats must and will, rightly and morally, enable the States to protect themselves against the importation of intoxicating liquor where such importation may violate their State laws. We must rightly and morally prevent the return of the saloon.

Publicity on Securities

To go back to this dry subject of finance, because it all ties in together—the 18th Amendment has something to do with finance, too—in a comprehensive planning for the reconstruction of the great credit groups, including government credit, I list an important place for that prize statement of principle in the platform here adopted calling for the letting in of the light of day on issues of securities, foreign and domestic, which are offered for sale to the investing public.

My friends, you and I as common-sense citizens know that it would help to protect the savings of the country from a dishonesty of crooks and from the lack of honor of some men in high financial places. Publicity is the enemy of crookedness.

And now one word about unemployment, and incidentally about agriculture. I have favored the use of certain types of public works as a further emergency means of stimulating employment and the issuance of bonds to pay for such public work, but I have pointed out that no economic end is served if we merely build without building for a necessary purpose. Such works, of course, should insofar as possible be self-sustaining if they are to be financed by the issuing of bonds.

So as to spread the points of all kinds as widely as possible, we must take definite steps to shorten the working day and the working week.

Agriculture

Let us use common sense and business sense. And just as one example, we know that a very hopeful and immediate means of relief, both for the unemployed and for agriculture, will come from a wide plan of the converting of many millions of acres of marginal and unused land into timberland through reforestation. There are tens of millions of acres east of the Mississippi River alone in abandoned farms, in cut-over land, now growing up in worthless brush. Why, every European nation has a definite land policy, and has had one for generations. We have none. Having none, we face a future of soil erosion and timber famine. It is clear that economic foresight and immediate employment march hand in hand in the call for the reforestation of these vast areas.

In so doing, employment can be given to a million men. That is the kind of public work that is self-sustaining, and therefore capable of being financed by the issuance of bonds which are made secure by the fact that the growth of tremendous crops will provide adequate security for the investment.

Yes, I have a very definite program for providing employment by that means. I have done it, and I am doing it today in the State of New York. I know that the Democratic Party can do it successfully in the nation. That will put men to work, and that is an example of the action that we are going to have.

Reducing Farm Surpluses

Now as a further aid to agriculture, we know perfectly well—but have we come out and said so clearly and distinctly?—we should repeal immediately those provisions of law that compel the Federal Government to go into the market to purchase, to sell, to speculate, in farm products, in a futile attempt to reduce farm surpluses. And they are the people who are talking of keeping government out of business. Why, the practical way to help the farmer is by an arrangement that will, in addition to lightening some of the impoverishing burdens from his back, do something towards the reduction of the surpluses of staple commodities that hang on the market. It should be our aim to add to the world prices of staple products the amount of a reasonable tariff protection; give agriculture the same protection that industry has today.

And in exchange for this immediately increased return I am sure that the farmers of this nation would agree ultimately to such planning of their production as would reduce the surpluses and make it unnecessary in later years to de-

pend on dumping those surpluses abroad in order to support domestic prices. That result has been accomplished in other nations; why not in America, too?

Farm leaders, farm economists generally, agree that a plan based on that principle is a desirable first step in the reconstruction of agriculture. It does not in itself furnish a complete program, but it will serve in great measure in the long run to remove the pall of a surplus without the continued perpetual threat of world dumping. Final voluntary reduction of surplus is a part of our objective, but the long continuance and the present burden of existing surpluses make it necessary to repair great damage of the present by immediate emergency measures.

Such a plan as that, my friends, does not cost the government any money, nor does it keep the government in business or in speculation.

And as to the actual wording of a bill, I believe that the Democratic Party stands ready to be guided by whatever the responsible farm groups themselves agree on. That is a principle that is sound; and again I ask for action.

One more word about the farmer, and I know that every delegate who lives in the city in this hall knows why I lay emphasis on the farmer. It is because one-half of our population, over 50,000,000 people, are dependent on agriculture; and, my friends, if those 50,000,000 people have no money, no cash, to buy what is produced in the city, the city suffers to an equal or a greater extent.

And that is why we are going to make the voters understand this year that this nation is not merely a nation of independence, but it is, if we are to survive, bound to be a nation of interdependence—town and city, and North and South, East and West. That is our goal, and that goal will be understood by the people of this country no matter where they live.

Loss of Purchasing Power

Yes, the purchasing power of that half of our population dependent on agriculture is gone. Farm mortgages reach nearly ten billions of dollars today and interest charges on that alone are \$560,000,000 a year. But that is not all. The tax burden caused by extravagant and inefficient local government is an additional factor. Our most immediate concern should be to reduce the interest burden on these mortgages.

Rediscounting of farm mortgages under salutary restrictions must be expanded and should, in the future, be conditioned on the reduction of interest rates. Amortization payments, maturities, should likewise in this crisis be extended before rediscount is permitted where the mortgagor is sorely pressed. That, my friends, is another example of practical, immediate relief: Action.

Relief for Small Home Owner

I aim to do the same thing, and it can be done, for the small home owner in our cities and villages. We can lighten his burden and develop his purchasing power. Take away, my friends, that spectre of too high an interest rate. Take away that spectre of the due date just a short time away. Save homes; save homes for thousands of self-respecting families, and drive out that spectre of insecurity from our midst.

Out of all the tons of printed paper, out of all the hours of oratory, the recriminations, the defenses, the happy-thought plans in Washington and in every State, there emerges one great, simple, crystal-pure fact that during the past ten years a nation of 120,000,000 people has been led by the Republican leaders to erect an impregnable barbed wire entanglement around its borders through the instrumentality of tariffs which have isolated us from all the other human beings in all the rest of the round world. I accept that admirable tariff statement in the platform of this convention. It would protect American business and American labor. By our acts of the past we have invited and received the retaliation of other nations. I propose an invitation to them to forget the past, to sit at the table with us, as friends, and to plan with us for the restoration of the trade of the world.

The Tariff

Go into the home of the business man. He knows what the tariff has done for him. Go into the home of the factory worker. He knows why goods do not move. Go into the home of the farmer. He knows how the tariff has helped to ruin him.

Yes, at last our eyes are open; at last the American people are ready to acknowledge that Republican leadership was wrong and that the Democracy is right.

My program, of which I can only touch on these points, is based upon this simple moral principle—the welfare and the soundness of a nation depends first upon what the great mass of the people wish and need; and secondly, whether or not they are getting it.

What do the people of America want more than anything else? In my mind, two things: Work; work, with all the moral and spiritual values that go with work. And with work, a reasonable measure of security—security for themselves and for their wives and children. Work and security—these are more than words. They are more than facts. They are the spiritual values, the true goal toward which our efforts of reconstruction should lead. These are the values that this program is intended to gain; these are the values we have failed to achieve by the leadership we now have.

Our Republican leaders tell us economic laws—sacred, inviolable, unchangeable—that these laws cause panics

which no one could prevent. But while they prate of economic laws, men and women are starving. We must lay hold of the fact that economic laws are not made by nature. They are made by human beings.

Distress Relief

Yes, when—not if—when we get the chance, the Federal Government will assume bold leadership in distress relief. For years Washington has alternated between putting its head in the sand and saying there is no large number of destitute people in our midst who need food and clothing, and then saying the States should take care of them, if there are. Instead of planning two and a half years ago to do what they are now trying to do, they kept putting it off from day to day and week to week, and month to month, until the conscience of America demanded action.

I say that while primary responsibility for relief rests with localities now, as ever, yet the Federal Government has always had and still has a continuing responsibility for the broader public welfare. It will soon fulfill that responsibility.

And now, just a few words about our plans for the next four months. By coming here instead of waiting for a formal notification, I have made it clear that I believe we should eliminate expensive ceremonies and that we should set in motion at once, tonight my friends, the necessary machinery for an adequate presentation of the issues to the electorate of the Nation.

I myself have important duties as Governor of a great State, duties which in these times are more arduous and more grave than at any previous period, and yet I feel confident that I shall be able to make a number of short visits to several parts of the nation, and my trips will have as their first objective the study at first hand from the lips of men and women of all parties and all occupations, the actual conditions and needs of every part of an interdependent country.

One word more: Out of every crisis, every tribulation, every disaster, mankind rises with some share of greater knowledge, of higher decency, of purer purpose. Today we shall have come through a period of loose thinking, descending morals, an era of selfishness, of individual men and women and of whole nations. Blame not governments alone for this. Blame ourselves in equal share. Let us be frank in acknowledgment of the truth that many amongst us have made obeisance to Mammon, that the profits of speculation, the easy road without toil, have lured us from the old barricades. To return to higher standards we must abandon the false prophets and seek new leaders of our own choosing.

Never before, never before in modern history have the essential differences between the two major American parties stood out in such striking contrast as they do today. Republican leaders not only have failed in material things,

they have failed in National vision, because in disaster they have held out no hope, they have pointed out no path for the people below to climb back to places of security and of safety in our American life.

Throughout the nation, men and women, forgotten in the political philosophy of the government of the last years look to us here for guidance and for more equitable opportunity to share in the distribution of national wealth.

On the farms, in the large metropolitan areas, in the smaller cities and in the villages, millions of our citizens cherish the hope that their old standards of living and of thought have not gone forever. These millions cannot and shall not hope in vain.

I pledge you—I pledge myself to a new deal for the American people. Let us all here assembled constitute ourselves prophets of a new order of competence and of courage. This is more than a political campaign; it is a call to arms. Give me your help, not to win votes alone, but to win in this crusade to restore America to its own people.

WHAT EDITORS ARE SAYING

"While this is unquestionably a Democratic year, success depends upon the choice of the right man, the man who is the most popular and strongest in every section of the country... This man is Franklin D. Roosevelt."—Fayetteville, N. C., *People's Advocate* (Dem.).

"Governor Roosevelt today stands as the idol of the masses, whose rights and privileges he has championed at all times. He is far from being a representative of, or a choice of the... 'big interests.'"—Davenport, Ia., *Democrat* (Dem.).

"We need a Franklin D. Roosevelt to lead the country in defiance of the Bourbons of Big Business, to better business, to bread and butter, to beef and biscuits."—Charleston, W. Va., *Gazette* (Dem.).

"The nation-wide demand for the nomination of Governor Franklin D. Roosevelt of New York cannot be ignored."—Springfield, Ia., *State Register-Register* (Ind.).

"To progressive-minded Americans, Governor Roosevelt's words but recall that famous slogan of his... famous relative, the square deal for those who are humble as well as those who are great and influential."—Sacramento, Calif., *Bee* (Ind.).

GARNER ACCEPTANCE LETTER

Uvalde, Texas
August 23, 1932.

HONORABLE ALBEN W. BARKLEY,
Paducah, Kentucky.

My dear Senator:

Through you I desire to express to those who were delegates to the Democratic National Convention, and to the Democracy of the country, my appreciation of the great honor that has been conferred in selecting me as the party's nominee for Vice-President. With full knowledge of the responsibilities and labors involved, I accept the nomination, pledging adherence to the principles and policies enunciated in the party platform. I give the assurance that such ability as I may possess, and such experience as I have acquired during the thirty years it has been my privilege to serve as a member of Congress, will be directed toward the solution of the problems with which our country is confronted.

The Democratic National Convention adopted a platform that is a beacon of confidence to a confused and distressed people. In its nomination for the Presidency our party has presented a leader of ability, resourcefulness and determination. Governor Roosevelt has won the nation's confidence by his statesmanship, his sympathetic grasp of human problems, his courage in meeting emergencies and overcoming obstacles. With a platform clear and concise in dealing with the issues, and a Presidential candidate whose ideals are embodied therein, the Democratic Party can look forward with confidence to the expression of the popular will in November.

Safeguarding Lives and Property

There are just two things to this Government as I see it. The first is to safeguard the lives and properties of our people; the second to insure that each of us has a chance to work out his destiny according to his talents. This involves protecting him from being injured or oppressed by those of superior acquisitiveness, and perhaps less conscience, who seek to strain the rules to their own advantage.

In my opinion nearly all of our civic troubles are the consequence of Government's departure from its legitimate functions. Our increased population, and new conditions arising from new inventions often make it necessary to change the rules in order to keep the balance between the people and those who would exploit them. Unfortunately, these changes and adjustments result too often in enhancing instead of diminishing the evils.

It is not the business of Government to make individuals rich; though too often has Government been bent to that purpose. Nor is it a function of an administration to direct

the personal affairs of mankind, except insofar as it places a bar against such things as involve injury, loss or discomfort on others. I have ever been of the belief that attempting to enforce morals by law was as unjustifiable an invasion of the field preempted by the churches and schools as putting the Government into business is a violence of the nation's industrial and commercial fabric.

Government is not a pedagogue, nor a parson nor a pious piper; it is merely a convenience of civilization by which a set of rules is enforced on a community in the interest of order and justice.

Federal Encroachment on States

Had it not been for the steady encroachment of Federal Government on the rights and duties reserved for the States we perhaps would not have the present spectacle of the people rushing to Washington to set right whatever goes wrong. But successive administrations have encouraged this spirit of dependence on Government, either because of the lust for additional power on the part of Federal officials, or simply because of a blind insistence on the Hamiltonian principle of a strong centralized Government, as opposed to the Jeffersonian idea of giving to the administration at Washington only such functions as the States themselves cannot perform. This is not the time or place for a dissertation on the ancient conflict between two schools of Government. The gravitation of power to Washington has builded a structure of administration vast beyond the imagination of the builders of the constitution—complex, involved and uncoordinated; a fabric of bureaus, commissions, boards and departments that overlap and interfere one with the other—and all at the cost of the people.

I am fully cognizant of the distress which prevails and the magnitude of the problems confronting the country. "Outside influences over which we have no control" are not wholly accountable for the depression and its attendant unemployment and distress, as President Hoover contends. It is true that these are contributing factors, but the major causes can be found in the record of national legislation and the national policies for which the Republican leaders are wholly responsible.

The Republican party has failed to adapt its policies to changing conditions; to recognize that the evolutionary processes of government must go forward to meet ever-changing human needs. Despite the fact that experience has proved the fallacy and inadequacy of many of their policies, their spokesmen inform us there will be no change—that these policies, which have proved so disastrous, will be adhered to so long as they remain in power.

They ignore the fact that the unprecedented era of speculation which preceded the bursting of the bubble in 1929 was hailed by Republican leaders as a prosperity of their own making. Much of the loss the people sustained was the

direct consequence of the baseless optimism of an administration that dealt with the people as though they were frightened children instead of men and women entitled to the truth from their government.

They ignore the foreign tariffs retaliatory to our Smoot-Hawley bill, which have caused a tremendous decline in our import and export trade and stagnation of commerce throughout the world. They make no mention of their failure to enact remedial legislation when it became obvious that this cutting off of international commerce coincident with the bursting of the speculative bubble had produced unparalleled economic and financial distress.

After long delay, during which they continued to lull the nation by insisting that the end of our trouble was just around the corner, while banks were toppling and unemployment was increasing, administration leaders finally admitted that the situation needed action.

Republican Failure

Temporary measures offered by the administration have not been adequate to insure anything approaching prompt and general relief. Liberalization of these measures by the Democratic majority in the House was defeated by the administration.

These Democratic changes were not attempted with a view of imposing a greater financial burden on the government. They were meant to achieve the best results in decreasing unemployment, rehabilitating industry and stabilizing economic conditions. Charges of demagoguery, emanating from the White House, greeted every effort to enact a bill that would meet the credit and employment needs of the country.

Whatever view may be held as to the so-called business cycle; whatever may be real in the theory that business panics inevitably follow great wars, the fact remains that the master element of our trouble, the unbalanced budget, lies on the doorstep of the Republican Party. Through administration after administration, Republican officials have so conducted our fiscal affairs as to change a large treasury surplus unto a deficit of three billion in the space of less than twelve years.

It is the business of government to maintain some measure of relation between the receipts and expenditures of government; to adjust taxes to the requirements of the treasury; to curtail expenditures to bring them within income.

This three billion dollar deficit was not born overnight. It has been developing and growing for three years, but not until the advent of the present Democratic majority in the House was there any effort on the part of the executive to balance the budget. This necessitated a huge increase in taxes. Had the tax increases been made gradually as the deficit developed, our budget would be balanced today without confusion. The country would not have experienced anything like the suffering and distress resulting from the

sudden imposition of war-time rates on a people already bowed by economic burdens.

Republican Vagueness

The Republican platform, as usual, carries a retrenchment plank couched in vague, elusive terms—a striking contrast to the Democratic platform which demands a reduction of at least 25 per cent in expenditures. Republicans have been in power for eleven years. They promised economy in 1920 and in 1924. And in 1928 they gave assurance of maximum efficiency at minimum cost. Despite their pledges, the costs of government have mounted steadily. They were \$3,848,000,000 in the first Hoover year. They were over five billion in the fiscal year just closed.

Every effort of the slim Democratic majority in the House to effect real governmental saving during the last session of Congress met the opposition of the administration. While proclamations and exhortations to curb federal expense were being issued from the White House, department heads and division chiefs were appearing before the House Economy Committee opposing reductions which would affect their respective departments or divisions. There is not a single saving that Congress was called on to effect that could not have been put in operation at any time since the incipency of the depression by the President himself. No act of Congress was required to give him authority to tell his cabinet officers that they must keep their expenses within a specific amount.

Democrats Promise Economy

The economy plank in the Democratic platform is a guarantee that the President will not attempt to pass this buck to Congress. I speak with confidence in stating that Democratic cabinet officers will extend required co-operation. Congress will not be compelled, as it was during the last session, to meet the opposition of forces within the administration whenever an effort was made to eliminate unnecessary expenditures or to check the growing bureaucracy.

The Democratic economy plank is not vague. It carries a specific proposal and a definite pledge. Under a Democratic administration that pledge will be redeemed.

The Democratic tariff plank is equally definite and constructive, and must have a strong appeal to industrialists, farmers, labor and business men who all suffered by the wrecking of our foreign trade under the embargo rates. With the highest tariff in the country's history, unemployment and its attendant human misery prevail; consequently standards of living are rapidly declining. It is obvious that American standards cannot be re-established and maintained under a policy which throttles commerce, industry and business. Republican speakers from the President down assert that there will be no departure from this policy so long as their party retains control.

In dealing with prohibition there was no attempt by the Democratic National Convention to evade the issue. Unlike the prohibition plank of the Republican platform, which leaders of that party are interpreting to conform with the sentiments of their audiences, the Democratic plank is unequivocal, understandable by every person who has sufficient intelligence to read. We stand committed to repeal, and urge "enactment of such measures by the several states as will actually promote temperance, effectively prevent the return of the saloon and bring the liquor traffic into the open and under complete supervision and control by the States".

No other constructive solution of the problems the Eighteenth Amendment brought upon the country has been offered. Return of control and supervision to the states, where it rightfully belongs, should be welcomed by all who realize the growth of the evils which followed placing of this power in the hands of the federal government.

Foreign Debts

With regard to the foreign debt, I fully subscribe to the Democratic Platform's statement. I oppose cancellation. I believe we can lessen the seriousness of the problem of collecting our just dues if we restore a just tariff policy. We must be fair and just, not only to foreign nations, but to American taxpayers as well. We must be constantly on our guard against what seems to be a growing pressure from both European and American sources for cancellation, a policy which I consider to be a policy of despair and of defeatism.

The lack of a definite foreign policy under successive Republican administrations has proved embarrassing to this country. The only visible results of our foreign policy has been the reduction of war debts more than 40 per cent and an increase in taxes. In lieu of a definite foreign policy we have a horde of observers, commissioners, delegates and special representatives whose activities appear to consist principally of cabling optimistic reports of their progress.

The failure to meet the depression emergency courageously at its inception and the enactment of the Hawley-Smoot tariff in the face of an almost universal protest are, to my mind, the most naked evidences of the failure of the Republican leadership to realize its responsibilities and live up to its obligations. If no other errors had been committed, these two things would be amply sufficient to explain the unpopularity of the present administration and the wide confidence that it will not be continued.

Republican Tariff Responsible

The indicated imminence of victory brings with it Democracy's vast responsibility. There is less elation at the prospect of success in November than awe that in our hands is about to be placed the destinies of our country; the

happiness of our people. To be adequate to this trust will take the last ounce of our energy, our ability, our devotion. In Franklin Roosevelt we will have a President whose courage, humanity and skill in Government have been proved in his years of public service. For my part, I pledge myself to do my utmost to the limit of my capacity.

Sincerely yours,

(Signed) JOHN N. GARNER

CAMPAIGN COMMENTS

"The recent upward trend in the stock market and the slight rise in commodity prices was to be expected. It is due to the certainty in the minds of the American people that there is to be a change in government. It is an undisputable fact that nine out of every ten people believe that Governor Roosevelt is to be the next president of the U. S., and the acceptance of this belief has brought renewed hope and confidence in the future. The people believe that a change in leadership will be helpful in all directions." Senator John S. Cohen, of Georgia.

"Frankly, I believe that Governor Roosevelt is the strongest man the Democrats have on their slate. He is known nationally as a clean, upright statesman and his record cannot be successfully assailed. He doesn't try to ride two horses going in opposite directions... Day in and day out, he is an upstanding, outstanding American."—Ben Long, North Canton, Ohio, Sun (Ind.).

"The country must depend on men like Roosevelt, who has the nerve to stand up against organized wealth, plutocratic and bureaucratic government, and declare that our national system of financial, commercial and industrial life must be re-organized so that the masses may prosper instead of a single class."—Pierre, S. D. Journal (Ind.).

"Roosevelt's popularity is no surprise as the people of this state feel as people all over the country that Roosevelt is the man who, when elected president, will help the 'man on the street' to get steady work and regain confidence."—Greenville, S. C., Piedmont (Ind.).

"Anyone who has followed Governor Roosevelt down through his active and successful life, ought to know full well that he does not, never did, nor could favor a distribution of wealth. He did urge that one possible palliative would be a better distribution of income."—Lancaster, Pa., Intelligencer (Ind.).

LEADING ISSUES OF THE CAMPAIGN

UNEMPLOYMENT

An Indictment of the Hoover Administrative Neglect and Misrepresentation, and a Record of Democratic Action and Achievement

Nowhere has the fallacy of Hoover vision and leadership been more thoroughly exploded than in the mishandling of the unemployment situation by the present Administration. President Hoover's attitude toward relief of the jobless and the recreation of employment has gone through many phases. In none of these has he demonstrated either an appreciation of the problem or any conception of a solution.

President Hoover drifted from an attitude of "See nothing; say nothing; do nothing" which characterized the months immediately following the beginning of the depression into resistance to the fact that unemployment existed. He refused either personally or through the agencies of the government to face the problem squarely. The number of men out of work was consistently minimized. Efforts to alleviate conditions met with determined opposition. The responsibility of the Federal government was consistently evaded. Even when the necessity of Federal relief was recognized by every element of the population the President fought with stubborn determination to circumscribe the Emergency Relief Act. More than 10,000,000 were jobless, many communities were verging on bankruptcy, because of their efforts to relieve distress, and suffering had reached approximately one-fifth of the country's total population before President Hoover gave his grudging consent to some measure of Federal assistance.

The hesitancy which President Hoover displayed in his approach to this pressing problem was all the more blameworthy because of statements he had made in his campaign for the Presidency. In his acceptance speech at Palo Alto Mr. Hoover said: "There is no guarantee against poverty equal to a job for every man. That is the primary purpose of the economic policies we advocate."

Again in his speech at Newark, Sept. 17, 1928, he said: "The Republican Party has performed unparalleled service to the employees in our commerce and industry... Continuous employment and prosperity of labor depend upon the continuance of those policies."

The countless men who walk the streets today, the millions of women and children who lack sufficient nourishment and the heads of charitable agencies throughout the United States can testify eloquently that these declarations of the President have neither been carried out individually nor by his party.

For a true understanding of what the President has not done in the matter of unemployment it is necessary to go back beyond the campaign of 1928 when he made so many fulsome promises. The record should be traced to 1921 when President Harding named an Unemployment Conference with the then Secretary of Commerce, Herbert Hoover, as its chairman.

