

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 assumed ignorance of what has happened for weeks until he is formally notified of the event. That is sheer sham and hypocrisy. May this be the symbol of my intention to be honest and to avoid all hypocrisy or sham or 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 traditions and leave it to the Republican Party far more skilled in that art, to break promises.

Let us now and here highly resolve to resume the country's interrupted march along the path of real progress and of real justice and of real equality for all our citizens, great or small.

Our indomitable leader in that interrupted march is no longer with us, but there still survives today his spirit. Many of his captains are still with us to give us wise counsel. Let us feel in everything we do that there still lives with us if not the body, the great indomitable, unquenchable, progressive soul of Woodrow Wilson.

We have just heard anew, and I am glad that it has been repeated for our continued consideration, the platform of our Party.

I have many things on which I want to make my position clear at the earliest possible moment in this campaign. 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.

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The appearance before a National Convention, of its nominee is unusual. But these, I submit, are unusual times.

There are times when traditions of an even more serious nature have to be broken. And it is better for a party to break a tradition than to break a promise. If our friends, the Republican leaders, had been more willing to break with the traditions of a dead past, they would not have broken so many of their solemn promises to the living present.

My appearance before you is, I hope, an emblem - a happy emblem of new purposes, renewed life, re-dedicated devotion and, to the sorely tried people of this country, a new deal.

I express, in no merely formal way, my gratitude to this great council of the party. I want to do more than thank you. I want to serve in the spirit of this honor, to give in the measure of your gift and to be generous in the spirit of your generosity.

Our party once before in our memory served the Nation in a great emergency. In that war for a human principle it met its responsibility; it fought the good fight; [it finished the course;] it kept the faith -- the faith in the precious human value of the common man. Now the issue is the same. We pledge our word to those common men who, in the last analysis, carry the burdens and fight the battles - those people ignored and rebuffed by this administration of forgotten ideals and forgotten duties.

The Commander-in-Chief who went his way in sorrow and suffering kept his faith in democratic government unshaken, even in his last days, when sordid reaction was abroad in the land. That faith, we, his captains, carry on.

As we enter this new battle let us lay hold of the ideal he wanted so much to have us remember -- that the Democratic party is destined by tradition and by the continuing logic of history past and present, to be the bearer of liberalism and of progress, *and at the same time of safety to our institutions*

If this appeal fails, remember well that [^]resentment against 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 which too often attend upon such times. Wild radicalism has made few converts; and the greatest tribute which 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} this danger of radicalism ~~by reaction~~ is to invite disaster. Reaction is no barrier to the radical. It is a challenge and a provocation. The way to meet this danger is to offer a workable program of reconstruction. And the party to offer a remedy is the party with clean hands. It is a Democratic party with a clear-cut, modern program of liberal principle. This, and

only this, is a proper protection against blind reaction on one hand, and improvised, 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 to labor, to the farmer and to the small business man.

This theory belongs to the party of Toryism - now the party of ruined prosperity. But it is not, and never should be, the theory of the Democratic party. This is no time for fear, for reaction, for timidity. Here and now I invite those nominal Republicans, who find that their conscience cannot be squared with the groping and failure of their party leaders, to join hands with us; here and now I warn those nominal Democrats, who squint at the future with their faces turned towards the past and who feel no response to the demands of the new times, that they are out of step with their party.

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, of the greatest good to the greatest number of our people.

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 the Republican leaders to explain their broken promises of continued prosperity, 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.

Let us look at ~~the~~ *a little recent history & a little simple