Unemployment

That conference found that the national government was not prepared to deal adequately with the task of getting men into jobs. It reported that "there is no adequate machinery for getting definite statistics on the subject of unemployment."

As is so often the case with conferences and commissions—of which Mr. Hoover is so fond—the report was the last step taken. The actual situation, when and after Mr. Hoover took office, had not been improved.

One other section of that report of 1921 is interesting in the light of Mr. Hoover's later statements. It was the conclusion of the members of the Harding conference that "Obviously our employment arises from the aftermath of the great World War. We have been plunged into a period of violent readjustment and one of the bitter fruits of this readjustment is large unemployment. This period of depression and its accompanying unemployment have been continuous since the fall of last year."

"Very certainly the decline of industrial employment (measured by the reduction of payrolls) has been less than 3,000,000. It may perhaps be hazardous to assume that it has been more than 2,500,000. We are fairly confident that 2,750,000 is a maximum figure."

"We cannot with any confidence go further than to reaffirm our judgment that the number of persons out of work in the United States in the early part of September 1921, exclusive of those on farms, was possibly as large as 3,500,000, although more probably somewhat less than that number."

Two facts are important. One, the conference's statement that the period of unemployment began only a few months before the Republican administration came into power, the other that the maximum estimate of unemployment was "possibly as large as 3,500,000, although more probably somewhat less than that number."

Contrast these statements of Mr. Hoover, the chairman of the conference, with those of Mr. Hoover the candidate. In his Newark speech he said:

"When we (the Republicans) assumed direction of the government in 1921 there were five to six million unemployed upon our streets... Within a year we restored these five million workers to employment."

Unemployment Increases

After a little more than three years of the Hoover Administration three times the number estimated as unemployed in 1921 by Secretary of Commerce Hoover are jobless, and more than twice the number of those that Candidate Hoover said the Republicans put back to work are begging for means of earning a livelihood and denied the opportunity they seek.

President Hoover's refusal either to acknowledge the paralysis which afflicted American business in 1929 or to take some action of a remedial nature was merely a foretaste of his inaction with respect to unemployment. He refused to see that the nation had entered into a period of depression which optimistic statements only aggravated, and he closed his eyes to the fact that the army of the idle was being increased daily.

For many months it amounted to high treason to mention the word "unemployment" within the doors of the White House. The first actual step taken by the Administration was the creation of a Committee for Employment, which was followed by a rapid upturn in the percentage of idle workers.

The Public Misled

The Administration, moreover, sought in every way possible to mislead the public as to the extent of unemployment and minimize the actual number of those out of work. Agencies of the government in the Department of Labor were used to produce figures which actual conditions did not justify and which were challenged repeatedly by all other sources of information. The charge that there was an "inclination in some quarters to play politics with the unemployment situation," made by Secretary of Labor Davis in January of 1930 proved eventually to be an apt description of Republican policy on the same subject.

Nothing could have savored more of partisan politics than the attitude of the Republican Administration toward the Wagner bills. These measures, three in number, were introduced by the Democratic Senator from New York in 1928. When the false era of Coolidge prosperity was still at its height, Senator Wagner foresaw the need that was to come. He proposed a trio of related measures. One of these provided for the collection and publication monthly by the Bureau of Labor Statistics of unemployment statistics; another for the long-range planning of public works up to \$150,000,000 to be undertaken in slack industrial periods; the third created a National employment system to co-operate with the State employment agencies on a 50-50 basis—the state to appropriate an amount equal to the sum it received from the Federal government, and appropriated \$4,000,000 to inaugurate such a system.

These bills followed in outline and in many respects in detail the recommendations of the Harding Unemployment

Conference over which the Secretary of Commerce presided. Seven years had passed without any move toward carrying those recommendations into effect.

The earlier pledge apparently meant nothing when a Democrat finally endeavored to make law of a Republican commitment. The three bills were passed by the Senate in 1930, but a Republican House passed only the first, which provided for the collection of statistics. The second bill was so mutilated by a House committee that Senator Wagner could not and would not accept it. The third was killed.

Relief Measures Impeded

In 1931 pressure for some action had become so great that the Republican Congress was forced to yield but the Administration receded only partially from its opposition. The second of the Wagner bills, providing for long-range planning of public works was passed and signed. The progress of the third measure was impeded in every possible way. The Administration, motivated, many persons charged, by nothing more substantial than the fear that the measures would redound to the credit of the Democratic Party, sponsored a substitute for the Wagner employment agency bill under the name of Secretary of Labor Doak. The motives of the Administration were too apparent to deceive even the Republican majority in the House. The Doak substitute was defeated by a vote of 182 to 84 and the third Wagner bill sent to the President.

President Hoover vetoed this measure. In explanation he offered what he termed "cold facts". He refused to sign the bill, he said, to "prevent a serious blow to labor"; because it would have abolished "the whole of the well-developed Federal employment service" and because it could not have been made "effective for many months or even years".

How contrary this was to public opinion may be judged from the comment of William Green, President of the American Federation of Labor. He said:

"Now, when an aroused public opinion supported a practical, constructive employment exchange bill and the Congress enacted it into a law and, as a result, hope was revived in the hearts of the unemployed and their friends, the President vetoes the bill, and in doing so, advises Labor that the Federal employment service, which has long been an admitted failure and which has rendered practically no service, is to be continued and is to be the only Federal assistance which the unemployed workers can have or expect."

"Working men and women, whether employed or unemployed, have been bitterly disappointed over the exercise of the Presidential veto. The unemployed particularly, will feel that the government has failed them."

As non-partisan an agency as the Russell Sage Foundation took issue with the Presidential veto. Mary von Kleck, director of the Department of Industrial Studies of the Foundation, directly disputed the benefits which President Hoover ascribed to the Federal Employment Service. She said:

President Hoover's Figures Challenged

"He found, as stated in his veto, that 'the existing Federal employment service is today finding places of employment for men and women at the rate of 1,300,000 per annum.' Examination of the published reports of the United States Employment Service, and interviews since the veto for those responsible for it in Washington reveal...that the 1,300,000 placements which the President credited to the existing Federal service were all made by State and local agencies which cooperate with the United States Employment Service. At no point would this state and local placement service have been terminated by the enactment of the Wagner bill."

The veto of the Wagner bill was not the final indignity which the Administration heaped on the New York Senator because he had had the temerity to force the Republican party to fulfill its pledged declarations. At Senator Wagner's suggestion the Senate approved a proposal that a select committee investigate unemployment insurance systems. Vice President Curtis designated Senator Wagner, and two Republicans, Senators Herbert and Glenn, for the study. It is traditional practice to name the author of such a proposal as the chairman of the committee, regardless of the political complexion of the majority party in that body or the Administration. President Hoover had made up his mind, however, to discipline Senator Wagner. At the organization of the committee in New York Senator Hebert was made chairman. The only reason he and his Republican colleague could give for their action was that the indicated chairman was a Democrat. Jouett Shouse, in a statement issued at the time, truly said that "The altitude record in reanut politics has been broken."

The failure of the Administration in relationship to unemployment cannot, however, be fully disclosed without consideration of the way in which the President and his advisors juggled the estimates of the number of Americans without jobs.

The first reference in this series of misleading statements is taken from the Newark speech of Candidate Hoover. At that time he said: "There was a temporary dip in employment last winter" but expressed the opinion that as there had been an increase in the production and consumption of goods since that time "there could not be such a record unemployment unless employment was steadily recovering". The figures of the Department of Labor Survey showed that at the time Mr. Hoover was speaking there were 1,800,000 unemployed.

The first challenge of the Administration came from a Republican source. Senator James Couzens, of Michigan, said in the course of a speech in the Senate that the number of unemployed in December, 1929 was 3,100,000.

Misleading Presidential Statements

The President's answer to this in January 1930 was the statement that "The tide of employment has changed in the right direction", and an accompanying declaration from Secretary of Labor Davis that, "The upward turn in employment has been steadily maintained". In that same month the President said, "The increase in employment is current in practically every industry". Again he was supported by Secretary Davis who cited figures purporting to show an increase of 3.3 per cent in employment over the previous week.

Questioning of these figures by the New York State Department of Labor, with an accompanying estimate that 3,000,000 persons were then unemployed, drew a cry of politics from the Administration but the final figures of the Federal government for that month proved the New York agency to have been correct.

These demonstrated discrepancies had no apparent effect on the Administration. In February of 1930, the Employment Service of the Labor Department once more said that employment was on the upgrade and predicted that conditions would be normal within two or three months.

The truth, of course, was that at the end of sixty days Mr. Green, whose organization had had an employment reporting division for three years, announced that 22 per cent of the union men had been unemployed in February, that they numbered 3,700,000 and that the condition of the wage earner had never been as bad since the American Federation of Labor began collecting statistics.

In the same month that Mr. Green revealed his figures for February, Secretary of Commerce Lamont made public the results of the unemployment census which had been ordered by the Administration. These so-called official figures were based on an enumeration which had covered one-fourth of the population. In that selected area Mr. Lamont said that only 574,647 persons or 2 per cent of the population were out of work. On this basis his statisticians calculated that total unemployment was 2,298,588. The "catch" in the government's figures was that they were based only on those without jobs and took no account of those who had been laid off, temporarily or permanently.

The soundness of the estimate made by the Secretary of Commerce was quickly challenged and refuted. Individual communities found that the administration's figures were so far out of line as to be worthless. The American Federation of Labor on the same day that the Department of Commerce figures were made public estimated unemployment at 3,600,000, not including office workers and farm laborers, and placed the loss to wage earners in the first six months of 1930 at \$2,000,000,000.

Actualities Ignored

The Administration was evidently determined still to ignore the actualities of the situation. On June 5, 1930, Secretary of Agriculture Hyde went to Indianapolis to address the Republican state convention. In that speech Mr. Hyde attempted to answer the criticism that the Administration had not been frank with the American people on the subject of unemployment. His reply was extravagant praise of the Hoover Administration for its actions and the astonishing statement that because of these great deeds, "The result was that the unemployment, which threatened to freeze the activities of the nation has proved to be little more than seasonal unemployment. There was relatively little distress." "Seasonal unemployment" was then a mounting curve of additional men out of work. "Little distress" was the establishment of "soup kitchens" and "bread lines" in every large city of the country.

In July of that same year the Census Bureau of the Department of Commerce again attempted to justify its estimate of only 2 per cent unemployment. Figures collected from Texas, Utah, Montana, Arkansas, Florida and Kansas, no one of which contains any large industrial population were used. This obviously unfair effort to mislead the public was generally condemned. This was done not only by those without the government but from within as well. Prof. Charles E. Persons, formerly of the faculty of Wellesley, Princeton and Northwestern, who had been brought to Washington the previous fall as an expert on the compilation of unemployment statistics, resigned because he refused to associate himself with the figures that had been issued. Prof. Persons in a public statement explained that the figures used by Secretary Lamont were based on the number classified as "jobless" and did not include the unemployed who had been laid off as the result of the industrial depression. Even in this limited classification it was Prof. Persons' belief that the estimated total of "jobless" should have been 2,576,700 instead of 2,000,000 because the Bureau figures had been deduced "from picked areas where there are no large industrial centers and are not representative". He further stated that "It is a reasonable estimate on the basis of the detailed data released that we had over five million unemployed at that time".

False Hopes

President Hoover had long held the hope, as shown by his statements, that the forces of nature operating through crop movements would bring an end to the country's tribulations. When the summer of 1930 failed to bring any such development he named the Committee for Employment, with Col. Arthur Woods as its chairman, in October. This soon proved to be but another of the Hoover Commissions. It was stated at the time that it was named that the committee was to

act as a co-ordinating body—another favorite Hoover form of expression—and serve as rallying point for the various state and private forces concerned with means of alleviating unemployment.

How unsatisfactory a solution of the problem this was may be judged by the statement in the same month of William Green. "I don't think," he said, "the government officials realize the acuteness of the situation."

The Woods committee had no effect certainly on the increase in unemployment. The Standard Statistics Company, a private organization, estimated the unemployment as of the month of October at 4,500,000 which was 1,000,000 more than the government would acknowledge. The same company estimated that the purchasing power of the nation had decreased \$8,853,000,000 in the past twelve months and that "incomes had declined because of wage cuts and part time employment". The Administration at the same time was listing the prevention of wage cuts and the reduction of employment as among its accomplishments.

The contrast between what the Administration wanted to believe and conditions as they actually existed was emphasized when President Hoover sent his message to Congress in December of 1930.

Mr. Hoover said, "The number of those wholly out of employment seeking for work was actually determined by the census of last April as 2,500,000. The Department of Labor index in the larger trades shows some decrease in employment since that time."

The extent of the "decrease" was pictured on the fourth of December by Mr. Green who said, "American Federation of Labor estimates today showed 4,860,000 laboring men out of work in November, not including office workers and farm laborers".

Some decrease indeed.

By the end of December the Labor figures had been revised upward of 5,300,000 and it was then for the first time that President Hoover announced the allotment of relief funds for public works.

The cumulative nature of the evidence in support of the charge that the Administration refused to see or reveal the truth is demonstrated by events of February, 1931. Statistics were released in that month of a census taken by the Metropolitan Life Insurance Company among its policy holders. Col. Woods interpreted these to mean that there were between 4,500,000 and 5,000,000 unemployed. Miss Frances Perkins, New York State Industrial Commissioner, from the same set of facts estimated that there were 7,000,000. Mr. Green, using labor union figures, said that there had been 5,700,000 unemployed in January.

More Than 6,000,000 Jobless

Estimates of unemployment made by governmental and private agencies coincided for the first time in April, 1931. It was then that Secretary Lamont first admitted that un-

employment included more than 6,000,000 persons and the Federation of Labor figures reached the same peak.

Commenting on this increase in the government estimate, Senator Connally, of Texas, said, "If this is a fact what is the explanation of President Hoover's statement of March 7, 1930, that the low point of the depression is over and that the 'worst effects of the stock market crash on employment will be passed within the next sixty days?'"

During the summer of 1931 there began to be indications also that the Administration did not intend to pursue the policy of preventing wage cuts on which it had embarked in the initial stages of the depression. The determination to maintain the level of wages had been too definitely announced and too widely applauded to be easily withdrawn. There had, of course, been extensive wage adjustments but to these the Administration closed its eyes. The drift away from the no wage cut policy became apparent when Secretary Lamont in a letter to Representative Condon, of Rhode Island, declined to interfere in a case of wage reductions in that state and said that many corporations found themselves in such a position that they had either to shut down their plants or make a temporary reduction of wages. The White House would not admit, however, even after the Lamont statement that there was any change in the administration attitude towards the prevention of wage reductions.

Such equivocation did not deter President Green of the American Federation of Labor, from announcing in August, 1931, that "More workers have taken cuts in the first half of 1931 than in all of 1930." Nor did the criticism to which the Administration had already been subject prevent Secretary of Labor Doak from sponsoring a statement in that month in which he made it appear that the United States Employment Service had placed 638,689 workers in the four months prior to July 31 when the facts were that the Federal agencies had placed only 281,769 in that period.

There was one important development during this summer. Official recognition was at long last given to the word "unemployment" by the White House. Col. Arthur Woods of the Committee for Employment sailed for Europe and simultaneously announcement was made that the Commission on Unemployment had been born with Walter S. Gifford as its chairman. Hard as it was to tell when the one extraneous body died and the other came to life it was even more difficult to determine what new service, if any, the commission intended to perform which the committee had not. The limitation of co-ordination and co-operation was still retained.

The announcement by Mr. Green in September, 1931, that with the normal seasonal gain in unemployment 7,000,000 persons would be out of work by winter found substantiation all over the country. Municipalities everywhere were reaching the end of their resources in private relief. Public finances were being badly strained to provide "made work". "Depression Villages" bearing such apt titles as "Hooverville" and "Hoover Heights" were springing up in the neigh-

borhood of city dumps and in the shantytown districts of the land. Yet the entire weight of the Administration was still directed against any form of Federal relief. Local relief has never been considered a "dole". Federal participation in direct relief has always been so classified.

The tide of unemployment failed to turn even with the advent of 1932. In January the Labor Federation estimated between 7,500,000 and 8,000,000 individuals had been out of work in December and that a total of 20,000,000 were victims of this condition. By January the estimate had passed 8,000,000. In June of this year the Federation took into account the factor of unemployment among unorganized workers for the first time and as a result placed the jobless figure at 10,634,000 which brought into the ranks of those out of work more than a fifth of those normally employed in the United States.

The latest statement of Mr. Green made public on July 17, 1932, gave 11,000,000 as the number of unemployed and predicted that without some change in the situation 13,000,000 would be similarly classified by this winter.

No Administration Program

When the Congress met again it became apparent that some action had to be taken by the Federal government to come to the aid of those communities which had exhausted their own efforts for relieving the idle. State executives, municipal heads and relief workers from every section of the United States testified to the immediate need. The Administration not only challenged these statements but threw all the weight of its influence against such a program. The efforts of Senators LaFollette and Costigan to provide Federal relief as soon as the Congress met were defeated despite an astonishing array of testimony as to actual conditions. Efforts to obtain from the White House some indication of the Administration program designed to meet the situation were fruitless.

Democrats Propose Relief

After waiting more than six months for President Hoover to announce some plan of Emergency Relief, Senator Joseph T. Robinson, Democratic leader of the Senate, made public a nine-point program, providing for a bond issue of \$3,000,000,000, of which \$1,500,000,000 was to be used on Federal public works, \$1,400,000,000 for the purchase of sound public works bonds or debentures of the States and their subdivisions and \$100,000,000 for loans to limited dividend housing corporations.

The proposal met with the indorsement of such leaders as Owen D. Young, Alfred E. Smith and Bernard M. Baruch.

Democrats Force Hand of President

The action of a Democrat forced the Administration out into the open. On the day following the announcement of the Robinson plan President Hoover proposed an increase of \$1,500,000,000 in the amount placed at the disposal of the Reconstruction Finance Corporation. Of this sum he proposed that \$300,000,000 be allocated to States and municipalities for direct relief purposes; \$40,000,000 to be devoted to finance agricultural exports and the remainder loaned by the corporation to States and municipalities for construction purposes. Not only had the Democrats forced Mr. Hoover's hand but his program when finally announced followed closely suggestions which Senator Wagner had advocated for a long time.

The struggle which followed, prior to the passage and signing of the Emergency Relief Act, was one of the bitterest in which a President and Congress have ever engaged. President Hoover was uncompromising in his attitude toward any and all amendments. Initially he resisted any appropriation for public works construction. At long last he yielded with qualifications to the inclusion of \$120,000,000 for advances under the Federal Aid Highway Law, \$16,000,000 for the roads and trails in the national parks and \$186,224,000 for public buildings and waterway improvements "when condition of the Treasury permits".

The Administration refused utterly and violently to accept the Garner relief program. The dispute over this measure resulted in a controversy which astounded the nation. The Speaker of the House proposed an appropriation of \$2,100,000,000 for relief measures. His bill allotted \$100,000,000 for direct relief to be administered by the President, \$200,000,000 to be loaned to the states for the alleviation of distress, an increase of \$1,000,000 in the funds of the Reconstruction Finance Corporation and approximately \$900,000,000 to be devoted to public buildings in all parts of the country. Speaker Garner explained that by means of the public buildings feature it was his intention to spread increased employment out as evenly as possible.

The President's denunciation of this measure had but little effect on the vote in the House. Republican support enabled the measure to be brought up under a special rule and after four hours debate it passed 216 to 182. The Senate and the conferees of the two houses retained many features of the House bill. The provision making the funds of the Reconstruction Finance Corporation available to all borrowers was among them. This produced another clash between the President and Speaker Garner in the course of which the Democratic leader accused the President of being interested only in "class legislation" and announced it as his purpose to "start at the bottom" in granting reliefs. Congress supported this position and sent the bill to the President, where it was vetoed. On the closing day of the session Congress adopted the existing Emergency Relief Act. The Democrats inserted

in this bill the safeguarding publicity clause which will keep the public informed of all loans made by the Reconstruction Finance Corporation. This protection of the taxpayer gave the Administration some uneasy moments, but the bill was signed on July 23, 1932.

It lacked but three months of three years after the depression began before President Hoover finally entered into this remedial step. How sorely some form of Federal aid was needed may be judged by the fact that applications from states for a part of the \$300,000,000 relief loan fund which the measure included amounted to more than \$200,000,000 within a few days after the measure was passed.

The unemployed totalled 11,000,000, many municipalities were bankrupt, more than a fifth of the population was leading a subnormal existence before the Federal government through the Administration acted. It is a record on which the Administration may well be indicted for neglect of duty.

Roosevelt's Record Cited

In sharp contrast with this record is that of Franklin D. Roosevelt as Governor of the State of New York. He was the first state executive, apparently, to sense the coming crisis in unemployment; at least, he was the first to take official action to relieve the situation in his own state.

In November and December, 1929, the regular monthly reports from 1,700 of the factories in New York showed a total drop in the number of persons unemployed of 6.2 per cent. The State Labor Department at once assigned workers from other bureaus to the free state employment offices to assist men in finding additional jobs.

As the situation became more and more alarming, Franklin D. Roosevelt did not seek to delude either himself or the people into an optimistic acceptance of the situation. In March, 1930, before the administration in Washington had officially admitted any need for serious concern—Roosevelt appointed a Committee on the Stabilization of Industry. This committee made a thorough survey and co-ordinated all lines of activity in relation to the unemployment problem. Its report in November, 1930, showed the gravity of conditions. In March, 1931, Governor Roosevelt urged the Republican legislature to make the commission official. The suggestion was rejected.

Began Relief Program

In August, 1931, the Governor called the legislature into extra-ordinary session and addressed them in person instead of sending in a message as was customary. He defined the duties of the state to its people and emphasized the absolute necessity for immediate official action for the alleviation of distress. He recommended the creation of a Temporary Emergency Relief Administration with an allocation of twenty million dollars to meet the needs of the

state; he outlined a definite plan of action. This time his message was heeded; the legislature acted in accordance with his program, thereby setting up in New York State the first, as well as the most effective of all, state and national bodies since created for emergency relief aid. This fall, the people of New York will vote on an additional thirty million dollars in bonds to be used for emergency relief aid.

Governor Roosevelt also was one of the first of high public officials in the country to advocate unemployment insurance. He appointed a very able Commission to make a thorough study of all phases of unemployment insurance and presented its report to the New York legislature with a request that a suitable measure be enacted along the lines of the report.

As a result of his insistent plea for help for jobless men and their families, more than 141,000 families have been aided over this period of crucial need and, in all, more than a million persons have been aided.

COMMENT

In the second place, for the last 10 years the Treasury Department has been paying out secretly refunds of taxes for the war years. I presented the figures here some time ago as to how much had been paid out, the enormous sum of \$3,859,000,000 secretly paid out by the Treasury Department to those who paid taxes during the war years. It has been 12 years and more since the war, and if we had that \$3,859,000,000 the Treasury would be in a very much better condition than it is in now. We would not be hunting new sources of taxation if that money were in the Treasury.—Senator McKellar of Tennessee in the Senate, May, 1932.

Governor Roosevelt:

"America has no Caesar. America has no Charlemagne. America has no Napoleon. America has no Lenin. America prefers, and always will prefer, her Washington."

Governor Roosevelt:

"I think we are all beginning to realize that some new factor is needed in our economic life as a nation. We are beginning to find that mere drifting is not enough."

I propose to show that this leadership (Republican) misunderstood the forces which were involved in the economic life of the country, that it encouraged a vast speculative boom, and that when the reckoning came the administration was not frank—not honest—with the people, and by blundering statements and actions postponed necessary readjustments. (Governor Roosevelt at Columbus, O., Aug. 20, 1932.)

AGRICULTURE

When Herbert Hoover wanted the farmers of the country to join in making him President of the United States, he declared that the condition of Agriculture was the first problem to be solved by the incoming administration; he pledged himself to a program for farm relief. The farmers believed him and they helped to elect him.

Today the condition of Agriculture is worse than it has ever been before in the history of the country, although Mr. Hoover has had four years in which to work out a program for its relief.

No other president ever had a better chance to fulfill his promises to the nation. When he came into office, the people had faith in him personally because of the thoroughness with which Republican money and Republican propaganda had contributed to the spreading of the myth as to his super-efficiency and power as a prosperity producer of the very first order. He had a clear majority in both the Senate and the House of Representatives. All he had to do was to formulate a program and ask that measures be enacted. The farmers themselves were hopeful, especially when it was announced that there would be a special session of Congress to consider the question of farm relief.

The President Fails

Today, the net result of Mr. Hoover's failure to meet the needs of the farmer is summed up in the following statement from the July, 1932, bulletin of the Department of Agriculture:

"So far, Nature has done her part and the growing crops present a generally excellent picture now at midseason . . . "The nation-wide picture of good crops has its darker side in the continued low level of prices. Many of the important farm prices have declined even further during the past month. The average price index of farm products was thought to be seriously low in June two years ago when it stood at 123 (pre-war being 100). A year ago, it had dropped to 80. Now it is about 52."

No sharper picture could be drawn of the paradoxical situation existing today in a land of plentiful resources.

An equally significant revelation of the steady decline of Agriculture is contained in the 1930 census of Agriculture by the Federal Bureau of Census and in statistics compiled by the Bureau of Agricultural Economics. These show that from 1920 to 1930, the value of all farm lands and buildings in the United States dropped from \$66,000,000,000 to \$47,000,000,000. The value of farm equipment in the United States decreased \$293,000,000,000, while the annual farm income in this country during that period decreased \$2,534,000,000. If similar statistics for 1932 were available, they would show a far greater decline than that indicated by the reports for 1930.

The plight of the farmer is further indicated by some figures taken from The Congressional Record Appendix.

The National Industrial Conference puts the annual income of the farmer at \$730.00 a year, eliminating the interest he has to pay. Compared with other workers, outside of farming, the farmer's income is much the lowest in the list. Along with a steadily decreasing income has gone a steadily increasing indebtedness so that the report of the Bureau of Economics, Department of Agriculture, today shows that existing farm mortgage indebtedness increased from \$3,320,470,000 in 1910 to \$9,468,526,000 in 1928, with a drop in farm land values from \$66,316,002,602 in 1920 to \$44,145,210,900 in 1931, a decline of \$22,170,791,636.

The purchasing power of the farmer in the same period was reduced 49.1 per cent.

Farm taxes increased from \$100 in 1914 to \$266 in 1930.

Farm Prices Drop

Farm income dropped from \$16,000,000,000 in 1919 to less than \$7,000,000,000 in 1932.

The value of farm products, according to Bureau of Labor Statistics, has fallen 52.9 per cent. since July, 1929, while the prices of farm implements have fallen only 13.4 per cent.

The National Grange has compiled statistics that show that 682,850 farms were transferred as a result of foreclosure and delinquent taxes during the years 1926-1932.

Is it any wonder that the farmer, along with the millions of hungry and destitute people in the United States today, has ceased to look to Republican leadership for any hope of relief?

Is it any wonder that the bitter statement has been made that it would have been better for the farmer if Hoover had stated bluntly that he expected to do nothing for agriculture? At least then the farmer would not have rested his case in the hands of authority that has succeeded only in postponing any plans for self help that farmers might have initiated for themselves.

At the beginning of the Hoover administration they had already made definite progress in shaping opinion around definite measures that would have helped the farmer. The National Grange favored the export-debenture plan for the relief of agriculture. Other leaders endorsed the idea of an equalization fee on exported commodities.

Mr. Hoover, whose whole career has centered around the promotion of mining ventures abroad and in the United States until recent years, declared against the ideas submitted by the proponents of export debentures and the equalization fee. He favored the establishment of a Federal Farm Board with full plenary powers to deal with the problems of Agriculture. He not only favored the creation of a Federal Farm Board; he insisted upon the creation of a Federal Farm Board.

"This is not a theoretic formula," he said. "It is a business proposition, designed to make farming profitable." He insisted that his method was the best method; that it would not hurt the country; that agriculture would benefit. Prosperity and an "equal opportunity in our economic system with other industry" was his promise to the farmer. "It is our plain duty," he said, "to search out the common ground on which we may mobilize the sound forces of agricultural reconstruction."

The Agricultural Marketing Act, creating the Federal Farm Board, was passed in 1929 at the special session called by the President to consider Farm Relief. Hoover signed the bill on June 15, 1929. The broad intent of the Act is set forth in Section 1 which says, "That it is hereby declared to be the policy of Congress to promote effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products." "The policies of The Farm Board," declared Mr. Hoover, would "protect the farmer from the depressions of seasonal gluts and periodical surpluses."

He said also: "I stand pledged to these proposals. The object of our policies is to establish for our farmers an income equal to those of other occupations; for the farmer's wife the same comfort in her home as women in other groups; for the farm boys and girls, the same opportunities in life as other boys and girls. So far as my own abilities may be of service, I dedicate them to help secure prosperity and contentment in that industry (agriculture)."

It had a high sounding ring to it, as so many of the President's words have. The farmers decided that they would accept it with hope, although most of them felt that any optimism whatsoever was unfounded in view of the inexcusable provisions of the Smoot-Hawley tariff.

Tariff Against Farmers

The Smoot-Hawley tariff revision started out, according to the advocates of "limited tariff revision" at the special farm relief session, as a measure in the interest of the farmer. It ended up, as do all Republican tariff measures, in the interest of the dealer and the manufacturer. It was the highest as well as the most indefensible tariff act ever imposed upon the American farmer.

Together with the regrettable policies of the Federal Farm Board, it has stripped the farmer of everything except a grim determination to change the conditions under which he is now living. For these the President must accept full responsibility—a responsibility that includes the present economic paralysis of national business and the misery of millions who trusted him to safeguard not only the rights of agriculture but the interests of the nation as a whole.

Closed European markets, retaliatory tariffs, ill will in all trade relations, depressed prices at home, buying power reduced to the vanishing point—these are the results of the administration's so called relief for the farmer. The iniquities of the Smoot-Hawley tariff have been discussed from all angles. It is not necessary to dwell on them at length here. Even before the bill was signed, thousands of economists throughout the nation gave solemn warning as to what the results of such an Act would be. All classes of people joined in an urgent appeal to Hoover not to sign the bill—not to penalize the American people through enactment of a measure that would destroy not only the farmer's hope for the future but the chances of the United States in all European markets.

Arrogantly defying sound advice of farmers, economists, business men, professional groups of all kinds, the President, having first insured for himself all rate-making authority, signed the bill. In round figures that signature has cost the farmer about \$400,000,000.

The Federal Farm Board has cost them not only the total of the ruinous drop in the prices of wheat, corn, and cotton—along with the original \$500,000,000 appropriated for its operations—but millions and millions of dollars in storage charges on surplus wheat held throughout a long period of time.

A close survey of the record of the Farm Board, as presented in the public prints, discloses a persistent disregard of suggestions and plans of farmers from the very beginning. Its stabilization program succeeded in stabilizing nothing but the misfortunes of the farmer.

High Salaries Paid

As a corollary to this, it is interesting to note the salaries paid to Farm Board officials.

"Five hundred million dollars, at the behest of the President, was placed by the Congress in the hands of that board and all the machinery he asked for it," said Mrs. Nellie Taylor Ross in one of her recent speeches. "The salaries that in this period of depression have been paid to some of its auxiliary agents are little short of scandal; seventy-five thousand dollars to the man handling the cotton transactions—a salary equal to that of the President of the United States; fifty thousand dollars to the man handling the wheat transactions; thirty-five thousand and twenty-five thousand dollars to others. Traveling expenses and salaries reported by the Board have totalled more than five million dollars in one year.

"And what have the farmers to show for this outlay? Eggs at five cents a dozen in places in the Middle West; butter at nine cents, and until the recent spurt in the market every farm and live-stock product known to man at prices the lowest in our lifetime."

In 1928, the average price of wheat was from \$1.00 to \$1.10 a bushel; in 1931, it was 38½ cents, while in many instances growers received as little as 25 cents a bushel for their grain. In 1928, the high average for corn was \$1.025; the low average price was around 75 cents. In 1931, the high average price was a little over 61 cents and the low average price was around 33 cents. In June, 1932, the average price for ALL commodities was 93 per cent. of pre-war; the average of all farm products was 53 per cent. of pre-war. In other words, the average farm commodity was selling at less than half what other commodities were bringing—the low agricultural level bringing down the total on all commodities.

If any further indication of what has happened to the farmer under the Hoover administration and his farm Board be needed, it may be found in the figures showing the total value of the principal farm crops of the country for 1929 and 1931:

For 1929, the Department of Agriculture reported the value to the farmer of 75 principal crops produced in the United States at \$8,088,494,000.

For 1931, the value of the same crops was reported at \$4,122,850,000.

This shows a shrinkage in farm crop values in only two years of almost \$4,000,000,000, or nearly 50 per cent.

Farmers Lose Farms

Consideration of these facts and figures makes it easy to understand why it is that thousands upon thousands of farms are being disposed of at sheriff's sales in every state in the Union.

The Farm Board has been a costly and a painful experience for the people of the United States. The record of its failure to serve the American farmer can be amplified almost endlessly. Only a few people have gained any comfort whatsoever from its operations. One of these apparently was former representative Franklin W. Fort, of New Jersey, who expressed satisfaction some time ago in the fact that the Farm Board had prevented "a complete disruption of the nation's banking and business structure" (Those words have a familiar sound in connection with everything that the administration does.) He adduced a lot of reasons to explain why this was so at that particular time but, inasmuch as the farmer now is concerned only with the question as to how he can save his lands from the sheriff and his family from want, it is not important, perhaps to summarize the viewpoint of the few who feel that the policies of the Farm Board have afforded adequate relief.

The farmer today is looking to a new leadership for a solution of the dilemma in which he has been placed by the policies of President Hoover. High sounding words from

him reiterating the statement that he has provided adequate relief for the country, will fall on deaf ears.

The American farmer knows the lesson well that has been drilled into his memory in the school of hard experience. He is neither stupid, nor gullible; neither is he generously trusting his future to the wisdom of one who knows the land as geological mining strata better than he knows it as the bearer of life-giving crops for the sustenance of mankind.

The Roosevelt Record

Franklin D. Roosevelt, the nominee of the Democratic party, is a real American with practical farming experience. As Governor of the State of New York he has sponsored legislation that removes from farm real estate the suffocating burden of taxation, placing it, on an equalization basis, on the State itself.

One of his first official acts, after his inauguration as Governor, was the appointment of an Agricultural Advisory Commission to survey the needs of the farmer in the state of New York and to suggest legislation that would open the way for future development of the rural districts. These suggestions, embodying the opinions of farmers themselves and of all classes of people interested in the land and its problems, were speedily enacted into law.

Democratic Proposals

The Democratic party proposes to restore agriculture through better financing of farm mortgages, through recognized farm bank agencies at low rates of interest on an amortization plan, giving preference to credits for the redemption of farms and homes sold under foreclosure; it advocates extension and development of the Farm Co-operative Movement and effective control of farm surpluses so that American farmers may have the full benefit of the domestic market; it favors enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost.

It has pledged itself to the people in a solemn covenant to carry forward these measures for the rehabilitation of Agriculture. In doing this, it will be willing to be guided by the knowledge and the experience of those who have suffered most in the debacle that has followed in the wake of the course ordered by Hoover. It recognizes the farmer, not as a pawn in the games of commerce and industry, but as an individual whose labor and whose profits belong to him; and as a human being, with human rights and human interdependence with each and every group in American National life.

Perhaps it is President Hoover's inability to adapt himself to the human equation inseparable from all considerations of the cause of agriculture that has prevented him from arriving either at an understanding of its needs or at a means of meeting them.

THE TARIFF

The Smoot-Hawley Bill and Executive "meddling."

The Democratic Policy.

The consensus of opinion among economists and other disinterested students of tariff taxation, as evidenced by their published utterances, is that the existing high tariff act enacted by the Republican Congress in 1930 and the reaction thereto in the form of retaliatory tariffs and other trade barriers by the principal foreign nations of the world constitute the largest single underlying factor in precipitating the existing economic depression. Governor Roosevelt has declared that the main issue of this campaign is our present economic condition.

The chief economic issue between the Republican party and the Democratic party is the tariff, and this issue most clearly exemplifies the Republican doctrine of special privilege as opposed to the Democratic doctrine of "equal rights to all and special privileges to none."

The Republican party favors a tariff upon imports sufficiently high not only to enable the domestic producer to undersell in the American market the like imported foreign product after adding the amount of the tariff, but also to add a huge profit to the production cost of the domestic article. This is called "protection of home industry."

The beneficiaries of the high protective tariff policy of the Republican party are a group of manufacturers who have enriched themselves by pocketing the amount of the "protection,"—or tariff bonus—when the rates are fully effective, in addition to their legitimate profits in manufacturing their products. They are the ones who supply in largest measure campaign funds to the Republican party in exchange for these tariff benefits.

The Democratic Theory

The Democratic theory of tariff taxation is based upon the necessity of providing revenues to the government—hence, the phrase "a tariff for revenue only"—and providing fair competition between imported and domestic products, without injury to legitimate domestic industries, and safeguarding of interests of labor.

The present Democratic attitude on the tariff is expressed as follows in the national platform adopted at Chicago:

"We advocate a competitive tariff for revenue, with a fact-finding tariff commission free from executive interference, reciprocal tariff agreements with other nations, and an international economic conference designed to restore international trade and facilitate exchange."

A fact-finding tariff commission, like that referred to in this plank of the Democratic platform, was established in the administration of Woodrow Wilson to supply information to the President and the Congress concerning possible changes in rates, to enable the President to recommend and the Congress to enact such changes. In the Fordney-McCumber tariff act, which became a law during the Harding administration on September 21, 1922, a clause was adopted authorizing the Executive to increase or lower tariff rates fifty per cent. upon recommendation of the tariff commission. This clause, known as the "flexible clause," was adopted under the false pretense that it would be repealed as soon as international trade conditions became normal. The inference was plainly given that its adoption was for the purpose of lowering excessive rates during that period of chaotic economic conditions, and not for increasing them. This pretense was long ago abandoned, and the Republicans perpetuated the flexible clause in the existing Hawley-Smoot Act, with the power to change rates fifty per cent. in the hands of the President. The last Congress passed an act restoring the rate-making power to Congress which was vetoed by President Hoover.

International Trade Conference

The whole tariff situation has been so complicated by retaliatory tariffs and by trade treaties non-revokable over a period of years during recent Republican administrations, it is the sober judgment of economists that the damages caused thereby cannot be repaired by the ordinary processes of tariff making; that the impediments and barriers to international trade must first be removed through agreements or understandings reached in an international conference, before actual rate-making begins. To this method of restoring normal and competitive tariff rates and to that extent relieving the economic depression, the Democratic party is committed in the Chicago platform.

The disastrous effects of the Hawley-Smoot tariff act are the culmination of the Republican high tariff policy since the War, beginning with the passage of the Fordney-McCumber Act of 1922, which levied a tariff tax upon the American people of \$4,000,000,000 annually, assuming that the full rates of duty in that bill were effective. The enactment of this bill was followed by retaliatory tariffs abroad and also the exodus of some American manufacturing plants with an export trade. Despite the high rates in the 1922 tariff act, foreign nations, especially the European nations, were sadly in need of the American products, both agricultural and manufacturing. Money to supply these needs was freely loaned by American capital, with the result that during the period of industrial and financial inflation and speculation in this country, they reached a maximum of approximately \$10,000,000,000. Great as this seems, it is nevertheless be-

low the figure that American trade would have reached at the regular rate of increase through ordinary expansion under normal pre-war conditions. The Fordney-McCumber Act of 1922 placed high rates on agricultural products, but there was no appreciable benefit to agriculture on its exports for the reason that agricultural products selling in a world market are governed by the prices in that market, so that the rates on major exportable products were wholly ineffective "paper tariffs."

With the advent of the Hoover administration in 1929, that administration proposed increases on agricultural products with the avowed purpose of placing agriculture upon a parity with the manufacturing industry.

In his message to the special session of the Seventy-first Congress, April 16, 1929, President Hoover declared in favor of "an effective tariff on agricultural products that will compensate the farmers' higher cost and higher standard of living." In the same message, he favored a "limited revision" of tariff rates on industrial products, and defined them as follows:

"The test of necessity for revision is, in the main, whether there has been a substantial slackening of activity in an industry during the past three years and a consequent decrease of employment due to insurmountable competition in the products of that industry."

The present tariff bill, framed by the Republican Ways and Means Committee, Willis C. Hawley of Oregon, Chairman (who was defeated in this year's primary for renomination), was introduced in the House on May 7, 1929. Instead of proposing a limited revision of industrial rates in connection with increased agricultural rates, every schedule in the tariff act of 1922 was opened up and large increases made, so that with the passage of the bill the former disparity between agricultural and industrial rates was made still greater. The bill was passed on May 28 under a gag rule which practically shut off debate and prevented amendments from being offered by the opposition.

The Senate Finance Committee (Senator Smoot of Utah, Chairman) held only five days' hearing on the bill, and between July 18 and September 4 redrafted the measure in secret sessions.

The Grundy Case

From the beginning of the hearings in the House until the final passage of the bill by Congress, the House and Senate Office Buildings, and the corridors of the Capitol, swarmed with lobbyists of special interests, most conspicuous of whom was Joseph R. Grundy, President of the Pennsylvania Manufacturers' Association, and for years its chief lobbyist in the National Capital. The activities of the tariff lobbyists became so threatening and pernicious that they amounted to a

public scandal, and a Senate Lobby Investigating Committee was appointed, with Senator T. H. Caraway (Dem. Ark.) Chairman. In a report to the Senate, October, 1929, this Committee revealed that Senator Hiram Bingham (Rep. Conn.), a member of the Senate Finance Committee had taken one C. L. Eyanson, assistant to the President of the Connecticut Manufacturers' Association of the Finance Committee, in employment as his secretary. The report of the Committee further declared:

That Eyanson continued to draw pay from the Connecticut Manufacturers' Association at the rate of \$10,000 a year while employed by Senator Bingham.

That Eyanson received a letter from the President of the Connecticut Manufacturers' Association during his employment by Senator Bingham, saying: "You have done a great deal more than we ever bargained for in the beginning," and that "the results will bear fruit for some time to come."

That E. S. Davis, a director in the Connecticut Manufacturers' Association, in a letter to President Hubbard, approved of "Our having a representative in Mr. Bingham's office," and added: "In this class of work you get what you pay for." Senator Bingham was censured in a Senate resolution which declared that his action in the Eyanson case was "contrary to good morals and Senatorial ethics and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned."

H. E. Miles, Chairman of the Fair Tariff League, estimated that under fifty-two classifications of the new tariff bill, the Connecticut manufacturers were given additional profits of \$52,000,000 as a result of Eyanson's services. The Senate Lobby Investigating Committee reported in substance on Mr. Grundy's activities as follows:

Grundy Wrote Tariff Law

"That Grundy is the self-confessed author of the tariff plank in the Republican National Platform of 1928.

"That he came to Washington to see that the goods were delivered as per the platform plank he wrote.

"That he attempted to influence the action of the Committees in charge of the tariff bill so that the contributors to his fund (Grundy admitted raising a campaign fund in the 1928 election of \$700,000) would get their money back.

"That in sixty-five of the leading industries of the State (Pennsylvania), the bill, as recorded by the Senate Finance Committee, recommended raises in the duty in the case of forty-two, signifying added profits to the manufacturers of that State, if the rates became effective, of \$1,186,000,000 as computed by an expert statistician of the Department of Commerce and shown in a table inserted in the Congressional Record.

"Though the result is not to be attributed wholly to him, those who so liberally contributed at his instance to the party

war chest may gain some idea of the value of the services of Mr. Grundy in connection with the (Hawley-Smoot) tariff legislation."

By these activities, Mr. Grundy's name is inseparably linked with the existing tariff act, as is that of President Hoover, who signed it.

Although President Hoover was committed in advance to a "limited revision" of the tariff, he did not once interpose or offer any objection to the methods of Grundy and his fellow lobbyists in obtaining exorbitant rates and generally increasing all the schedules in the bill.

When the Hawley Bill, as passed by the House, was introduced in the Senate by Senator Smoot (Rep., Utah), Chairman of the Finance Committee, which thereby became the Hawley-Smoot Bill, the Democratic minority, pledged to agricultural and industrial parity in tariff rates, attempted to carry out their pledge with the aid of Republican Progressive Senators.

The Senate coalition increased some rates in the agricultural schedule and then brought about decreases in some of the most extortionate rates in the industrial schedules, and were in a fair way to bring about an approximate parity between the agricultural schedule and the industrial schedules, when the tariff lobbyists increased their activities and by the old disreputable method of logrolling, trades and deals, brought a reversal of votes already taken and prevented other contemplated reductions in the industrial schedule. Sugar, pig iron, aluminum and aluminum utensils, cement, lumber, hides, were among items on which rates were reduced originally by Senate votes and later revoked.

Hawley-Smoot Bill Denounced

The Hawley-Smoot tariff bill was in the hands of Congress one year, five months and eight days. The press of the country, including leading Republican papers, was generally opposed to it. A poll of editors taken in June, 1930, by the North American Review showed that 81 per cent in New England were against the bill; in the Middle Atlantic States, 79 per cent; in the South and Southwest, 89 per cent; in the Middle West, 67 per cent, and in the West, 59 per cent. The Democratic press was practically unanimous against the bill; 77 per cent of Independent editors and 45 per cent of out-and-out Republican organs were opposed to it. Many leading business men, including Henry Ford, denounced it in public interviews and many foreign governments protested against it. The most conspicuous protest and warning came from 1,028 leading economists of the United States, connected with 179 universities and colleges in 48 states. They urged the President to veto the bill, and clearly pointed out the disastrous results that would follow if the bill became a law. Their statement follows:

It (the Hawley-Smoot bill) would increase prices to the domestic consumer, with no possibility of benefiting many classes of workers and all professional people, whose products enjoy no tariff favor.

It is no benefit to the majority of farmers, whose products have no important competition in the home market, compelling them to pay higher prices for what they buy and restricting the sale of their products abroad.

It would injure American export trade by restricting imports, affecting not only foodstuffs, but the products of exporting industries such as copper, automobiles, agricultural machinery, typewriters and the like.

It would provoke other countries to levy retaliatory tariffs against American products, of which there are already evidences.

By erecting further barriers to our foreign trade it militates against American manufacturers, already highly prosperous, who supply 96 per cent of manufactured goods consumed in this country and are looking to foreign markets to absorb their increasing output.

It weakens the security of American investments abroad—amounting to between twelve and a half and fourteen and a half billions of dollars—by making it more difficult for the foreign debtor to pay the interest thereon, as well as on the war debts due this government.

It will not relieve unemployment, as claimed, because employment cannot be increased by restricting trade.

It will inject a bitterness into our international relations.

It violates the spirit of the World Economic Conference, at which this country was represented, and which declared that "the time has come to put an end to an increase in tariffs and to move in the opposite direction."

It endangers world peace by sowing the seeds of a tariff war.

Everything these economists predicted has come to pass, with the single exception that the disastrous effect of the depression which the Hawley-Smoot Act helped to precipitate were so great that many beneficiaries of exorbitant rates in the bill could not take advantage of them by raising prices, but were compelled to sell their goods for what they could get because of the spread of unemployment and the diminished purchasing power of the masses.

The Farmer Pays the Price

The Hawley-Smoot Act as prophesied has been of no benefit to many classes of farmers, who were taxed in the bill for the benefit of manufacturers more than \$400,000,000; export trade has been reduced more than one-half and is still falling; retaliatory tariffs have been levied against American products; the security of American debts abroad has been weakened, and the payment of interest on war debts has required the granting of a moratorium; unemployment has not

been relieved, but has increased; bitterness has been injected into our international relations, and the seeds of a tariff war sown by that act are now bearing bitter fruit.

Was ever an economic prophecy more completely fulfilled?

The Republican proponents of the Hawley-Smoot Tariff bill also made a prophecy, expressed by the Republican leader of the Senate, James E. Watson of Indiana, on the day of the passage of the bill in the Senate. Senator Watson, said:

"It is quite true that we are in the midst of a financial depression...but I here and now predict, and I ask my fellow Senators to recall this prediction in the days to come, that if this bill (Hawley-Smoot Tariff bill) is passed, this nation will be on the upgrade financially, economically and commercially within thirty days, and that within a year from this time we shall have regained the peak of prosperity."—Congressional Record, June 13, 1930, Page 11085.

Was ever an economic prophecy more thoroughly discredited by events? Was ever an economic prophecy made which so completely reveals the fact that the proponents and supporters of this legislation had no conception or understanding of the conditions that confronted this country and the world when they were voting to add more than a billion dollars of additional tariff taxes to a bill that already carried \$4,000,000,000 largely for the benefit of special interests at a time when the nation was facing the worst financial and economic crisis in its history?

Prior to the passage of the bill, President Hoover had intimated that he had an "open mind" as to whether or not he would sign it; it was also stated he would refer the bill to experts; yet on the day following its final passage in the House he announced he would sign it. "He has thus saved the bill," said the New York Times, "but has he saved his own official integrity?"

The President's official integrity suffered in another respect from his action on the tariff bill. He had long advocated expert fact-finding in government as a basis for executive action, but he rejected the advice of the 1,028 experts on the tariff. Also, with respect to the flexible clause, which transferred the duty of fixing rates from the President to the Tariff Commission, to be either accepted or vetoed by him, he acted contrary to his own declaration on the subject of rate making in a speech at Boston, October 15, 1928, when he said:

"The American people will never consent to delegating authority over the tariff to any commission, whether non-partisan or bi-partisan. There is only one commission to which delegation of that authority can be made. That is the great commission of their own choosing, the Congress of the United States and the President. It is the only commission which can be held responsible to the electorate."

The Democratic platform advocates "a fact-finding Tariff Commission free from Executive interference." The last ses-

sion of Congress passed a tariff bill providing for a scientific fact-finding commission, and restoring the rate-making power to Congress, which President Hoover vetoed.

Hoover Fixes Rates

The only move President Hoover ever made to influence Congressional action in connection with the Hawley-Smoot tariff bill was to retain the rate-making power under the flexible clause in the hands of the Executive. On September 24, 1929, in a public statement he said:

"I have no hesitation in saying that I regard it of the utmost importance...that the flexible tariff, through recommendations of the Tariff Commission to the Executive, should be maintained."

The present Chairman of the Tariff Commission, Dr. Thomas Walker Page, who served in a similar capacity in the administration of President Wilson, and who is a recognized authority on tariff and tariff-making, holds a contrary view to that of President Hoover concerning the rate-making power. In his book, "Making of the Tariff in the United States," he says:

"It is neither expedient nor constitutional to entrust the fixing of (tariff) rates to the wisdom either of an adjustment board, or the President, or any other administrative agency."

The futility of making tariff changes under the flexible clause with the Tariff Commission dominated by the Executive is shown by the record of the Tariff Commission under the Fordney Tariff Act of 1922 and that of 1930. Under the 1922 Act, up to September 27, 1929, the Commission reported upon forty-nine cases; the President proclaimed thirty-seven changes of rates—thirty-two increases and five decreases. The five decreases were on Bob White quail, paint brush handles, mill feed, cresylic acid and phenol. This covered a period of more than seven years, or at the rate of five changes a year.

Under the first two years of the 1930 Hawley-Smoot Act, the Tariff Commission reported on fifty-six cases; the President proclaimed thirty-one tariff changes—thirteen increases and eighteen decreases. Rates on forty-two commodities, included in these cases, were left unchanged.

The articles investigated in two years comprise about eleven per cent of the dutiable imports of 1931, or \$75,000,000. Duties were decreased on nearly \$14,000,000 and increased on \$9,000,000. Rates were left unchanged on the balance, \$52,000,000. The result is that in two years' work there were net decreases on articles of import of \$5,000,000 valuation, which, of course, is negligible.

An Economic Falsehood

A chief economic falsehood of a high protective tariff policy is that it provides and protects high wages for American working men.

No less an economic authority than Senator Cordell Hull of Tennessee, in commenting upon this falsehood of protection for labor, declares:

"Labor received 95 per cent of its wage increases and its reduction of hours during the Wilson (Democratic) Administration. They originated in the non-tariff sheltered industries.... The pay of wage earners under the Hawley-Smoot tariff has fallen at the present time in the amount of \$9,000,000,000.... About 25,000,000 of the nearly 30,000,000 wage earners derive no benefits, but actually suffer penalties."

Senator Hull is also on record as saying that "wages here and everywhere are governed by the productivity of labor.... The American wage earner gets double the British wage because he produces more than double the British production, and treble the German wage because he produces more than three times the amount of the German production per man, in most instances."

H. E. Miles, Chairman of the Fair Tariff League, says: "No informed person measures wages by the amount paid per hour or per day, but by the return in production for the wages paid; that is, by the wage cost per pair, per pound or per yard produced."

He cites the following illustration:

"An American girl runs twenty-five to thirty knitting machines and knits 1,800 pairs of good cotton socks in a day for a piece price of two cents per dozen pair or one-sixth of one cent per pair, which nets her \$3.00 per day—the lowest price per pair and highest wage per day in the world in this industry."

"An American operator weaves 13,000 yards of medium fine cotton cloth per week for a wage of \$16.00. She runs from thirty to seventy-five looms against six to twelve looms in England. Why should she not get two and one-half times the wage for five times the output?"

"An East Indian cotton mill, with cotton growing near the factory door, pays its operators an average of \$1.25 per week. And yet, India sends to the United States for drills and denims because ours are made cheaper with our \$14.00 wage than hers."

Mr. Miles holds that the tariff should never exceed the wage cost, and then points out that the tariff on hosiery and knit goods, which averages sixty-four per cent is two and a half times the wage cost; on medicinal preparation, the tariff averages twenty-four cents on the dollar with only seven cents wage cost; on perfumery and cosmetics the tariff averages forty-seven per cent with wage cost of only seven cents.

Tariff Injustices

Citations of inequalities and injustices in the present tariff act could be made indefinitely. It was enacted primarily for a special privileged class. It has not only failed but it has almost wrecked the international trade of the world.

In addition to destroying one-half of the export trade of the United States, the Hawley-Smoot Tariff Act, supplementing the effect of its forerunner, the Fordney-McCumber Act of 1922, has had the effect of driving many American plants out of the United States in order to carry on their export trade under more favorable tariff conditions.

At the end of 1929—the year the original bill first passed the House—there were 467 American plants in Canada with an investment of \$500,000,000, according to the United States Department of Commerce.

On September 17, 1931, according to information issued by the Dominion Bureau of Statistics (Canada) there were 1,071 American plants in Canada with an investment value of \$1,100,000,000.

In his book, "American Industry in Europe," Professor Frank A. Southard, Jr. of Cornell University says that in 1900 there were only 28 American owned manufacturing plants in Europe, and that in 1929 there were more than 1,300 companies or organizations either owned by or under the influence of American corporations in European countries.

While exact statistics are not available, it is known that American plants both in Canada and in Europe have greatly increased in number since that time. The present estimated value of American plants in foreign countries is now \$7,000,000,000. These factories now employ foreign labor and largely use foreign material—all to the detriment of the American workman and the American producer, who otherwise would supply the labor and the material for manufacturing.

GOVERNOR ROOSEVELT ON THE TARIFF

"One other objective closely related to the problem of selling American products is to provide a tariff policy based upon economic common sense rather than upon politics, hot-air, and pull. This country during the past few years culminating with the Hawley-Smoot Tariff of 1929, has compelled the world to build tariff fences so high that world trade is decreasing to the vanishing point. The value of goods internationally exchanged is today less than half of what it was three or four years ago."

"Every man and woman who gives any thought to the subject knows that if our factories run even 80% capacity, they will turn out more products than we as a nation can possibly use ourselves. The answer is that if they are to run on 80% capacity, we must sell some goods abroad. How can we do that if the outside nations can not pay us in cash—and we know by sad experience they can not do that. The only way they can pay us is in their own goods or raw materials, but this foolish tariff of ours makes that impossible."

"What we must do is this—to revise our tariff on the basis of a reciprocal exchange of goods, allowing other nations to buy and to pay for our goods by sending us such of their goods as will not seriously throw any of our industries out of balance, and incidentally making impossible in this country the continuance of pure monopolies which cause us to pay excessive prices for many of the necessities of life." (Radio Address, April 7, 1932.)

THIS DOCUMENT IS THE BEST
AVAILABLE. EVERY TECHNICAL
EFFORT HAS BEEN TAKEN TO
INSURE LEGIBILITY.

OUR VANISHING FOREIGN TRADE UNDER REPUBLICAN HIGH PROTECTIVE TARIFFS

The foreign trade of the United States approximating ten billion dollars in 1929 has been reduced more than one-half in the administration of President Hoover, and the end is not yet. The decline, as shown by the reports of the Department of Commerce for the first six months of 1932, rapidly continues. The greater part of this loss can be traced directly to the Hawley-Smoot Tariff Act, which became effective June 18, 1930.

The enormous loss in American foreign trade since the first year of the Hoover administration, citing the official figures of the Commerce Department, is as follows:

	Exports	Imports	Total
1929	\$5,240,995,202	\$4,399,361,066	\$9,640,356,268
1930	3,843,391,349	3,061,090,619	6,904,481,968
1931	2,423,759,239	2,089,802,098	4,513,561,337

The losses in foreign trade by years were:

	Exports	Imports	Total
1930 from 1929	\$1,397,603,853	\$1,338,207,447	\$2,735,811,300
1931 from 1930	1,419,532,110	971,288,821	2,390,820,931
1931 from 1929	2,817,235,963	2,309,558,968	5,126,794,931

The net loss in the two years of 1930 and 1931 was more than fifty per cent. American foreign trade for the first six months of 1932 was as follows:

Exports	Imports	Total
\$841,803,000	\$757,654,000	\$1,599,357,000

Compared with the first six months of 1931, the total trade for the period shows a loss of \$923,761,000; a loss of \$2,212,345,000 from 1930 and a loss of \$3,310,106,000 from 1929.

At this rate of decline the foreign trade loss for the calendar year of 1932, compared with the first year of the Hoover administration, would be more than six and a half billion dollars.

From June, 1929, following the original passage of the Hawley Tariff bill in the House in May of that year, to June, 1932, the value of American exports fell 67.8 per cent, or more than two-thirds the value of our export trade in the first half of 1929.

Republican spokesmen have tried to make it appear that the greater part of this loss was due to a decline in the value of our exports, but this is disproved by the fact that the average decline in wholesale commodity prices in the United States during that period was only 33.7 per cent, and this included, of course, many domestic articles that do not figure to any extent in the export trade of the United States.

When the numerous exorbitant rates in the proposed tariff bill first became known through its introduction and passage in the House, it was generally assumed that these rates would be greatly modified by the Senate, and if not, that President Hoover would refuse to sign a measure in violation of his proposal for a "limited revision," and further because of the views he had expressed concerning the importance and necessity of maintaining foreign trade. Mr. Hoover's views on the necessity of maintaining foreign trade as voiced in 1928 have added importance by reason of the efforts of Republican spokesmen now to belittle the losses.

President Hoover's Views in 1928

Mr. Hoover, in a speech at Newark, New Jersey, September 17, 1928, said on this subject:

"More than two million families in the United States earn their living today by producing goods for exports and another million families earn their living in the manufacture of raw materials. This means more than statistics. It means higher standards of living—more jobs make more wages. Foreign trade is no artificial stimulant to employment. Its development is a vital contribution to the welfare of the American workman, the American merchant and the American farmer. I propose that we shall continue this service to our people."

In the same speech, he stressed the widespread effects of an interference with or stopping of American exports. He said:

"Cease exporting automobiles to South America or Europe, and automobile workers are thrown out of employment in Michigan. The suffering does not stop there. It only begins. The steel mills slacken in Pennsylvania and Indiana. The mines employ fewer workers at Lake Superior. And every farmer in the United States suffers from the diminishing purchasing power and enforced stringency in thousands of homes."

Later on in Boston, October 15, 1928, Mr. Hoover, discussing surplus production in the United States, stressed the necessity of imports as well as the disposal of the surplus by expanding exports. He said:

"To insure continuous employment, we must find a profitable market for these surpluses. . . . The expansion of export trade has a vital importance in still another direction. The goods which we export contribute to the purchase from foreign countries of the goods and raw materials which we cannot ourselves produce. We might survive as a nation, though, on lower living standards and wages, if we have to suppress the nine or ten per cent of our total production which is now sold abroad. But our whole standard of life would be paralyzed and much of the joy of living destroyed, if we were denied sufficient imports. Without continued interchange of tropical products with those of the temperate zone, whole sections of the world, including our own country,

would stagnate and degenerate in civilization.—The Great War brought into bold relief the utter dependence of nations on foreign trade."

When as a result of the efforts of the tariff lobbyists, led by Joseph R. Grundy of Pennsylvania, it became evident that the rates in the original bill were not to be reduced, but that many were actually increased, practically every foreign nation with which the United States had any considerable trade took alarm. More than thirty such nations presented protests on more than two hundred articles bearing increases of duty. Among the nations so protesting were:

Austria, Argentine, Canada, Czechoslovakia, Denmark, Dominican Republic, Egypt, Finland, France, Germany, Great Britain, Greece, Hungary, Irish Free State, Japan, Netherlands, Newfoundland, Norway, Persia, Roumania, Union of South Africa, Spain, Sweden, Switzerland, Turkey.

The Result Abroad

When these protests proved unavailing, the menace to their trade contained in the Hawley-Smoot Tariff Act was met by retaliatory tariffs which struck a heavy blow to the export trade of the United States.

The following figures from the Department of Commerce show the balance of trade in favor of the United States in 1929 with the principal countries that protested the Hawley-Smoot Tariff.

Canada	\$445,000,000
United Kingdom	518,000,000
Germany	156,000,000
Australia	118,000,000
France	94,000,000
Argentine	93,000,000
Spain	46,000,000
Denmark	47,000,000
Netherlands	44,000,000
Belgium	41,000,000
Italy	37,000,000

The following table shows the average monthly purchases of the ten best customers of the United States in 1929 and a percentage of their purchases to the total value of United States exports.

	Purchases	Per Cent
1—United Kingdom	\$79,500,000	18.2
2—Canada	70,600,000	16.2
3—Germany	35,500,000	8.1
4—Japan	25,100,000	5.8
5—France	23,600,000	5.3
6—Argentine	18,000,000	4.1
7—Italy	15,600,000	3.6
8—Australia	14,300,000	3.3
9—China	12,300,000	2.8
10—Mexico	10,600,000	2.4

The effect upon the export trade of the United States as a result of the passage of the Hawley-Smoot bill is strikingly shown by the average monthly purchases of what are now the ten best customers of the United States for the first five months of 1932.

	Purchases	Per Cent
1—United Kingdom	\$25,900,000	18.2
2—Canada	22,400,000	15.8
3—Japan	14,000,000	9.9
4—Germany	11,200,000	7.8
5—France	9,200,000	6.4
6—China	5,500,000	3.9
7—Philippines	4,100,000	2.9
8—Netherlands	4,000,000	2.8
9—Italy	4,000,000	2.8
10—Belgium	3,500,000	2.4

It will be noted that while the percentages of purchases have been practically maintained, the loss in value has been 67.8 per cent.

Importance of Export Trade

Proponents and defenders of the high protective tariffs of the Smoot-Hawley Law adhere to what seems a fixed policy among them to belittle the importance and value of foreign trade in our economic and industrial system. They usually refer to it as merely nine or ten per cent the value of our production. Even Mr. Hoover in his Newark speech in 1928 so referred to it. While the export trade of the United States has not varied much from ten per cent of the total production in many years, the fact remains that many of our principal exports are many times that percentage. Producers of the major products in the export trade are largely, if not wholly, dependent upon that trade for the success of their enterprises. For instance, in 1929, exports of cotton were 54.8 per cent of total production, and have been higher. Wheat, rye, tobacco, lard, refined petroleum products, copper, and many other articles are thus largely dependent upon their export trade. The following table shows some of the important products, with their percentage of total production, exported in 1929:

	Per Cent Exported
Cotton	54.8
Tobacco, leaf	41.2
Typewriters	40.1
Kerosene	39.7
Copper	36.0
Lard	33.3
Lubricating oil	31.0
Printing machinery	29.2
Sewing machines	28.0
Agricultural machinery	23.3
Rye	20.9

Per Cent Exported

Locomotives	20.8
Wheat	17.9
Gasoline and naphtha	13.8
Automobiles	10.0

United States Suffers Heavily

It has been asserted many times by Republican spokesmen that in the general decline of foreign trade, many other nations have lost more than the United States, the principal creditor nation of the world. The facts are that the United States has been the heaviest sufferer in loss of exports of any of the seven creditor nations, and with a much greater percentage of loss than any of the debtor nations. The following table prepared by the Industrial Conference Board shows the decline in the percentages of exports and imports of the seven creditor nations in 1931 as compared with 1930.

	Percentage of Decline	
	Exports	Imports
United States	-36.9	-31.7
Great Britain	-31.8	-17.4
Sweden	-31.5	-18.4
France	-29.0	-19.6
Netherlands	-23.7	-21.7
Switzerland	-23.4	-15.3
Belgium	-11.4	-22.9
Total, all creditors	-31.0	-21.8

Of the debtor nations, Canada was the heaviest loser from 1930 to 1931 with a percentage of 31.7 on exports, but her imports dropped 37.7 per cent.

The enormous loss of the foreign trade of the United States is due primarily to the Republican policy of economic isolation. It is the climax to the tariff policy of that party under almost twelve years of reactionary leadership. The culmination of the policy of economic isolation was the Hoover panic.

The important facts in the history of this policy are succinctly set forth by United States Senator Cordell Hull of Tennessee, an eminent recognized authority on economics and fiscal affairs, from whose statement the following extracts are taken:

Suicidal Republican Policies

"America, following 1920, but had to offer reasonable international co-operation with respect to exchange, finance, credit, and liberal commercial policies, and to give the world leadership in support of a low or moderate tariff and friendly trade policy in order to go forward financially, industrially and commercially, with ample foreign markets for her ever increasing surpluses. Unfortunately, the narrow, blind and

selfish leaders, who dominated the Republican party, decreed the opposite course for this nation during the ten years to follow. They proclaimed the suicidal policy of extreme nationalism or economic isolation, which in its practical application meant that each nation keeping aloof from all others would as nearly as humanly possible live unto itself, producing what it needed at whatsoever cost; that each would fence itself off with impregnable tariff walls and retain its own separate price level, varying in height, but higher than the world level; that the policy of international finance, credit and trade co-operation would be flouted and all domestic producers told to depend upon the home market.

"The first big step was the enactment in 1922 of the Fordney tariff act with rates made abnormally high upon the two-fold pretext that there were some sporadic imports by reason of collapsed exchanges and currencies, and that a flexible provision had been inserted under which the rate structure would be reduced when such imports ceased. In vain did Democrats protest and point out that ours henceforth is essentially an exporting nation; that our future prosperity depended upon a growing export trade, employment, and a prosperous agriculture; and that for the four years 1919-22 our excess of exports over imports was \$9,600,000,000. These ideas were brushed aside by those then as since drunk with power.

Senator Hull Makes Analysis

"Other nations following our leadership proceeded to raise high their respective tariff walls, while others did so in retaliation against us or another country. Under the new American doctrine that every country should produce what it consumes, Japan, India, China, South America, and others went forward with the work of establishing textile, shoe and a large variety of other plants to meet their home needs, while agriculture was expanded for purposes of all home foodstuff supplies, all of which cut off our trade opportunities. Bitter trade strife naturally broke out in many parts of the world, as each nation blocked the exports of another and caused the piling up of surpluses. The Fordney tariff as a fair illustration only permitted imports of dutiable finished manufacturers of \$378,546,000 for 1927 in 1913 dollar values, and this item is the best test of the height of a rate structure. This was but nominal.

"Due to certain temporary and abnormal developments from 1922 to 1928, Republican leaders were able to deceive and mislead the people as to the true effects of their archaic economic policies: First, we proceeded during these years to loan \$15,000,000,000 abroad which chiefly made possible such foreign trade as we have had. Active, though badly distributed and lopsided domestic business was maintained by the unexpectedly large automobile expansion, the expenditure of \$7,000,000,000 on building construction, the expan-

sion of installment sales to \$6,000,000,000, and the expenditure of \$2,500,000,000 on railways and highways. These temporary factors gave us such business activity as we had during those years despite the Fordney high tariff.

"The Hawley-Smoot act was the 'straw that broke the camel's back' in that it precipitated worldwide anti-American feeling, that grows more bitter each month as it causes still higher tariff barriers to be erected against our trade."

While the decline in the foreign trade of the United States can be attributed to the Hawley-Smoot Act as the largest single factor, and to the retaliatory tariffs enacted against it as a second factor, the two together do not wholly account for the 52.9 per cent loss from 1929 to 1931, nor the 67.8 per cent loss for the first five months of 1932, compared with the similar period of 1929. The cessation of foreign loans during the stock market boom period, when money was worth more in Wall Street loans than in foreign investments, also played an important part. Between the end of the War and the height of the stock market boom, people of the United States invested more than \$15,000,000,000 in foreign securities.

This accounted in part for the large export trade of the United States in the post-war period. This large sum not only aided the foreign nations to buy American goods, but also helped them in the payment of their debts due the United States. When these loans ceased, it necessarily had the effect of reducing purchasing power of these foreign nations. The unequal distribution of gold and the reduced purchasing power of more than half the people of the world through the decline in the value of silver also had its effect upon the silver-using nation. But the fact remained that the prime factor in the decline in international trade, not only in this country, but in the principal countries of the world, was the Republican policy of economic isolation climaxed by the Hawley-Smoot Tariff Act and the retaliatory tariffs it provoked. Not only did the retaliatory high tariffs in European countries affect the foreign trade of the United States, but they affected adversely international trade generally, until today the principal nations of Europe are tariff-walled countries.

The Hawley-Smoot Tariff bill, like its predecessors under Republican administrations was framed primarily for the benefit of the manufacturing industry. Despite the high duties in the Fordney-McCumber Act, during the period of loans to Europe where with to finance purchases from this country, the manufacturing industry in 1929 supplied 49.1 per cent of our total exports, amounting to more than \$2,000,000,000. Since the passage of the Hawley-Smoot Act, the percentage of manufactures to the total exports of the United States has dropped to 42.1 per cent and the value has fallen from \$2,000,000,000 to \$690,000,000. So it appears that the manufacturer has been one of the largest sufferers in foreign trade from the tariff policy framed primarily in his interest.

FISCAL AFFAIRS

Republican Extravagance Sets Highest Record of Peace-Time Appropriations—Declining Revenues and Increasing Deficits

A ten billion dollar Congress was President Hoover's first exhibit in the fulfillment of his election pledge to "inexorably pursue present policies of economy in government."

The Seventy-First Congress, Republican in both branches, appropriated for the first two years of President Hoover's administration \$10,249,819,315, as compared with \$9,293,472,592 appropriated by the Republican Seventieth Congress, covering the last two years of President Coolidge—nearly a billion dollars increase.

The last Coolidge Congress was "the high peak of government appropriations for peace-time activities, up to that time," according to Representative Joseph W. Byrns of Tennessee, then the ranking Democratic member of the House Appropriations Committee and now the Chairman of that Committee. "President Hoover's first two years, after deducting drought and unemployment relief have set a new high mark in government extravagance," said Mr. Byrns. Administration apologists at the close of the last Republican Congress attempted to create the impression that this "enormous and staggering total," as characterized by Mr. Byrns, was due to appropriations for the relief of drought sufferers and unemployment, including appropriations for President Hoover's Federal building program, but Mr. Byrns pointed out that the total relief measures amounted to only \$196,000,000, which left practically three-quarters of a billion dollars for the partisan apologists to account for.

"Appropriations for construction of public buildings and Federal aid in road building were a continuation of policies established before Mr. Hoover became President and cannot be classed as appropriations especially made for relief of unemployment," said Mr. Byrns.

The enormous increase in appropriations for the expenses of the general government since the Republican party came into power in 1921, compared with the last peace year before the war—1916—under a Democratic administration, is shown in the following table:

Annual Appropriations (Including Post Office Dept.)

Fiscal Year	
1916 (Dem.)	\$1,114,490,704.09
1921	4,780,829,510.35
1922	3,909,282,209.46
1923	4,248,140,569.99

Fiscal Year

1924	4,092,544,312.04
1925	3,748,651,750.35
1926	4,151,682,049.91
1927	4,409,463,389.81
1928	4,211,011,352.58
1929	4,633,577,973.85
1930	4,665,236,768.04
1931	5,124,239,830.28
1932	5,026,046,098.18

Not only have the appropriations for the maintenance of the government increased nearly \$4,000,000,000 a year since the last peace time Democratic year but more than \$3,000,000,000 have been added to the public debt under the administration of President Hoover dating from the end of the fiscal year June 30, 1929. The following table up to and including the end of the fiscal year June 30, 1932, shows the amount of the public debt for each of those years:

Gross Public Debt

June 30, 1929	\$16,931,088,484.10
June 30, 1930	16,185,309,831.43
June 30, 1931	16,801,281,491.71
June 30, 1932	19,487,002,444.13
June 30, 1932	19,487,002,444.13
June 30, 1930 (the low point in the Hoover regime)	16,185,309,831.43
Increase	\$3,301,692,612.70

During more than a decade of Republican incumbency, the surplus revenues from over-taxation which were applied to the reduction of the public debt amounted to \$3,460,000,000. This amount is wiped out by the Hoover deficits of the last two years, amounting to \$903,000,000 in 1931 and \$2,885,000,000 in the fiscal year 1932, a total of \$3,788,000,000. So that, except for the requirements of the sinking fund, the public debt is as large as it was in 1929.

In this connection, the reduction of the public debt under the last Democratic administration furnishes a striking comparison with its reduction since. The public debt was at its peak on August 31, 1919. Prior to March 3, 1921, there had been a net reduction of \$2,549,000,000 in nineteen months under the Wilson administration. In addition to this, that administration bequeathed to its successor cash assets amounting to \$3,786,000,000, making a total reduction to be properly credited to the Wilson administration of \$6,335,000,000.

Not only has the Hoover administration set the highest record in peace-time expenditures, but it has asked the

Congress for much larger sums each year, which have been denied. For the fiscal year 1931, Congress cut the President's budget \$25,155,353.30. For the fiscal year 1932, the cut was \$29,368,255.39. For the fiscal year 1933 a Democratic Congress cut President Hoover's budget \$334,294,094.18, a total cut for three years of \$388,817,702.57. The total cuts made in the budgets of Republican Presidents beginning with the fiscal year 1923 amounts to \$749,008,830.44, and more than half of this was made in the last session of Congress in which the Democrats had control of the House and the Republicans only a nominal control of the Senate.

In the closing days of the last Republican Congress, Seventy-First, Representative Byrns, the ranking minority member of the Appropriations Committee, said:

Under-Statement Estimates

"Some time ago the President declared that the government was confronted with the possibility of a deficit on June 30, this year (1931), of at least \$180,000,000. In a statement which I later made on the floor of the House I declared that this deficit would amount to not less than \$400,000,000 and possibly reach the sum of \$500,000,000. It now appears that the deficit may even be larger than this. The fact, however, that such a large deficit was impending did not deter the President from submitting requests for the large appropriations which a Republican Congress has enacted into law. (\$5,006,590,307.00)"

Notwithstanding the threatened huge deficit, which finally amounted to \$903,000,000 in the fiscal year 1931, and notwithstanding continuous declines in the revenues which plainly forecast a huge deficit in the following fiscal year, President Hoover refused to call a special session of the Congress, elected in 1930, to meet the unprecedented situation in government finances. When the Seventy-Second Congress convened in regular session in December, 1931, the Democratic House inaugurated a program of a drastic reduction in government expenditures. The net results were that the appropriations were reduced \$1,140,000,000 in round figures and the President's budget estimates reduced \$334,000,000, as stated by Representative Byrns, Chairman of the Appropriations Committee of the House. After detailed review of these drastic reductions, Chairman Byrns said:

"This is a remarkable showing and demonstrates to the country that Congress has responded to the appeal of the nation for a drastic reduction in government expenses. There can be no doubt but that the record made by this Congress at its first session is unequalled by any previous session of Congress in peace time."

"Let it be said also that this move in the interest of economy was undertaken long before the special messages of the President were sent to Congress urging that it be done. It was started back in December when the House Appropriations Committee first began to hold hearings on

estimates submitted by the President for the annual supply bills, and a number of these bills carrying substantial reduction had been actually reported to Congress before the first message appeared. It should also be said that these messages of the President consisted of mere generalities and there was no specific recommendation for the reduction of any particular item, notwithstanding the fact that the President has at his command the Bureau of the Budget and every department and bureau of the government to advise him on the subject, and the further fact that under Section 209 of the Budget and Accounting Act of 1921, the President had specific authority to make studies of duplications and overlapping of government activities and to recommend eliminations and consolidation. It is evident that he had neglected to take advantage of this provision, and the credit for these reductions belongs to Congress."

Democrats Lower Appropriations

The following table shows the appropriations for the fiscal year 1932, the highest in peace-time history compared with those of the fiscal year of 1933, made by a Democratic House and a Senate in which the Republicans had only a nominal majority:

Department	1932	1933
Legislative	\$29,135,754.65	\$18,815,941.00
Executive offices and independent offices	1,914,309,124.58	1,064,333,591.00
Agriculture	301,554,374.85	186,883,236.00
Commerce	54,719,600.70	39,714,408.00
Interior	85,983,075.53	66,611,174.35
Justice	51,469,855.81	45,996,000.00
Labor	15,791,281.60	12,924,770.00
Navy	360,111,406.56	318,906,141.00
Post Office	843,128,855.54	806,104,675.00
State Department	18,951,175.54	13,694,792.89
Treasury	1,429,640,649.98	1,411,831,075.00
War	464,334,233.46	408,655,053.00
District of Columbia ...	49,416,709.38	44,497,622.00
Emergency Relief and Construction		322,224,000.00
Grand Total	\$5,618,546,098.18	\$4,761,192,479.24
Estimated postal revenues	592,500,000.00	725,000,000.20
Grand Total less estimated postal revenues	\$5,026,046,098.18	\$4,036,192,479.24
Estimated savings account of Economy Act		150,000,000.00
Net Total deducting savings account Economy Act	\$5,026,046,098.18	\$3,886,192,479.24
Net Reductions	\$1,139,853,618.94	

One test of Presidential economy is found in the expenditures of the Executive Office (White House), which are wholly under the control of the President. The following table shows appropriations for the Executive Office for the fiscal years 1915 to 1932, inclusive, but not including appropriations for White House police and items not properly chargeable as actual administrative expenses.

1915	\$263,040
1916	263,040
1917	268,880
1918	331,380
1919	284,380
1920	285,180
1921	293,680
1922	310,480
1923	333,040
1924	374,880
1925	333,320
1926	390,569
1927	718,560
1928	337,560
1929	336,280
1930	724,120
1931	409,820
1932	457,380

Hoover "Economy"

Another personal exhibit of Hoover economy is shown in the appropriations made for the Department of Commerce during the incumbency of Mr. Hoover as Secretary. The first budget year after Mr. Hoover took over the Department of Commerce portfolio was 1923. The last year of Mr. Hoover's incumbency was the fiscal year of 1929, beginning July 1, 1928. The Department of Commerce appropriations for those years were:

1923	\$18,651,805
1929	38,136,960

With Mr. Hoover's accession to the Presidency, his interest in the expansion of the Department of Commerce evidently continued, as evidenced by the appropriation for that Department for the fiscal year 1932 of \$54,332,230.

President Hoover's interest in the Department had also displayed in the huge building program which he inaugurated in the District of Columbia, with the result that the largest public building in the world now houses Mr. Hoover's pet Department. The new Department of Commerce building in Washington cost the taxpayers of the United States \$17,500,000. It has a floor space of 1,092,000 square feet and houses 5,000 employees. The ground space covers five ordinary city blocks—an area as great as the Capitol building, the White House and the Congressional Library com-

bined. The ground is valued at \$30,000,000.

The new Department of Commerce building partly by reason of its gorgeous interior has been likened to the splendors of Solomon's temple.

During the last years of its construction, the foreign commerce of the United States declined about \$5,000,000,000.

The record of Mr. Hoover, both as a Cabinet Officer and as Chief Executive, in the matter of extravagant expenditures of public money, serves to recall an estimate of him made by Senator William E. Borah of Idaho in the United States Senate on January 18, 1919, when Mr. Hoover was seeking a \$100,000,000 appropriation for European relief.

Senator Borah said:

"Whatever may be the great ability of Mr. Hoover, there is one individual whom he does not know exists in this country, and that is the taxpayer. He seems to think that money comes like manna to the children of Israel from Heaven and not from the sweat and toil and sacrifice of the people. He has no conception of the existence of the taxpayer, and his distribution of funds is utterly regardless of his existence."

THE FORGOTTEN MAN

By FRANKLIN D. ROOSEVELT

The present administration in Washington provides a close parallel. It has either forgotten or does not remember the infantry of our economic army. These unhappy times call for the building of plans that put their faith once more in the forgotten man at the bottom of the economic pyramid.

THE HOPE OF AMERICA

By FRANKLIN D. ROOSEVELT

What do the people of America want more than anything else? Work; Work, with all the moral and spiritual values that go with work. And with work a reasonable measure of security—security for themselves and their wives and children.

A VICIOUS TARIFF

By JOHN N. GARNER

Striking direct at the workingman, the farmer and the small business man—the real foundation upon which American progress and prosperity has been established—the Hawley Smoot tariff places an unjust and unnecessary burden of hundreds of millions of dollars annually upon those already overburdened by the gradual development of a tariff system which extends special favors to the few at the expense of the masses.

I attach considerable significance to the fact that such of the 17 individuals contributing \$10,000 to the Republican campaign funds has been a beneficiary of the extremely liberal policy of the Treasury with respect to tax refunds, credits and abatements.

PROHIBITION

The Fallacy of Enforcement; Cost of Crime; Loss of Revenue; Reasons for Repeal

Facing the realities in regard to Prohibition, instead of obstinately insisting on maintenance of dry legislation that has plainly failed to achieve a desired result, millions of people in the United States who were formerly classed as dry, are joining now in the movement for the repeal of the Eighteenth Amendment. Back of this change of attitude lies a genuine conviction that repeal is necessary, not only as a means of reopening a way to renewed strength for the cause of real temperance, but as a national emergency measure for the abolition of gangster power in the United States and as an immediate means of alleviating partially the economic stress due to unemployment and the obstructed circulation of money.

Succinctly stated, the reasons for repealing the Eighteenth Amendment are as follows:

- (1) None of the arguments advanced as a reason for enactment of the Eighteenth amendment, with its accompanying Volstead Act, has been vindicated by the actual results as shown by unbiased statistics as to the operation of prohibition in this country.
- (2) The doubled cost of prison maintenance, due to the increase in crime during the past twelve years, has added heavily to the tax burden of the people; police costs have trebled and, despite the doubled number of police officers, crime grows in strength and boldness daily.
- (3) For every former licensed saloon, there are now three unlicensed saloons; and court calendars, with their record of arrests for drunkenness, show that more liquor is being consumed today than during any period prior to the enactment of the Eighteenth Amendment.
- (4) Corruption growing out of the illegal traffic in whiskey has assumed proportions alarming to all clear-thinking, well informed adherents to constituted law and order.
- (5) Instead of cutting down drinking among the young people of the country, Prohibition has resulted in a startling increase in drinking in a group in which ages range so low as to warrant some of them being classed as children merely.
- (6) There has been a cost to the nation ranging from a low estimate of more than five billion dollars to more than ten billion dollars, with no decrease in the per capita consumption of alcoholic drinks and with only a record of unparalleled lawlessness to offset loss of revenue and cost to the nation.

Enforcement Cost

Two separate private investigations place the gross cost of ineffective enforcement efforts at \$370,000,000 and \$324,000,000, respectively, for the twelve year period from 1920 to 1931, while Col. Woodcock for the ten year interval between 1920 and 1930 places the enforcement cost at \$228,000,000.

One need only go to the Wickersham report to prove conclusively that all these figures as to the cost of enforcement are conservative in the extreme. The government in its calculations has never taken into account any portion of the additional burden which the prohibition law has thrown on the administration of criminal justice, other than a round figure of \$8,000,000. The Wickersham Commission estimated that 66 per cent of the cost of the administration of criminal justice by the federal government, or \$34,828,550 out of a total \$52,786,202, is attributable to prohibition. The costs making up this \$34,828,550 are divided as follows:

Police	\$25,644,069
Prosecution	996,720
Courts	4,308,004
Penal institutional treatment	3,842,416
Probation and Pardon	37,339
Total	\$34,828,548

The inclusion of this estimate virtually doubles the annual cost which may be placed against enforcement of the Eighteenth Amendment.

The government has, however, always contended that there was a balance in its favor due to the collection of taxes, fines and penalties.

This creation of a credit balance in favor of prohibition is, however, manifestly unfair since it does not take into account the revenue which would have accrued to the United States had the Eighteenth Amendment not been adopted.

The revenue derived from liquor taxation in 1919, the last year before prohibition, was \$483,050,854 made up of \$365,211,252 in taxes on distilled spirits and \$117,839,602 on fermented liquors. Without making any allowance for either an increase in population or higher taxation, it is self evident, therefore, that the government has lost \$483,050,854 for each of the twelve years since the prohibition amendment became operative. The total loss in revenue for the twelve years is at least \$5,796,610,248. The amount actually collected through taxation on legal alcoholic beverages in the same interval does not exceed, taking the prohibition bureau's own figures, \$600,000,000, leaving a net revenue loss of at least \$5,196,610,248. Add to this the \$228,000,000 for the cost of enforcement and the total which the government has lost and spent during the twelve years is in excess of \$5,424,610,248.

Tremendous Loss in Revenue

The conservatism of this estimated, made by Charles G. Ross of the St. Louis Post Dispatch, is illustrated by the figures of the research department of the Association Against the Prohibition Amendment which estimates the loss in tax revenue for the twelve year period to be \$10,988,000,000. The loss in revenue for 1931 alone is estimated at \$1,000,000,000. The figure is arrived at by applying to the fifteen wet states at the time prohibition went into effect, the per capita consumption which prevailed throughout the entire country from 1910 to 1914. The excise rates in force in 1919, which have never been released, were applied to this estimated consumption.

The tax return on beer alone, the Association says, would be calculated to bring in an amount virtually as great as that which it was sought to produce through the medium of a sales tax at the last session of Congress. The maximum production of beer in the United States was a little over 66,000,000 barrels of thirty-one gallons each. A tax of \$6 a barrel on this production would yield the government about \$400,000,000.

The change in the fiscal policy of the government brought about by prohibition may easily be discerned by a study of past and present tax collections. During the greater part of the period from the close of the Civil War to the adoption of the federal income tax, from 60 to 75 per cent of all internal revenue was collected from liquor taxes. During the war period and since the adoption of the prohibition amendment taxes on income, profits and estates have been responsible for the greater portion of the internal revenue. The percentage of the whole derived from the latter sources has ranged from 65 to 80 per cent.

Although these two estimates of the cost of prohibition to the tax payer show that the loss in revenue has equaled from one third to more than one half of the national debt, neither one of them takes into account the loss which the wet states and cities have suffered through the non-collection of state and municipal taxes. One estimate, which appears to be conservative, places the additional burden on state and city tax payers at \$600,000,000.

Another phase of the economic effect of prohibition, which must be considered, is the loss sustained by those who were formerly directly engaged in the legitimate manufacture, transportation and sale of intoxicating liquor, and by other groups who supplied the materials used in the manufacture of intoxicating liquor.

Herman Feldman, in his book "Prohibition—Its Economic and Industrial Aspects" has given considerable attention to this phase of the problem. With regard to brewery property, Feldman reports that the investment in such property, which in 1914 amounted to \$792,914,000, is almost a total loss. Similarly, the \$91,000,000 invested in distilleries has been

almost a total loss. This capital investment would be necessary if prohibition is repealed.

Unemployment Increased

Before prohibition, roughly 70,000 wage earners were employed in the manufacture of beer, wine, and spirits. In addition to this number a large number of glass blowers, coopers and others were engaged in industries which supplied materials for distillers and brewers.

Two sources are in agreement in estimating that the per capita consumption of alcoholic beverages has changed but little under prohibition, in comparison with the period prior to the adoption of the Eighteenth Amendment. As recently as July 27, 1932, Dr. Clark Warburton in an investigation of "The Outlaw Alcoholic Beverage Industry," published by the Columbia University Press, stated that the consumption of beer today is between one-third and one-fourth of what it was in pre-prohibition days; the consumption of wine greater by seventy per cent and the consumption of spirits ten per cent more between 1927 and 1930 than it was between 1911 and 1914. John C. Gebhart, research director of the Association Against the Prohibition Amendment, in an estimate published in October, 1930, said:

"We are now consuming annually 790,000,000 gallons of beer, 110,000,000 gallons of wine and 200,000,000 gallons of spirits. The per capita consumption of beer is a little over one-fourth of the pre-war consumption. Wine consumption has nearly doubled, and spirits consumption is now about one-tenth in excess of the pre-war per capita rate."

Cost of Prohibition

The two investigators disagreed as to the amount involved in the annual drink bill. Dr. Warburton estimates the liquor bill for the year 1929 at \$5,000,000,000 with a recession to \$4,000,000,000 in the depression year of 1930. Mr. Gebhart estimates the expenditures on alcoholic beverages for the year 1929 at \$2,848,000,000.

The peak figure of liquor consumption before prohibition, reached in 1913, provided a total drink bill for the country of \$1,817,000,000. This figure, it should be remembered, included federal and state revenue. Deducting these, the net drink bill in 1913 was \$1,474,000,000. A generous estimate of what the liquor bill might be today had prohibition not been adopted and allowing for the increased population, would hardly exceed \$2,500,000,000, Mr. Gebhart believes.

It seems obvious, therefore, that the illegal liquor trade not only is fully as large as that which existed legally prior to 1919, but that, all forms of taxation are being avoided by those engaged in this illegitimate but gigantic industry.

Both Dr. Warburton and Mr. Gebhart agree that prohibition has not been a significant factor in the prosperity which the United States enjoyed prior to 1929.

"Prohibition," says Dr. Warburton, "was not a significant factor in the increased purchases of automobiles, radios, electrical appliances, household equipment or other consumers' goods during the period of business prosperity from 1923 to 1929. Prohibition, aside from the first year or two, has had no appreciable effect upon savings deposits, life insurance carried, deposits in buildings and loan associations, or other forms of savings and investments."

"Prohibition has had no appreciable effect on savings," said Mr. Gebhart. "Not only has there been no real reduction in liquor expenditures, but savings have merely kept pace with increases in national income."

"Prohibition has added no mysterious fund to the purchasing power of the nation. The increase in national wealth, especially the rise in real wages, is really responsible for the greater purchasing power since 1920. Moreover, it is utterly fallacious to credit the increase in the sales of automobiles, radios, mechanical refrigerators and electrical equipment to prohibition. These are all relatively new commodities; many of them were unknown or undeveloped before 1920. Inventions, improvements in design, together with installment buying and large scale advertising, have made possible the widening market for such commodities."

On the same point the Wickersham report said:

"There has been an increase in savings, evidenced especially by savings deposits. As to this allowance must be made for the result of the vigorous campaign for thrift during the war, for the effect of increased activity of banks in stimulating savings deposits, for increased wages in the era of industrial prosperity following the war and for the growth of the idea of investment during that era. Nor may we overlook the change in our standard of living whereby it has become the general custom that the wives and daughters of workers are employed for a whole or a part of their time. Moreover, there was a great and steady increase in savings before prohibition. It cannot be said that anything is clearly established on this point."

A Super-Structure of Crime

The effect of prohibition on law and order is evident in almost every community. There are glaring examples in the larger cities that need no amplification. The press is full not only of the doings of "Beer and Alky Barons" but the police records of the nation testify that the overlords of this industry have taken the law as they wish to have it enforced into their own hands, and dispense justice by putting violators of their code "on the spot." Graft and corruption have been all too frequently exposed.

It is impossible even to summarize the record of this phase of Prohibition. To do so would require several volumes.

Prohibition is, however, almost solely responsible for the crowding of Federal Court calendars. Prohibition cases now account for two thirds of all cases handled in federal district

courts. At the present time more than 50,000 criminal cases, involving infractions of the Volstead Act, are terminated annually.

The accumulation of prohibition cases has not only impeded the trial of other criminal actions but it has retarded the trial of civil cases to which the United States is a party. Padlock injunction cases, libel suits for the confiscation of contraband liquor, boats and vehicles used in transporting liquor now make up over half of all the civil cases to which the United States is a party.

The number of civil proceedings in the Federal courts growing out of prohibition was 92 in 1920. At the present time the number of such cases exceeds 12,000. Most of these actions are applications for padlock injunctions. In 1920 only 16.6 per cent of all Federal civil cases involved prohibition. The ratio is now above 50 per cent.

Flood of Litigation

Despite this flood of litigation which has clogged the machinery of the Federal courts there has not been, even the champions of prohibition acknowledge, adequate enforcement of prohibition. Emory Buckner, former United States District Attorney for New York, told a Congressional committee in 1926 that the only way in which the prohibition law could be enforced was to increase greatly the number of courts and court personnel, as well as field prohibition agents. The same witness estimated that it would cost \$20,000,000 for an adequate enforcement program in the New York district alone, provided jury trials could be eliminated. With jury trials, he said the cost would be \$70,000,000. With these estimates as a basis, and the knowledge that 20 per cent of the prohibition cases are tried in New York, it can be seen that to carry out Mr. Buckner's program then would have cost between \$100,000,000 and \$350,000,000 annually for the whole country.

The following quotations from the Wickersham report summarizes the condition in which the courts are at present:

Court Calendars Clogged

"In the first five years of national prohibition, the volume of liquor prosecutions in the Federal courts had multiplied by seven and federal prosecutions under the prohibition act terminated in 1930 had become nearly eight times as many as the total number of all pending federal prosecutions in 1914. In a number of urban districts the enforcement agencies maintain that the only practicable way of meeting this situation with the existing machinery of federal courts and prosecutions is for the United States Attorneys to make bargains with defendants or their counsel whereby defendants plead guilty to minor offenses and escape with light penalties."

"The effect of the huge volume of liquor prosecutions, which has come to these (Federal) courts under prohibition, has injured their dignity, impaired their efficiency, and endangered the wholesome respect for them which once obtained."

Prisons Overcrowded

Not only the Federal courts have been clogged through prohibition. The Federal penal institutions are dangerously overcrowded. There has been no material increase in the prison population for violation of other laws, but the normal capacity of every Federal penitentiary has been exceeded for years. The Department of Justice obtained an appropriation of \$7,000,000 in 1930 for additional penal construction. The Attorney General has already stated that more money will be needed. Not all those convicted of violation of the prohibition law are sent to Federal institutions. Those sentenced for a year or less are "boarded" in state or county institutions. Definite figures as to the distribution of prohibition law violators are not available, but it is estimated that only slightly more than 10 per cent of those convicted have been confined in Federal institutions.

Practically all of the increase in the cost of the care of Federal prisoners since 1920 can be attributed to the burden imposed by the prohibition law. The total expenditures for all prison work by the Federal government has risen from more than \$3,000,000 in 1923 to above \$9,000,000, an increase of close to 200 per cent, chargeable almost entirely to prohibition.

In a survey made in 1930 Mr. Gebhart reached the following conclusion on this phase of the problem:

"The congestion in our federal courts is due solely to national prohibition. If we exclude two wartime acts, the selective draft and espionage acts, as well as prohibition cases, there has been no material increase in the number of criminal cases handled by the federal courts. By 1925 the dockets were cleared of practically all of these wartime cases.

"The increase in 'normal' criminal cases in the federal courts, exclusive of prohibition and wartime cases, since 1920 has only been 3.9 per cent.

"Civil cases to which the United States is a party have been greatly increased by padlock injunctions and libel suits brought in under prohibition. Such civil cases have increased 347 per cent since 1920, but if we exclude prohibition actions the increase is only 117 per cent.

"Federal courts and the personnel of the Attorney General's department have never been increased sufficiently to take care of the 70,000 prohibition cases which the courts must handle each year. In spite of the resort to 'bargain

day" proceedings and the injunctive process to avoid jury trials, federal court calendars are still congested. Other important work of the federal courts, both criminal and civil cases as well as private suits and bankruptcy proceedings, has been seriously retarded. Because of the crowded dockets many private civil suits are now settled out of court.

Prison Population Doubled

"Federal prisons are now filled to twice their normal capacity. If there had been no prisoners for violation of the Volstead act there would have been no increase in the number of federal prisoners since 1920. Last year 16,783 persons convicted of violating the prohibition law were boarded out in state and county jails, to add to the already overcrowded condition of these local institutions.

"The effect of liquor law violations, both state and federal, on the crime problem can not be measured by the number sent to federal and state prisons and penitentiaries. Only a small proportion of those convicted are given felony sentences. No one knows exactly how many liquor law violators are now in federal, state and county penal institutions. According to our conservative estimate there are at least 50,000 such prisoners."

The Wickersham Commission in its report said:

"The operation of the National Prohibition Act has also placed a greatly increased burden upon the Federal penal institutions, which seems bound to increase with any effective increase in enforcement. The reports of the Department of Justice show that the total Federal long term prison population, i. e., prisoners serving a sentence of more than a year, has risen from not more than 5,268 on June 30, 1921 to 14,115 on June 30, 1930."

There remains to be considered one aspect, the lives lost in the vain pursuit of enforcement. Figures compiled by Cole E. Morgan, of the Washington Herald, and inserted in the Congressional Record on January 18, 1930, showed that 1,360 men, women and children had been the victims of "shotgun" enforcement in the ten year period beginning January 16, 1920. The figures were the result of a questionnaire sent to every state and the District of Columbia. It is interesting to note that this survey disclosed more than seven times the number of deaths reported only a month earlier by Commissioner Doran. An analysis of the "shotgun" deaths revealed that 402 of those slain were officers and 958 civilians.

A revision of the figures a year later by the same authority, found in the Congressional Record of February 5, 1931, placed the total of "shotgun" deaths at 1,550, 494 officers and 1,056 civilians.

Governor Roosevelt says: A platform is a proposal and at the same time a promise binding on the Party and its Candidates.

FRANKLIN D. ROOSEVELT AND "BIG BUSINESS"

(From N. Y. Times, March 21, 1932)

"Big business" has "absolutely nothing" to fear from Governor Franklin D. Roosevelt as President William H. Woodin, President of the American Car and Foundry Company, Chairman of the Board of the American Locomotive Company and director of the Federal Reserve Bank, declared yesterday in a statement made public by the Roosevelt headquarters.

"I understand that a propaganda has been set in motion, quietly and covertly but persistently, designed to install the fear that the Governor's attitude and policies are inimical to big business, so called," Mr. Woodin said. "To anyone who knows Roosevelt as I know him the suggestion is absurd—unless by big business is meant bad business. In him, bad business, whether big or little, will find a relentless and dauntless enemy."

Outstanding Trait: Fairness

"As I have studied him, the predominating trait in the Governor's attitude toward men and affairs, political and otherwise, is fairness. The big owner and the small consumer are to him just men like himself—each entitled to fair treatment and a square deal not only from those charged with the administration of public affairs, but from each other as well, and he will do his utmost to see to it that each gets what he is entitled to, no more but no less. He realizes fully that as President, his duty will be to the public, and to his thinking the small user is no less a component of that public than is the big owner.

"By tradition and training he is antagonistic neither to the rights of invested capital nor to the rights of those whose capital is their industry, self-respect and ability to produce. To his thinking there is no distinction to be drawn between the classes and the masses and the attempt to draw any such distinction is abhorrent to him as fundamentally at variance with his conception of the principles upon which our government is founded and as subversive of the ideal sought under our theory of government—equal opportunity for all."

"The Democrats are fortunate to have a candidate like Roosevelt for whom such a combination of political availability and genuine qualifications for the highest office in the land, if not in the world, can be cited."—Detroit Mich. News.

WATER POWER

The St. Lawrence Project, and the Hoover Treaty

Water power means the production and transmission of electric energy to the people, to their homes, their farms, their industries, and to municipalities.

A corporation selling electric energy to the public is a public utility.

The Democratic platform affirms the principle of the right of the Federal government to regulate to the full extent the rates of utility companies operating across State lines.

Water Power Belongs to the People

Mr. Roosevelt holds that it is a fundamental principle that the Water Power of the State should belong to the people; that the title should rest forever with them and that no Commission or the Legislature itself has the right to give for any consideration whatever, a single kilowatt in virtual perpetuity to any person; that it is the duty of the Legislatures to see that the Water Power, belonging to the people, is transferred into energy and delivered to them at the lowest possible cost; that no inordinate profits must be allowed, and that the State itself must decide what part of the function of the construction of transmission lines and final distribution of power private enterprise shall receive; that where private enterprise fails to create and transmit power at reasonable rates the public should have the right to erect its own power stations and distribute electric energy.

Mr. Roosevelt believes that this is a national question, though regulatory control may come under State legislation.

Government Control and Regulation

It is not Mr. Roosevelt's belief that existing and new power corporations should have their efficiency or opportunity of extension impaired through government control and regulation, but that all public utilities that are engaged in the production and transmission of electric energy should be required to render service at reasonable rates; that their capital structure, their methods of financing; their issuance of securities; their conduct and overhead costs, and their legislative propaganda, should be revealed to the public and subject to State or Federal regulation.

This policy of government regulation, holds Mr. Roosevelt, applies not only to States, but to "all those great sources of power which fall under the jurisdiction of the National Government."

Power Must Not Be Exploited by the Few at the Expense of the Many

It is fundamental that power energy, whether used as such or transformed into light or heat, concerns every man's pocketbook and every woman's work. The right and title to great sources of electric energy are vested inalienably in the people. That they should never be permitted to be exploited by the few at the expense of the many, is fundamental; that there is a sharp distinction between companies that are soundly financed and those which create top-heavy capitalization. The advanced standards of living, coordinating with modern mechanisms depending upon the electric energy, concern every home, every factory, every electrified railway, every electrified means of communication, and every electrically powered farm, home and industry in this country. While the development of water power may continue to come largely through private enterprise, it must be conducted so as to render justice to all concerned; capital, consumers, and stockholders. This can only be insured by government regulation.

That is the Democratic doctrine—The Roosevelt principle.

The St. Lawrence Project

To develop the vast unused potential hydro-electric power of the St. Lawrence Rapids, bordering the State of New York, Mr. Roosevelt, as Governor of the State, encouraged legislation and signed a bill March 29th, 1930, providing for a Commission to report a plan for the project. This Commission made an extensive report, the conclusions of which were that the project was practical and recommended the creation of a Power Authority of the State of New York. In 1931, Mr. Roosevelt gave his approval "in principle" to a bill creating such a board of trustees. This bill, Governor Roosevelt stated, conformed in principle to his messages to the Legislature in 1929 and 1931. "It declares that the primary purposes of the development of this electricity is for the benefit of the people of the State, so that the homes and farms of the State may receive cheap electricity, and that only the secondary purpose is the furnishing of cheaper electricity to factories and industrial establishments."

Under the bill establishing the Power Authority the State would be enabled to contract with existing companies or new companies for the use of the water power of the State, under conditions that must be favorable to the consumers, and protect the natural water power resources of the State.

Mr. Roosevelt was never opposed to a reasonable return for private ownership of water power, transmission lines and distribution costs, but he states, "power generated by the agency of the State... shall be sold only on a contract basis which will take into definite consideration all the steps between the sale at the power house and the ultimate sale to the home owner or individual establishment."

Public Ownership Permissible where Private Ownership Fails to Give Reasonable Rates

Mr. Roosevelt holds that where private enterprise fails to serve the public at reasonable rates, the people should be permitted to establish their own power plants. That is hardly a new or radical departure from existing practices. Municipally owned power plants now dot the nation. It is an alternative for the people to decide. If the people insist upon regulation and control of water power, they will not be obliged to construct municipal plants. The history of power exploitation, however, is that unless the people act in concert and demand control and regulation, private greed may seize their most precious natural possessions.

To safeguard the people's inherent proprietary rights in their own Water Power in New York State, Governor Roosevelt, May 6, 1931, carried out the recommendations of the Development Commission and the Act of the Legislature and appointed the Power Authority, "to improve the St. Lawrence River for commerce and navigation, and to develop its hydro-electric power resources;...to cooperate with the Canadian authorities and those of the United States to proceed with the improvement and development of the International Rapids section for navigation and power, in accordance with the report and plan of the development Commission."

Safe-Guarding the Domestic and Rural Consumers

The law invested the Trustees of the Power Authority with power particularly to protect the domestic and rural consumers....in the lowest possible rates....to make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electrical current may receive a reasonable share of power generated by the project....at prices representing cost of generation, plus capital and operating charges, plus fair cost of transmission, all as determined by the Power Authority....which shall assure the resale of such power to domestic and rural consumers at the lowest possible rates.

The water power project of the St. Lawrence was thus made a State owned development, to be financed by bonds to be paid in fifty years out of the proceeds in excess of revenues.

International Treaty Delayed

The functioning of the New York State Power Authority was dependent upon an understanding or treaty between the United States Government and the Dominion of Canada. The position of Mr. Roosevelt's Power Authority was that it should be consulted as to the rights of the State of New York before a treaty on the subject of the St. Lawrence power project was entered into.

Despite the fact that the Power Authority entered into informal conferences with the Province of Ontario and the Canadian Hydro-Electric Commission, with mutual assurances of a common desire to develop the St. Lawrence power, and the assurance of the Secretary of State of the United States that the Federal Government was making treaty "progress" through diplomatic channels, no real program was evident. The Power Authority was not taken into the international conferences at Washington on the subject.

It was the position of the Power Authority that work on the water power project should begin at the earliest possible moment, "as a means of relieving unemployment and supplying the people and industries of the State with cheaper electrical energy."

The average monthly payroll of the American employees at the site of the hydro-electric development was estimated to be a total of \$1,475,000 per month, aside from the impulse given to industry providing material and mechanical equipment, amounting to many millions of dollars.

In June, 1931, Governor Roosevelt, wrote President Hoover appraising him of the fact that he understood, unofficially, that American plenipotentiaries were to be appointed to negotiate with Canada on a St. Lawrence Waterways Treaty. He requested that the Power Authority have representation on the Commission, suggesting a name to represent the State of New York.

The Chairman of the Power Authority also requested a conference with President Hoover on the proposed project.

In July Mr. Hoover informed Mr. Walsh, Chairman of the Power Authority, that the "movement for the consummation of such an agreement (with Canada) was wholly dependent upon the Canadian Government," and that "sometime in the near future" he "hoped such an agreement could be worked out."

The President Snubs New York

To the Governor of New York, the President made no reply. The whole correspondence was referred to the State Department, according to the President's Secretary, August 14, 1931. In October, Chairman Walsh again addressed the President, urging the recognition of the property rights of the State of New York, as a basic precedent to negotiations with Canada, and insisting that where the "joint interest of the United States Government and one or more of its Sovereign States were involved, an understanding should be reached between the State and Federal Government as a condition precedent to entering upon negotiations with a foreign nation."

The communication was referred to the Secretary of State. Protests were of no avail. The Hoover administration continued its negotiations with the Dominion of Canada through its own agencies. The State of New York was ignored, until the insistence of the Chairman of the Power

Authority of New York's right to participate in conference with respect to its own waterways, brought an invitation from the Secretary of State to come to Washington and present in writing to the State Department, "the particular matters which the Power Authority had in mind." This was in the latter part of October, 1931. On the 28th, the Power Authority submitted a brief of its position on the entire question of the rights of the State of New York in the St. Lawrence Waterways Project, court decisions, rulings of former Presidents, excerpts from speeches by Herbert Hoover, reports by the Federal Power Commission, opinions of former Secretaries of State, and other documents to substantiate the appeal of Governor Roosevelt and the Power Authority. In reply in November the Secretary of State ruled that "it would seem to me unnecessary and indeed unwise to attempt to arrive at any agreement or definite adjustment in respect to the claims of the State of New York until at least substantial progress has been made towards the conclusion of a treaty between the United States and Canada."

The Secretary further stated:

"Whatever the rights of the State of in respect to any electric power developed by the navigation project on the River along the international boundary, Utilization of that electric power must in the end depend upon the authority and permission of the Federal Government."

Hoover Administration Nullifies the Work of the Power Commissions

This position practically nullified the work of the New York State Development Commission and the demands of the Power Authority to "sit in" on the treaty negotiations with Canada.

When the treaty finally took form in July, 1932, through the secret channels of diplomacy, Governor Roosevelt, cutting red tape, wired President Hoover, protesting the rights of the State of New York, and appealed to the President for a meeting before the Treaty was signed.

Mr. Roosevelt's request was denied in a somewhat cavalier manner by the White House Executive, who authorized a Treaty July 18.

As a matter of fact, the international negotiations had only actually been under way for eight months, five months after Governor Roosevelt formally notified the President, June 11, 1931, that the State was prepared to undertake power development on this side of the St. Lawrence River through the agency of the Power Authority.

The matter now rests with the Senate Committee on Foreign Affairs at Washington, through which the State of New York will be able to protect properly the rights of the people.

No treaty on this project can take effect until ratified by the Senate and the Dominion Government.

"The question raised by the St. Lawrence Treaty will rebound to the benefit of the Democrats," says Senator Harrison of Mississippi; "President Hoover delayed action on the treaty with the idea of making it an issue that would help the Republican Party among the Western farmers."

"While the St. Lawrence project might offer navigation advantages," declares Senator Lewis, of Illinois, "the opportunity that would most appeal to the masses would be reduced electricity rates."

Under this treaty, the St. Lawrence International Rapids section can function only under a Joint Commission of ten members, not subject to executive, legislative or judicial control, except as otherwise provided, and shall have complete power over all construction and disposition of power.

The St. Lawrence power project and waterways might as well be a Muscle Shoals and a Panama Canal, as far as State rights are concerned, should this treaty go into effect without change.

It represents a presumption and assumption of Federal Power that should be opposed by every State and its people, concerned with preserving the inherent rights in water power, within its jurisdiction, for the sole benefit of the people of a State and the public at large.

It is another example of Government by Federal Commission, repulsive to the fundamentals of Democracy.

It is an example of an attempt at Federal Control on the part of the Republican administration, alleged by its partisans to be abhorrent Democratic Doctrine.

The insistence by Governor Roosevelt on the power rights of the people of New York in no way interferes with the navigation possibilities of the St. Lawrence.

EXCERPTS FROM LETTERS AND TELEGRAMS TO GOVERNOR ROOSEVELT

From George W. P. Hunt, Governor of Arizona.—Your selection as the Democratic candidate meets the approval of the nation and in my opinion is a guarantee of sweeping Democratic victory this fall.

By Hon. R. A. Rouse, Mayor, Cheraw, S. C.—Your Convention address justifies our confidence in you.

By Ruth Bryan Owen of Florida.—Florida's Democracy rejoices in your nomination.

FOREIGN POLICY

A Give-and-take Policy; Arbitration; the Maintenance of American Standards of Living

In a nation's foreign policy is bound up two great essentials of human relations: spiritual and economic.

A successful foreign policy must balance the two with a decent respect for each other's traditions, opinions and economic prosperity.

Since caravans crossed the deserts and ships sailed the seven seas, trade has been the forerunner of international acquaintanceship. Aside from the early conflicts for religious defense or domination and the wars of territorial conquest, trade relations between nations have been the paramount concern that lay at the basis of foreign policy.

The day has passed when force may determine treaties of comity between nations. Foreign policy has taken on a new meaning since the Great War. It connotes agreeableness and a mutuality of interest that guides its course toward reciprocal concessions. Unscaleable walls and defensive isolation no longer make for a happy and economical relationship between nations. The needs and demands of the changing world call for a wiser and more generous consideration of international exchange of commodities and a better fiscal determination of monetary values. We are living in a period of inter-dependency and are beginning to recognize the principal of equalizing our ratios of defense and trade based scientifically upon the relative needs and productions of all people defined by national boundaries.

Into the picture come many questions having to do with human rights not measured by the yardstick of trade. We need hardly concern ourselves with problems not recognized by civilized nations.

The formulas and structures by which we may live at peace and mutually profitable barter with our foreign neighbors are not worked out in all their finality. Changing conditions in neighboring countries and in our own make procedure and method flexible arrangements.

To accomplish the desired end of a happy companionship of nations, with justice towards our neighbors and fairness to ourselves, we have established tribunals of arbitration and courts of procedure. We have set up international conferences upon specific questions and gathered together in Congresses for a better understanding and a firmer relationship of mutual "give and take".

To meet the obligation imposed upon the government of the United States, in the interests of its people, the Democratic Platform stands for "a firm foreign policy including: peace with all the world and the settlement of international disputes by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties

and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with the pending reservations; the pact of Paris abolishing war as an instrument of national policy to be made effective by provisions for consultation and conference in case of threatened violation of treaties; international agreement for reduction of armaments and co-operation with nations of the Western Hemisphere to maintain the spirit of the Monroe Doctrine."

Cancellation of Debts

The Democratic Platform declares opposition to the cancellation of the debts owing to the United States by foreign nations.

On this question, so vital to Americans as well as to foreign investors in Liberty Bonds, Governor Roosevelt has said that while the results of the conference at Lausanne on reparations have brought us nearer solution, the danger is not so much from the debts they owe us, as from our barriers against their trade. Governor Roosevelt holds that we shall not have to cancel the debts owed us by foreign nations "if we are realistic about providing ways in which payment is possible through the profits from rehabilitation of trade."

Deploing the fallacy of the Republican attitude of demanding payment and at the same time making payment impossible, Governor Roosevelt quoting the Democratic Platform which advocates "a competitive tariff for revenue, with the fact-finding tariff commission, free from executive interference, a reciprocal tariff agreement with other nations and an international economic conference designed to restore international trade and facilitate exchange," says: "The United States could well afford to take the lead in asking for a general conference to establish less changeable fiscal relationships and to determine what can be done to restore the purchasing power of that half of the world's inhabitants who are on a silver basis, and to exchange views regarding governmental findings. It is obvious that sound money is an international necessity, not a domestic consideration for one nation alone. Nothing is more needed than such an exchange of opinion; nothing could do more to create stable conditions in which trade could once more be resumed."

The Democratic Platform condemns the Hawley-Smoot Tariff Law, the prohibitive rates of which have resulted in retaliatory action by more than forty countries creating international hostilities, destroyed international trade, driven our factories into foreign countries, robbed the American farmer of his foreign markets and increased his cost of production."

It is the belief of Mr. Roosevelt that tariff should be high enough to maintain living standards which we set ourselves, but if they are higher they become a particular kind of

vicious direct attack, which is laid doubly on the consumer; that not only are the prices of foreign goods raised, but those of domestic goods also. It is Democratic policy that trade barriers of all kinds should be lowered, not by rule of thumb, but with due regard to safety and justice, but lowered nevertheless as quickly and definitely as possible. "Policy," says Mr. Roosevelt, "needs to be dominated by the realities we discover and the national purposes we seek." He holds that tariff policy, however, "cannot be separated from our other relations with foreign countries: the whole thing ties up together."

"We Democrats," Mr. Roosevelt has said, "do not believe in the possibility or the desirability of an isolated national existence or a national development heedless of the welfare, prosperity and peace of the other people of the world"; and that "we must accept not only certain facts, but many new principles of a higher law, a newer and better standard of international relations...we can point the way once more to the reducing of armaments; we can cooperate officially and wholeheartedly with every agency that studies and works to relieve the common ills of mankind, and we can for all time renounce the practices of arbitrary intervention in the home affairs of our neighbors."

GOVERNOR ROOSEVELT SAYS:

"No one wants government to assume new functions, but it is clear that government in this nation cannot let its people starve. Government in the United States must not allow its men, women and children to suffer excessive privation."

"The mass of the people were not born with saddles on their backs. We know that many of them do have saddles on their backs nevertheless. But they can be removed by the right kind of outlook in government in this country."

"Let us not confuse objectives with methods. Too many so-called leaders of the Nation fail to see the forest because of the trees. Too many of them fail to recognize the vital necessity of planning for definite objectives. True leadership calls for the setting forth of the objectives and the rallying of public opinion in support of these objectives."

"The country needs and...the country demands bold, persistent experimentation. It is common sense to take a method and try it: If it fails, admit it frankly and try another. But above all, try something. The millions who are in want will not stand by silently forever while the things to satisfy their needs are within easy reach."

"If I should die worthy of a passing thought in later years, it would be enough if people said 'He helped to free his fellow men'."

THE PARTY PLATFORMS

I. The Democratic Platform

Adopted by

THE DEMOCRATIC NATIONAL CONVENTION
Of 1932

In this time of unprecedented economic and social distress the Democratic Party declares its conviction that the chief causes of this condition were the disastrous policies pursued by our Government since the World War, of economic isolation, fostering the merger of competitive business into monopolies and encouraging the indefensible expansion and contraction of credit for private profit at the expense of the public.

Those who were responsible for these policies have abandoned the ideals on which the war was won and thrown away the fruits of victory, thus rejecting the greatest opportunity in history to bring peace, prosperity, and happiness to our people and to the world.

They have ruined our foreign trade; destroyed the values of our commodities and products, crippled our banking system, robbed millions of our people of their life savings, and thrown millions more out of work, produced wide-spread poverty and brought the Government to a state of financial distress unprecedented in time of peace.

The only hope for improving present conditions, restoring employment, affording permanent relief to the people, and bringing the nation back to the proud position of domestic happiness and of financial, industrial, agricultural and commercial leadership in the world lies in a drastic change in economic governmental policies.

We believe that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe. We hereby declare this to be the platform of the Democratic Party:

The Democratic Party solemnly promises by appropriate action to put into effect the principles, policies and reforms herein advocated, and to eradicate the policies, methods, and practices herein condemned. We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than twenty-five per cent in the cost of federal government, and we call upon the Democratic Party in the States to make a zealous effort to achieve a proportionate result.

We favor maintenance of the national credit by a federal budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

We advocate a sound currency to be preserved at all hazards and an international monetary conference called on the invitation of our government to consider the rehabilitation of silver and related questions.

We advocate a competitive tariff for revenue, with a fact-finding tariff commission free from executive interference, reciprocal tariff agreements with other nations, and an international economic conference designed to restore international trade and facilitate exchange.

We advocate the extension of federal credit to the states to provide unemployment relief wherever the diminishing resources of the states make it impossible for them to provide for the needy; expansion of the federal program of necessary and useful construction affected with a public interest, such as adequate flood control and waterways.

Shorter Hours of Labor

We advocate the spread of employment by a substantial reduction in the hours of labor, the encouragement of the shorter week by applying the principle in government service. We advocate planning of public works.

We advocate unemployment and old age insurance under state laws.

We favor the restoration of agriculture, the nation's basic industry; better financing of farm mortgages through recognized farm bank agencies at low rates of interest on an amortization plan, giving preference to credits for the redemption of farms and homes sold under foreclosure.

Extension and development of Farm Cooperative movement and effective control of crop surpluses so that our farmers may have the full benefit of the domestic market.

The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost.

We advocate a Navy and an Army adequate for national defense, based on a survey of all facts affecting the existing establishments, that the people in time of peace may not be burdened by an expenditure fast approaching a billion dollars annually.

We advocate strengthening and impartial enforcement of the anti-trust laws, to prevent monopoly and unfair trade practices, and revision thereof for the better protection of labor and the small producer and distributor.

The conservation, development, and use of the nation's water power in the public interest.

The removal of government from all fields of private enterprise except where necessary to develop public works and natural resources in the common interest.

We advocate protection of the investing public by requiring to be filed with the government and carried in advertisements of all offerings of foreign and domestic stocks and bonds true information as to bonuses, commissions, principal invested, and interests of the sellers.

Regulation to the full extent of federal power of

- (a) Holding companies which sell securities in interstate commerce;
- (b) Rates of utility companies operating across state lines;
- (c) Exchanges in securities and commodities.

Protection for Bank Depositors

We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks, and a more rigid supervision of national banks for the protection of depositors and the prevention of the use of their moneys in speculation to the detriment of local credits.

The severance of affiliated security companies from, and the divorce of the investment banking business from, commercial banks, and further restriction of federal reserve banks in permitting the use of federal reserve facilities for speculative purposes.

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

We advocate a firm foreign policy, including peace with all the world and the settlement of international dispute by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with appending reservations; the Pact of Paris abolishing war as an instrument of national policy, to be made effective by provisions for consultation and conference in case of threatened violations of treaties.

International agreements for reduction of armaments and cooperation with nations of the Western Hemisphere to maintain the spirit of the Monroe Doctrine.

We oppose cancellation of the debts owing to the United States by foreign nations.

Independence for the Philippines; ultimate statehood for Porto Rico.

The employment of American citizens in the operation of the Panama Canal.

Simplification of legal procedure and reorganization of the judicial system to make the attainment of justice speedy, certain, and at less cost.

Continuous publicity of political contributions and expenditures; strengthening of the Corrupt Practices Act and severe penalties for misappropriation of campaign funds.

We advocate the repeal of the Eighteenth Amendment. To effect such repeal we demand that the Congress immediately propose a Constitutional Amendment to truly representative conventions in the states called to act solely on that proposal, we urge the enactment of such measures by the several states as will actually promote temperance, effectively prevent the

return of the saloon and bring the liquor traffic into the open under complete supervision and control by the states.

We demand that the Federal Government affectively exercise its power to enable the states to protect themselves against importation of intoxicating liquors in violation of their laws.

Pending repeal, we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue.

We advocate continuous responsibility of government for human welfare, especially for the protection of children.

We condemn the improper and excessive use of money in political activities.

We condemn paid lobbies of special interests to influence members of Congress and other public servants by personal contact.

We condemn action and utterances of high public officials designed to influence stock exchange prices.

We condemn the open and covert resistance of administration officials to every effort made by Congressional committees to curtail the extravagant expenditures of the Government and to revoke improvident subsidies granted to favorite interests.

We condemn the extravagance of the Farm Board, its disastrous action which made the Government a speculator of farm products and the unsound policy of restricting agricultural products to the demands of domestic markets.

We condemn the usurpation of power by the State Department in assuming to pass upon foreign securities offered by international bankers as a result of which billions of dollars in questionable bonds have been sold to the public upon the implied approval of the Federal Government.

We condemn the Hawley-Smoot Tariff Law, the prohibitive rates of which have resulted in retaliatory action by more than forty countries, created international economic hostilities, destroyed international trade, driven our factories into foreign countries, robbed the American farmer of his foreign markets, and increased the cost of production.

In conclusion, to accomplish these purposes and to recover economic liberty we pledge the nominees of this convention the best efforts of a great party whose founder announced the doctrine which guides us now in the hour of our country's need:

Equal rights to all; special privileges to none.

"I admit that President Hoover has done his best. If he has done his best and you are satisfied with the results, I think you ought to vote the Republican ticket. If you are dissatisfied, vote the Democratic ticket. Anybody who wants more Hoover prosperity is a glutton for hard times."

Senator Thomas P. Gore, of Oklahoma.

SUMMARY OF THE REPUBLICAN PLATFORM

Following is the text of a summary of the Republican Platform officially approved by the Republican National Committee for distribution.

PROHIBITION. Submission to special State Conventions of a proposed amendment to allow States to deal with the liquor problems as their citizens may determine, but subject to the power of the Federal Government to protect those States where prohibition may exist and safeguard citizens everywhere from the return of the saloon.

UNEMPLOYMENT AND RELIEF. We believe in the principle of high wages. We favor the principle of the shorter working week and shorter work day, with its application to government as well as to private employment as rapidly and as constructively as conditions will warrant. To provide against the possible failure of local and state agencies to care for unemployed, the President has urged the Congress to create an emergency relief fund to be loaned temporarily to any state on a showing of actual need and temporary failure of its financial resources.

VETERANS. We believe that every veteran incapacitated in any degree by reason of illness or injuries attributable to service in defense of his country should be cared for and compensated, so far as compensation is possible, by a grateful nation, and that the dependents of those who lost their lives in war or whose death since the war in which service was rendered is traceable to service causes, should be provided for adequately. Legislation should be in accord with this principle.

AGRICULTURE. The fundamental problem of American agriculture is the control of production to such volume as will balance supply with demand. In the solution of this problem the cooperative organization of farmers, to plan production, and the tariff, to hold the home market for American farmers, are vital elements. A third element equally vital is the control of the acreage of land under cultivation as an aid to the efforts of the farmer to balance production.

PUBLIC ECONOMY. Prompt and drastic reduction of public expenditures and resistance to every appropriation not demonstrably necessary to the performance of the essential functions of government, national or local. Efficiency and economy demand reorganization of government bureaus. The President is particularly fitted to direct measures to correct the situation. We favor legislation by Congress which will give him the required authority.

TARIFF. Extension of the general Republican principle of tariff protection to our natural resource industries, including the products of our farms, forests, mines and oil wells, with compensatory duties on the manufactured and refined products thereof.

THE DOLLAR. The Republican Party established and will continue to uphold the gold standard and will oppose any measure which will undermine the government's credit or impair the integrity of our national currency.

LABOR RECORD OF FRANKLIN D. ROOSEVELT

By WILLIAM GREEN

President, American Federation of Labor

Aug. 22, 1930.

Hon. Franklin D. Roosevelt,
Governor of the State of New York.

My dear Governor:

Following a careful analysis of the legislation enacted by the last session of the New York State Legislature under your personal inspiration and leadership, affecting labor and the masses of the people of the state, I am writing to officially and personally express to you my deep appreciation of what was accomplished and of the great service you rendered. Your leadership as Governor of the State of New York stands out in a most striking way and the work you are able to do must be classified as a most rare accomplishment. Labor has very seldom secured the enactment of so many measures which so favorably affect their economic, social and industrial welfare during a single session of a legislative body.

Legislation regulating the issuance of injunctions in labor controversies, old age relief for those who are needy, the extension and more practical application of the 8-hour work day on public works and in public enterprises, the extension of the half-holiday on Saturday to women and minors employed in factories and stores, the improvement of the workmen's compensation law, the improvement of factory inspection, prohibition of the importation and sale in the State of New York of prison made goods manufactured and produced by convicts in other states, and the enactment of other measures sponsored and approved by labor were passed by the legislature under your direction and were given your executive approval. All of this legislation was advocated by representatives of labor for many years. They are practical, constructive measures and in application and operation will serve to promote and advance the highest and best interests of the people of New York State.

I share with the working people and their friends in the great State of New York their feelings of satisfaction and gratification over the humane, practical, social-justice legislation enacted at the last session of the legislature of New York and for which you were largely responsible. I commend you highly for the service you rendered. You deserve the support of labor and of all classes of people who seek to perpetuate our free institutions and who are engaged in preserving our principle of free government through the advancement of the highest and best interest of the masses of the people.

I express the earnest hope that all the working people and their friends in the State of New York may give to you their undivided support in your political and social reform policies so that you may be permitted to give to the people the benefit of your great mind and your distinguished service.

Very sincerely yours,

(S) WILLIAM GREEN

President, American Federation of Labor.



F. Hubner & Co., Inc., Printers, New York

THE WHITE HOUSE
WASHINGTON

May 12, 1936

PSF
Platform file.

MISS LEHAND FOR THE PRESIDENT.

NATIONAL EDUCATION ASSOCIATION OF THE UNITED STATES
1201 SIXTEENTH STREET, N. W., WASHINGTON, D. C.
May 7, 1936

*Tell her I gave T.O.P.
H.M.
W.B.*

Mrs. Franklin D. Roosevelt
The White House
Washington, D.C.

My dear Mrs. Roosevelt:

I have drafted a plank on education which I hope the Democratic Party will incorporate into its platform at the Philadelphia Convention. This plank has been drafted in accordance with the ideas which you expressed in our broadcast.

Feeling sure that that platform will be written somewhere in the vicinity of the White House, I am making bold to send this plank to you, the very first person who has received it.

The National Education Association will see to it that copies of this plank are placed in the hands of all delegates to both conventions as soon as they arrive; and also the Association will mail copies to all members of both the Democratic and Republican Committees before they leave their homes.

As president of the National Federation of Business and Professional Women's Clubs, I shall send you a little later a copy of a plank we have formulated which deals with discriminations against women, particularly married women.

Cordially yours,

Charles Ormond Williams
Charles Ormond Williams
Field Secretary

A PLANK

FOR THE REMOVAL OF EDUCATIONAL INEQUALITY THROUGH FEDERAL ASSISTANCE
AND THE CREATION OF A FEDERAL DEPARTMENT OF EDUCATION

We believe that an educated citizenry is essential to the preservation of democratic institutions and that equality of educational opportunity is an inherent right of all American children.

We stand unreservedly for the right of the states, guaranteed in the federal Constitution and adhered to throughout our country's history, to control and administer the schools.

In accordance with these convictions, therefore, we recommend that Congress make appropriations to the states to assist them in financing adequate schools with reasonable tax burdens; and that the educational activities in the federal government should, in the interests of economy and efficiency, be coordinated through the establishment of a federal Department of Education with a Secretary in the President's Cabinet.

1

PSF

Platform
Holder

Miss Tully

PSF
Platform

May 29, 1936

My dear Congressman:

Thank you very much for your letter of May twenty-fifth. I will be glad if you will convey to your co-signers my appreciation of this memorandum and my sincere assurance that their suggestion concerning the farm tenancy problem will have my earnest consideration.

Very sincerely yours,

Honorable Edward C. Eicher,
House of Representatives,
Washington, D. C.

mwd

ARD C. EICHER
FIRST DISTRICT IOWA

HOME ADDRESS:
WASHINGTON, IOWA

JAMES D. FRANCE, SECRETARY

Congress of the United States
House of Representatives
Washington, D. C.

May 25, 1936

COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE



Hon. Franklin D. Roosevelt
The White House
Washington, D. C.

Dear Mr. President:

Our vital concern for continued party success in the Middle West impels us to make a platform suggestion for consideration at Philadelphia.

The growing percentage of farm tenancy contains all the makings of a burning political issue; and it will remain one until the present trend does a right-about-face. Possibly you have noticed that the 1935 Census shows 49.6 per cent of tenant operation in Iowa, for example, against 47.3 per cent in 1930, and 23.8 per cent in 1880. Such statistics are bound to be the yardstick by which public opinion will measure the adequacy of any farm-mortgage refinancing program.

Heretofore no major party platform has dealt in haec verba with the tenancy problem. The Bankhead-Jones bill and the Frazier-Lemke bill recognize the necessity for legislative treatment of this economic evil, and may together contain the framework of an acceptable remedy. State legislation, placing a limitation on corporation farm land ownership, might provide a palliative, to the extent that it does not run afoul of the due process clause of the 14th Amendment. Certainly, the national credit can be used successfully and entirely within constitutional limitations, to help more young men become and remain independent farm-home owners.

In view of our party's failure to date to enact any such legislation, and the continuing increase in the tenancy ratio notwithstanding the best efforts of the F.C.A., we deem it of extreme political importance that our party platform contain a definite pledge, to which we can point during the approaching campaign, that our next Administration will deal constructively with this question. Without such a plank, we of the Middle West would be particularly handicapped in the event the Cleveland Convention should make a clean-cut promise. We believe this also applies to the representatives of other important agricultural sections.

The attached memorandum is our suggestion for a platform plank on the subject. We sincerely hope you may feel disposed to commend this or something similar to the favorable consideration of the Resolutions Committee.

Faithfully yours,

Otha D. Wearin, M. C., 8th Iowa

Fred Bierman, M. C., 4th Iowa

Hubert Utterback, M. C., 6th Iowa

Guy M. Elizabeth, M. C., 9th Iowa

B. M. Jacobson, M. C., 2nd Iowa

Edward C. Eicher, M. C., 1st Iowa

The Democratic party regards the alarming growth of farm tenancy in this country as a menace to the freedom, independence and economic well-being of its farm population. The present administration through the lending operations of the Farm Credit Administration, has enabled large numbers of distressed farm owners to retain the ownership of their farms. The party pledges itself to continue the use of the credit facilities of the Federal government for the relief of distressed farm owners. It further pledges itself to the creation of a sound and constructive legislative program for extending the credit facilities of the Federal government to qualified farm tenants to enable them to become farm-home owners.

THE WHITE HOUSE
WASHINGTON

*PST
Platform*

June 8, 1936.

PLATFORM FILE

It is worth remembering that we have spent seven or eight billion dollars in the past few years on public works of various kinds — school houses, water and sewer systems, libraries, flood control, soil erosion, highways, etc., through a long list of permanent national, state and local improvements. All this money was spent in the United States.

It is also true that in the preceding ten or twelve years, under Republican administrations, the people of the United States spent seven or eight billion American dollars for public works — these public works were located in Germany, Italy, France, Austria, Great Britain and a dozen other countries.

The United States Government will get back a very large portion of the money it spent during these past three years. The people of the United States will not get back a large portion of the money they spent ~~tax~~ ~~Harding~~ ~~Coolidge~~ ~~Hoover~~ under Harding, Coolidge and Hoover to help foreign countries build public works.

~~BASIL~~ MANLY
VICE CHAIRMAN

FEDERAL POWER COMMISSION
WASHINGTON



June 10, 1936.

PSF
Platform file

The President,
The White House.

Dear Mr. President:

At the request of Senator Wagner, I have prepared a rough draft of a plank on power for the Democratic platform, copy of which is submitted for your information. I am also enclosing copy of my letter to Senator Wagner.

Sincerely yours,

Basil Manly

BASIL MANLY

Enclosures.

COMMISSIONERS
FRANK R. MCNINCH, CHAIRMAN
ASLIL MANLY, VICE CHAIRMAN
HERBERT J. DRANE
CLAUDE L. DRAPER
CLYDE L. SEAVEY

ADDRESS ALL COMMUNICATIONS
TO THE COMMISSIONERS

FEDERAL POWER COMMISSION
WASHINGTON

June 10, 1936.

Confidential

Hon. Robert F. Wagner,
United States Senate,
Washington, D. C.

My dear Senator:

Responding to your request, I am submitting herewith a rough, preliminary draft of a plank covering the power issue.

You will note that I have limited it entirely to the accomplishments of the present Administration, and have made no reference to new policies.

This limitation has been imposed by two considerations: First, it would appear that a statement of accomplishments is sufficient without setting up new objectives for possible attack; second, any statement as to new objectives or policies must necessarily be stated by the President.

I am leaving today to be away for two or three days but will be available at the end of the week if there are any questions that you desire to discuss.

Sincerely yours,

Vice Chairman.

STANLEY HIGH
MUNSEY BUILDING
WASHINGTON

BF
Platform

June 18, 1936

MEMORANDUM FOR THE PRESIDENT

Apropos of the Platform memorandum which you showed me yesterday afternoon, I should like to make several suggestions which have to do more with technique than content.

(1) I think the use of the phrase "We hold this truth to be self-evident" is great. It seems to me that the Platform should begin with that declaration eliminating any introductory material. I believe that the order of the paragraphs should be rearranged so that item by item there is a build-up from certain fundamentals to the specific philosophy and program of the present Administration.

(2) I think there should be at least two other "self-evident" paragraphs: (a) "We hold this truth to be self-evident that a Government of the people cannot continue to exist side by side with an economy of special privilege." (b) "We hold this truth to be self-evident that the Constitution of the United States is not a mechanism for the straight-jacketing of the life of the American people but a living organism designed to give that life continuing fulfillment."

(3) I think in the middle part of the memorandum where the phrase "we shall continue" occurs, the same repetitive technique might be employed something like this; with two sentences devoted to each platform item. The first sentence could begin "We shall continue to oppose" to be followed by a specific Republican fallacy. The second sentence beginning "We shall continue to advance" (using advance as a transitive verb) following it with the positive Democratic policy.

SW

PSE
Platform

Under the leadership of President Roosevelt, the control of the electric light and power industry by sinister interests has been broken.

Legislation has been enacted to eliminate and forever prevent the return of the abuses of the holding companies which dominated the electric light and power industry, manipulated its securities and caused innocent investors to lose hundreds of millions of dollars.

Through the Federal Power Act of 1935, companies engaged in the interstate transmission of power have been subject to effective regulation, providing for a uniform system of accounts, the regulation of rates in interstate commerce, and control of mergers, consolidations and security issues.

The Tennessee Valley Authority has established a yardstick by which the reasonableness of electric rates may be measured and has created a source of abundant electric energy affecting a large section of the country, the benefits of which will be extended to other sections as rapidly as other great Federal public works projects, at which power will be generated in large quantities, are completed.

Through the Rural Electrification Administration provision has been made for extending to farms and rural homes throughout the country, the benefits and comforts of electric service at reasonable rates.

These accomplishments have been effected in conformity with the proclaimed policy of President Roosevelt to make electric light and power available to the greatest possible number of consumers, urban and rural, at the lowest rates consistent with sound business policy, and to rid this great industry of the admitted evils and abuses which had grown up during a period of unrestrained exploitation.

1

DEMOCRATIC NATIONAL COMMITTEE

WOMEN'S DIVISION

NATIONAL PRESS BUILDING, WASHINGTON, D. C.

DISTRICT 1717

DIRECTOR
MRS. JAMES H. WOLFE

ASSISTANT DIRECTOR
MRS. JUNE FICKEL

PSF
Platform

CHAIRMAN,
GENERAL ADVISORY COMMITTEE
MISS MARY W. DEWSON
HOTEL BILTMORE
NEW YORK CITY

June 18, 1936

Hon. Franklin D. Roosevelt
The White House
Washington, D. C.

My dear Mr. Roosevelt:

This proposed plank of the platform in regard to the Consumers is in line with the discussion I had with you over a year ago. It places the emphasis on the Consumers' part in the National Recovery Program, and should have political value.

Yours sincerely,

Emily Newell Blair
Mrs. Emily Newell Blair

ENB:KNW

DEMOCRATIC NATIONAL COMMITTEE

WOMEN'S DIVISION

NATIONAL PRESS BUILDING

Washington, D. C.

Director

MRS. JAMES H. WOLFE

Assistant Director

MRS. JUNE FICKEL

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New Hampshire

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Massachusetts

Rhode Island

Connecticut

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Nevada

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806 North Street

Logansport, Indiana

Ohio

Indiana

Illinois

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Michigan

West Virginia

Kentucky

Eighth District

MRS. ELSIE GARDNER PICKING

Topenish, Washington

Montana

Washington

Oregon

California

GENERAL ADVISORY COMMITTEE

MISS MARY W. DEWSON, *Chairman*, Hotel Biltmore, New York City

CONSUMERS

The ability of consumers to purchase goods and services in increasing quantities and of increasing utility is the end and aim of all productive activity.

Substantial achievement during the past three years in providing consumers with greater purchasing power has done much to restore prosperity to agriculture, industry and trade.

Sustained ability of the whole population to consume in increasing quantities the products of agriculture and industry will support a sound and continued expansion of the large measure of recovery already achieved.

We recognize the proper concern of government in the efforts of consumers to buy the necessities of life at fair prices, and we advocate legislation to provide consumers with information and services in support of their efforts to obtain fair prices and honest sales in the nation's markets, and to provide for representation of their interest in the administration of laws affecting consumers.

CONSUMERS

We advocate legislation in support of the efforts of consumers to obtain fair prices and honest sales in the nation's markets, and to provide for representation of their interest in the administration of laws affecting consumers.

SEVENTY-FOURTH CONGRESS

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SAMUEL W. KING, HAWAII
SANTIAGO IGLESIAS, P. R.

PST
Platform

House of Representatives U. S.
Committee on Agriculture
Washington, D. C.

June 19, 1936

The President,
The White House.

Dear Mr. President:-

I enclose herewith a rough
draft of what I feel would make a desirable
farm plank.

It seems to me that this is
much preferable to the suggestion outlined in
the Journal of Commerce, Wednesday, June 17.

I am merely submitting this
for your consideration.

With best wishes, I am

Cordially yours,

Wm. Jones

AGRICULTURE

In the early part of 1933 agriculture was paralyzed and that paralysis had affected the entire national structure.

Recognizing that the maintenance of agriculture on a basis of equality with industry is in the interest of the entire country, the Administration took definite steps to restore the purchasing power of the farmer. The effective results are shown in the vast improvement not only of agriculture but of all business throughout the land.

We pledge the maintenance and improvement of the soil conservation and domestic allotment program, including the conserving and rebuilding of the soil and the seeking of new industrial uses, and additional outlets and markets, for farm products.

While proper adjustment is desirable, we favor the producing of all the market will absorb both at home and abroad, plus a reserve supply sufficient to assure fair prices to producer and consumer alike.

Conservation and soil building should continue to be the heart of the program. The nation which destroys its soil destroys itself.

The program to date has not only assisted agriculture but has stimulated industry, assured reemployment to labor, and at the same time protected the interests of the consumer. It should be continued and improved.

The country should not be permitted to sink back to the depths it had reached in 1932.

FARM CREDIT

Through the Farm Credit Administration hundreds of thousands of farm homes have been saved. This has been done at the lowest interest rates that prevail in any country in the world. Low interest rates have also been provided for other types of necessary farm credit. It has been the most far-reaching and successful agricultural refinancing program ever undertaken in any country.

We pledge to reduce tenancy by extending credit through which qualified farm tenants may become owners. We also pledge the necessary provision to assist in the further development of rural electrification.

PSF
Platform

THE ATTORNEY GENERAL
WASHINGTON

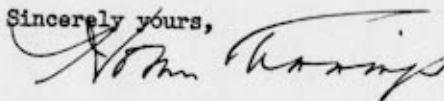
June 19, 1936.

My dear Mr. President:

Attached hereto are the following:

1. Proposed plank in the matter of the Budget suggested by General Johnson in an article published in the News. It was brought to my attention today by Senator Harrison who thought it excellent.
2. Proposed plank by General Johnson on Labor.

Sincerely yours,



The President,

The White House.

PLANK on the BUDGET suggested by General

Hugh Johnson, published in the News.

We believe in a balanced budget at any cost except the cost of widespread human misery. As recovery creates employment in private business the relief cost will lighten, revenue will increase, the budget will move into balance, and taxes and debt can be reduced. We will not abandon necessary farm and unemployment relief to hasten this process. On the other hand, we will not continue any relief expenditures which are not indispensable to preserve the health and self-respect of the sufferers and casualties of the depression.

No past or probably future spending threatens the credit or soundness of the money of the United States, now on a firmer basis than that of any country in the world - amply backed by gold, and well supported by the resources and income of the country, by a favorable balance of trade and by a strong creditor position among the nations. We purpose to keep them safe and firm by reducing expenditures as promptly as our relief obligations will permit, and by providing by taxation for expenditures or for the prudent amortization of unavoidable debt. We shall continue to oppose any resort to the printing presses to finance expenditures.

We propose stabilization of the dollar on foreign exchanges as soon as that can be done without exposing our foreign trade to the money maneuvers of other nations.

PLANK suggested by GENERAL HUGH S. JOHNSON,
in an article published June 18, 1936.

LABOR

We will continue to perform our pledges to labor; to insure to labor the unhampered right to organize and bargain collectively thru representatives of its own choosing; to prescribe by Federal law reasonable maximum hours, minimum wages, and proper working conditions; to preserve inviolate the right to stop work in labor controversies; to provide for impartial tribunals to secure fair elections for labor representation and for the peaceful settlement of labor disputes; and to perfect and extend unemployment reserves and old age pensions.

We hold this truth to be self-evident - that the test of a government is the ability of those who govern to produce results.

We hold this truth to be self-evident that twelve years of Republican leadership had left our nation sorely stricken in body, mind and spirit.

We hold this truth to be self-evident that three years of Democratic leadership have put our nation far on the road to a restored prosperity.

We hold this truth to be self-evident that twelve years of Republican surrender to the dictatorship of a privileged few have been supplanted by a Democratic leadership which has returned the people to the places of authority and has stirred alive in them new faith and the hope that they had almost lost.

We hold this truth to be self-evident that this recovery in all the basic values of life and in the American way of living, in these three years, has been due to a humanizing of the policies of the Federal government toward the personal, financial, industrial and agricultural well-being of the American people.

We hold this truth to be self-evident that government in a modern civilization has certain inescapable obligations among which are:

- 1) Protection of the family and the home
- 2) Establishment of a democracy of opportunity
- 3) Aid to those overtaken by disaster.

These obligations, neglected through twelve years of Republican leadership, have once more been given a place in American government. Under Democratic leadership they will not, again, be defaulted.

For the Protection of the Family and the Home:

1) We have begun and we shall continue the successful drive to rid our land of kidnappers, bandits and malefactors of great wealth.

2) We have safeguarded the thrift of our citizens by restraining those who would gamble with other people's money; by imposing requirements of truth upon the sale of securities; by putting brakes upon the use of credit for speculation; by outlawing the manipulation of market prices; by curbing the unholy practises by which some utility holding companies filched the public; by insuring the bank accounts of fifty million of our citizens.

3) We have provided foundations for the security of those who are faced with the hazards of unemployment and destitute old age; for the orphaned, the crippled and the blind. On these foundations we will continue to build a structure in which ~~American~~ life will be more secure.

4) We will deal more actively, with the problem of the consumer; to secure for him fair value, honest sales and a decreased spread between the price he pays and the price the producer receives.

5) We maintain that our people are entitled to decent, adequate housing at a price which they can afford and we will assume

the obligation to assist them in that right wherever private enterprise fails to do so.

For the Establishment of a Democracy of Opportunity

1) We have taken the farmers of the land off the Republican road to agricultural ruin. By federal legislation we have reduced the farmer's indebtedness; we are restoring parity to the price of his crops; cooperation with the several states in ~~the several states~~ we are restoring the fertility of his land and checking the erosion of his soil. We are bringing electricity to his home and farm and better educational facilities to his children.

These things we will continue. We will further build the farmer's economic resources through the encouragement of cooperatives; the extension of farm ownership; the reduction of the evils of tenancy; and the increase of farm out-put by increasing consumption through a higher standard of living and a greater purchasing power for all the people.

The farmer has been returned to the road to freedom and prosperity. We will keep him there.

2) We have given the army of America's industrial workers something more substantial than the Republicans' full dinner pail of promises. We have fattened the worker's pay envelope and shortened his hours; we have undertaken to put an end to the sweated labor of his wife and children; we have written into the law of the land his right to collective bargaining; we have provided federal machinery for the peaceful

settlement of labor disputes; we have given him legal protection from the unfair competition of wage-cutting and hour stretching.

The worker has been returned to the road to freedom and prosperity. We will keep him there.

3) We have taken the American business man out of the red. We saved his bank and gave it a sounder foundation; we have extended credit; we have lowered interest rates; we have undertaken to free him from the ravages of cut-throat competition. The American business man has been returned to the road to freedom and prosperity. We will keep him there.

But we shall continue to oppose the Republican tradition of concentrated economic power; to fight monopolies with more than phrases; to protect the right of every American citizen to become a property owner but to make him safe, in his property rights, against the aggression of predatory special privilege.

Paula -
This
can go in a
~~letter~~
Platform
draft - folder

PSF
Platform

TENTATIVE PLATFORM DRAFT

Four years ago the Democratic Platform clearly outlined the disastrous policies pursued by our government during the preceding twelve years, stressing the destruction of our trade and the values of our commodities and our products; the crippling of our banking system; the fostering of monopolies and the indefensible fluctuation of credit for private profit at the expense of the public.

Between June, 1932, and the Inauguration of the new Administration in March, 1933, the Nation, because of a complete lack of leadership in government, faced starvation and chaos.

We hold this truth to be self-evident -- that in three years the Nation has proceeded far on the road to domestic happiness, and through a drastic change in economic governmental policies to financial, industrial and agricultural security.

We hold this truth to be self-evident -- that twelve years of surrender of government to the blind control of a dominant few has been superseded by a moral leadership which

has restored faith and stirred constructive intelligence in a people who had lost hope.

We hold this truth to be self-evident -- that in an era of unwonted world unrest and universal insistence on improved conditions of life and opportunity for very large groups of underprivileged citizens and families, the success of government must greatly depend on the ability of those who govern to produce results.

We hold this truth to be self-evident -- that in a continuing emergency, which affects the United States and indeed all nations, an emergency as great as war because it affects the future of mankind, proven leadership which solves difficult problems by liberal action is to be greatly preferred to untried leadership sponsored in great part by those who have proven their failure to govern, or those who seek power for selfish ends.

We shall continue the sound currency and banking system, and the various Acts which have saved homes, farms and industries, protected depositors, lowered interest rates, and re-established the good credit of municipalities, counties, states and the Federal government itself.

We shall continue to seek a stable purchasing power for the American dollar, believing that the wide fluctuations of former years were of benefit only to speculators in securities

and in the commodities and necessities of life; and that debts should be paid in a medium of exchange of approximately the same value as when they were incurred.

We shall continue to foster increases in our foreign trade; to seek the lowering of tariff barriers, quotas and embargoes raised against our exports of agricultural and industrial products; and to safeguard our farmers and manufacturers against the dumping on our shores of foreign foodstuffs and goods produced by cheap labor or subsidized by governments.

We shall seek in our tax policy to reduce consumption taxes, avoid Federal sales taxes, and further close the loopholes through which owners of abnormally large incomes evade taxes which former Congresses intended them to pay.

We shall maintain and strengthen the successful prosecution of kidnapers, bandits and malefactors of great wealth who have violated Federal laws; and by pitiless publicity and reasonable regulation we shall continue to protect the public against fraudulent securities and the rigging of markets of all kinds.

In respect to the betterment and protection of the life of the average American family in its social and economic problems, we take direct issue with the Republican

policy as set forth in their Platform. They have solemnly asserted that all of these problems can be and must be met by the states and by the states alone.

We do not agree that agriculture is a local problem; that crop and live stock surpluses or shortages can, as a matter of practical fact, be balanced by the independent action of forty-eight state legislatures, administrations and courts.

We do not agree that the production and use of coal and other minerals, electricity, transportation and communications can be reasonably regulated in the public interest by state action alone.

We do not agree that monopolistic or unfair trade practices or the management of utilities, where the business involved crosses state lines, can be controlled by states alone.

We do not agree that the administration of and the policy toward relief of the destitute unemployed ~~can~~ be placed solely in the charge of local units of government without political discrimination, increased overhead and inadequate care.

We do not agree that old age security and unemployment insurance should be left solely to the discretion of the several states, with the right to each state to set up no system or a system at variance with all the other states.

We do not agree that each state should have the sole right to enact or not to enact, as it sees fit, laws for the protection of children in industry, of fair wages for men and women, for proper working conditions and for the limitation of hours of work.

In adopting this policy the Republican Platform places itself squarely behind recent decisions of the Supreme Court of the United States -- decisions which in almost every major case were disputed by a minority of that tribunal. The Republican Platform accepts the doctrine that the ^{U.S.A.} ~~international~~ commerce clause of the Constitution applies only to goods in actual transit; the doctrine that the "due process of law" clause is a practical nullity so far as the Federal Government is concerned; and that the sanctity of contracts applies to every contract regardless of unfair compulsion, human needs, and a sound public policy.

The Republican Platform offers no escape from intolerable conditions except the pious and impossible hope that all the states will legislate simultaneously and uniformly on these great problems which of necessity are national.

We reaffirm our belief that local government must continue to act with full freedom in matters directly of local concern; that county government must retain functions which

logically belong to the county unit; that state governments must and shall retain state sovereignty over all those activities of government which effectively and efficiently can be met by the states.

We assert, however, that activities of government which cannot adequately be met by localities, counties or states are, and of right ought to be, the function of the Federal Government itself.

The Constitution ^{when adopted} provided the best instrument devised for the continuation of this fundamental principle. This was the intent of its framers. That is its clear intent as it exists today.

With clearer understanding of the broad purposes of the Constitution and with a deeper belief in its broad powers than is evinced by the Republican Platform, we reassert our undertaking to proceed under the American form of government. The Republican Platform accepts without complaint narrow constructions of our Charter of liberties.

We do not approve or accept such constructions and interpretations; for it is clear that majority opinions less narrow, more interpretative of modern conditions and problems, would prove that the Constitution can meet and fit the amazing

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physical, economic and social requirements that confront us in this generation.

We propose to continue every constitutional effort to make this Nation capable of self-government as a Nation.

TENTATIVE PLATFORM DRAFT

Four years ago the Democratic platform exposed the disastrous policies pursued by our Government during the preceding twelve years, stressing the destruction of our domestic and foreign trade, the shrinkage in the values of our commodities and products; the crippling of our banking system; the fostering of monopolies; and the indefensible manipulation of credit for private profit at the expense of public good.

Between June 1932 and the Inauguration of the new Administration in March 1933, the Nation, because of an utter failure of leadership in government, faced hunger and misery.

We hold this truth to be self-evident - - that the test of a government is the ability of those who govern to produce results: "By their fruits ye shall know them."

We hold this truth to be self-evident - - that the fruits of Republican leadership were bitter.

We hold this truth to be self-evident - - that in the past three years this Nation has proceeded far on the road to economic recovery and domestic happiness.

We hold this truth to be self-evident - - that twelve years of surrender of government to the ^{blind} control of a dominant few has been ^{superceded} ~~succeeded~~ by a leadership which has restored faith and stirred constructive intelligence and activity in a

people who had lost ^{almost} ~~faith and almost~~ hope.

We hold this truth to be self-evident - -

that although the American people are marching once more on the highroad to welfare and happiness, we have not yet achieved our goal, and that the proven leadership of the past three years is to be ^{greatly} preferred ~~to~~ to untried leadership, sponsored in great part by those who have exhibited their incompetence in government and those who seek power for selfish ends.

We hold this truth to be self-evident - -

that the recovery in all the values of human life during the past three years has been due to a drastic change in the policies of the Federal Government toward the personal, financial, industrial, and agricultural security of the entire American people.

We hold this truth to be self-evident - -

that in a world ^{born by untrust and menacing to} ~~in which~~ international peace ~~is menaced~~, a leadership which, by its policy of the good neighbor, has established ~~as~~ ^{more friendly than ever before} ~~amiable~~ relations with all foreign countries ~~as have existed since~~ ^{is determined} ~~in our history~~ the foundation of our Nation and holds as its ~~bed rock~~ principle ~~a determination~~ to keep the United States out of any wars which may develop anywhere, is vastly to be preferred to a leadership untested in foreign relations.

Therefore:

We shall continue to uphold the sound currency and banking system which has been established in the past three years, as well as the various Acts which have saved families, homes, farms, and industries, protected depositors, lowered interest rates, and reestablished the good credit of municipalities, counties, states and the Federal Government.

We believe that debts should be paid in a medium of exchange of approximately the same value as the medium of exchange in which they were contracted. We shall continue, therefore, to seek a stable purchasing power for the American dollar, believing that the wide fluctuations of former years were a benefit only to speculators in securities and in the commodities and necessities of life.

We shall seek to reduce all taxes which burden the consumer. We shall avoid federal sales taxes, and close the loopholes through which owners of abnormally large incomes evade the taxes which former congresses intended them to pay.

We shall maintain and strengthen the successful prosecution of kidnapers, bandits, and malefactors of great wealth who have violated federal laws. We shall encourage honest business but by full publicity and reasonable regulation shall continue to protect the public ^{And strengthen the laws} against malevolent monopolies, fraudulent securities and the speculative rigging of markets.

We shall continue to foster increases in our foreign trade; to seek by mutual agreement the lowering of those tariff barriers, quotas and embargoes which have been raised against our exports of agricultural and industrial products. We shall not attempt to deceive the American people by telling them that it is possible to sell American products abroad and at the same time bar foreign products from this country - *for it is obvious they cannot* ~~thus preventing~~ foreign countries ~~from~~ *acquiring* the dollars to pay for our products at a time when most ~~foreign countries~~ *of them* have little or no gold with which to pay. But we shall safeguard our farmers and manufacturers against the dumping on our shores of ~~foreign~~ products and goods produced by cheap labor ~~and of exports~~ *or* subsidized by foreign governments.

We reaffirm our belief that local government must continue to act with full freedom in matters directly of local concern; that county government must retain functions which logically belong to the county unit; that state government must and shall retain state sovereignty in all those activities of government which can be carried on effectively and efficiently by the state.

assert
We ~~believe~~, however, that activities of government which can not be carried on adequately by localities, counties, and states, are, and of right ought to be, the functions of the Federal Government.

The Constitution has provided and provides the best instrument devised for the continuation of this fundamental principle. That was the intent of its framers. That is its clear intent as it exists today. The founders of this Nation never intended that there should be a "No Man's Land" in our national life in which neither Federal nor state governments could function.

Insert A

The ~~state~~ ^{pressing} problems of the Nation today are nation-wide problems. The wind which lifts the earth from the fertile prairies, and destroys them and neighboring states, does not heed state lines. The floods, which arise in many states and devastate many others, do not halt at state boundaries. In this day of complex industrial and agricultural organization, the betterment and protection of the life of the average American family in its social and economic problems involves activities which cross state lines like the prairie wind and the flood waters. We are inter-dependent. In a physical as well as a spiritual sense, "We are all members of one another."

The Republican ~~Party~~ ^{Platform} has asserted solemnly ~~in its platform~~ that the vital problems of America today can be and must be met by the states and the states alone. The Republican platform offers no escape from the conditions which the American people will not and should not tolerate - except the insincere and impossible hope that all the states will legislate uniformly

and simultaneously on these great problems which are national.

We do not agree that agriculture is a purely local problem. It is a local problem in so far as it is the problem of the individual farmer to raise his wheat or tobacco or cotton or livestock; but we know from experience that crop and livestock surpluses and shortages can not, as a practical matter of fact, be balanced by independent action of 48 state legislatures, ^{state} administrations and ^{state} courts; and we know that the problem of the disposal of agricultural surpluses abroad through international agreements for mutually profitable trade can not constitutionally or practically be approached by state governments.

We do not agree that the production and use of coal and other minerals, electricity, transportation, and communications can be regulated reasonably in the public interest or in the interests of the millions of our fellow citizens who labor in these fields of activity by state action alone.

We believe that monopolistic or unfair trade practices or unscrupulous management of utilities where the business involved crosses state lines can not be controlled by the states alone but must be ^{controlled} by the Federal Government.

We believe that the administration of relief and the policy toward ^{the} relief of the destitute unemployed can not

be placed solely in charge of local units of government without producing political discrimination, increased overhead and inadequate care.

We do not agree that old-age security and unemployment insurance should be left solely to the discretion of the several states, with the right to each state to set up no system ^{ATAH} or ¹ a system at complete variance with all other states.

We do not agree that each state should have the sole right to enact or not to enact, as it sees fit, laws for the protection of children in industry, ^{for} fair wages for men and women, for proper working conditions and for the limitation of hours of work. We believe in action in this field by the Federal Government.

We believe that if we are to go forward, as we have gone forward during the past three years, it is essential that the policies of the present Administration should be continued with an absolute determination to eliminate permanently the collapse of purchasing power, the stagnation and the misery which is produced when too great a portion of the national income flows into the hands of a few and too little into the hands of the many.

We know that the physical, economic and social problems which confront the people of the United States

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in this generation are vast and new, and we believe that they can be solved only by a government which is not afraid to attack them by every constitutional means, under a leader who is determined to keep us at peace with all the world, to lower the barriers to international trade and to afford to every man and woman who is able to work an opportunity to take his or her place in the working army of this Nation *at adequate pay.*

We believe that during the next four years the people of the United States will march forward steadily to new horizons of economic welfare and individual self-respect under the leadership of the man who had the courage and wisdom to face and defeat the crisis of 1933: Franklin D. Roosevelt.

1618 words.

S.P.B.

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THE WHITE HOUSE
WASHINGTON

Insert A

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TENTATIVE PLATFORM DRAFT

Four years ago the Democratic platform exposed the disastrous policies pursued by our Government during the preceding twelve years, stressing the destruction of our domestic and foreign trade, the shrinkage in the values of our commodities and products; the crippling of our banking system; the fostering of monopolies; and the indefensible manipulation of credit for private profit at the expense of public good.

Between June 1932 and the Inauguration of the new Administration in March 1933, the Nation, because of an utter failure of leadership in government, faced hunger and misery.

We hold this truth to be self-evident - -
that the test of a government is the ability of those who govern to produce results: "By their fruits ye shall know them."

We hold this truth to be self-evident - -
that the fruits of Republican leadership were bitter.

We hold this truth to be self-evident - -
that in the past three years this Nation has proceeded far on the road to economic recovery and domestic happiness.

We hold this truth to be self-evident - -
that twelve years of surrender of government to the control of a dominant few has been succeeded by a leadership which has restored faith and stirred constructive intelligence and activity in a

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people who had ~~lost faith and~~ ^{lost} almost hope.

We hold this truth to be self-evident - -

that although the American people are marching once more on the highroad to welfare and happiness, we have not yet achieved our goal, and that the proven leadership of the past three years is to be ^{greatly} preferred ~~greatly~~ to untried leadership, sponsored in great part by those who have exhibited their incompetence in government and those who seek power for selfish ends.

We hold this truth to be self-evident - -

that the recovery in all the values of human life during the past three years has been due to a drastic change in the policies of the Federal Government toward the personal, financial, industrial, and agricultural security of the entire American people.

We hold this truth to be self-evident - -

that in a world ^{born by unrest + moving to} ~~in which~~ international peace ~~is menaced~~, a leadership which, by its policy of the good neighbor, has established ^{more friendly than ever before} amicable relations with all foreign countries ~~as have existed since~~ the foundation of our Nation and holds as its bed-rock principle ^{is determined} ~~a determination~~ to keep the United States out of any wars which may develop anywhere, is vastly to be preferred to a leadership untested in foreign relations.

Therefore:

We shall continue to uphold the sound currency and banking system which has been established in the past three years, as well as the various Acts which have saved families, homes, farms, and industries, protected depositors, lowered interest rates, and reestablished the good credit of municipalities, counties, states and the Federal Government.

We believe that debts should be paid in a medium of exchange of approximately the same value as the medium of exchange in which they were contracted. We shall continue, therefore, to seek a stable purchasing power for the American dollar, believing that the wide fluctuations of former years were a benefit only to speculators in securities and in the commodities and necessities of life.

We shall seek to reduce all taxes which burden the consumer. We shall avoid federal sales taxes, and close the loopholes through which owners of abnormally large incomes evade the taxes which former congresses intended them to pay.

We shall maintain and strengthen the successful prosecution of kidnapers, bandits, and malefactors of great wealth who have violated federal laws. We shall encourage honest business but by full publicity and reasonable regulation shall continue to protect the public ^{and strengthen the laws} against malevolent monopolies, fraudulent securities and the speculative rigging of markets.

We shall continue to foster increases in our foreign trade; to seek by mutual agreement the lowering of those tariff barriers, quotas and embargoes which have been raised against our exports of agricultural and industrial products. We shall not attempt to deceive the American people by telling them that it is possible to sell American products abroad and at the same time bar foreign products from this country - ^{for it is obvious that} thus preventing ^{cannot} foreign countries ~~from~~ acquiring the dollars to pay for our products at a time when most ^{of them} ~~foreign countries~~ have little or no gold with which to pay. But we shall safeguard our farmers and manufacturers against the dumping on our shores of foreign products and goods produced by cheap labor ^{or} ~~and of exports~~ subsidized by foreign governments.

We reaffirm our belief that local government must continue to act with full freedom in matters directly of local concern; that county government must retain functions which logically belong to the county unit; that state government must and shall retain state sovereignty in all those activities of government which can be carried on effectively and efficiently by the state.

^{cannot} We believe, however, that activities of government which can not be carried on adequately by localities, counties, and states, are, and of right ought to be, the functions of the Federal Government.

The Constitution has provided and provides the best instrument devised for the continuation of this fundamental principle. That was the intent of its framers. That is its clear intent as it exists today. The founders of this Nation never intended that there should be a "No Man's Land" in our national life in which neither Federal nor state governments could function.

crossing
The basic problems of the Nation today are nation-wide problems. The wind which lifts the earth from the fertile prairies, and destroys them and neighboring states, does not heed state lines. The floods, which arise in many states and devastate many others, do not halt at state boundaries. In this day of complex industrial and agricultural organization, the betterment and protection of the life of the average American family in its social and economic problems involves activities which cross state lines like the prairie wind and the flood waters. We are inter-dependent. In a physical as well as a spiritual sense, *we are* "We are all members of one another."

Platform
The Republican ~~Party~~ has asserted solemnly ~~in its platform~~ that the vital problems of America today can be and must be met by the states and the states alone. The Republican platform offers no escape from the conditions which the American people will not and should not tolerate - except the insincere and impossible hope that all the states will legislate uniformly

and simultaneously on these great problems which are national.

We do not agree that agriculture is a purely local problem. It is a local problem in so far as it is the problem of the individual farmer to raise his wheat or tobacco or cotton or livestock; but we know from experience that crop and livestock surpluses and shortages can not, as a practical matter of fact, be balanced by independent action of 48 state legislatures, ^{state} administrations and ^{state} courts; and we know that the problem of the disposal of agricultural surpluses abroad through international agreements for mutually profitable trade can not constitutionally or practically be approached by state governments.

We do not agree that the production and use of coal and other minerals, electricity, transportation, and communications can be regulated reasonably in the public interest or in the interests of the millions of our fellow citizens who labor in these fields of activity by state action alone.

We believe that monopolistic or unfair trade practices or unscrupulous management of utilities where the business involved crosses state lines can not be controlled by the states alone but must be ^{controlled} by the Federal Government.

We believe that the administration of relief and the policy toward ^{this} relief of the destitute unemployed can not

be placed solely in charge of local units of government without producing political discrimination, increased overhead and inadequate care.

We do not agree that old-age security and unemployment insurance should be left solely to the discretion of the several states, with the right to each state to set up no system ^{at all} or ^{else} a system at complete variance with all other states.

We do not agree that each state should have the sole right to enact or not to enact, as it sees fit, laws for the protection of children in industry, ^{for} of fair wages for men and women, for proper working conditions and for the limitation of hours of work. We believe in action in this field by the Federal Government.

We believe that if we are to go forward, as we have gone forward during the past three years, it is essential that the policies of the present Administration should be continued with an absolute determination to eliminate permanently the collapse of purchasing power, the stagnation and the misery which is produced when too great a portion of the national income flows into the hands of a few and too little into the hands of the many.

We know that the physical, economic and social problems which confront the people of the United States

in this generation are vast and new, and we believe that they can be solved only by a government which is not afraid to attack them by every constitutional means, under a leader who is determined to keep us at peace with all the world, to lower the barriers to international trade and to afford to every man and woman who is able to work an opportunity to take his or her place in the working army of this nation. *at adequate pay*

We believe that during the next four years the people of the United States will march forward steadily to new horizons of economic welfare and individual self-respect under the leadership of the man who had the courage and wisdom to face and defeat the crisis of 1933: Franklin D. Roosevelt.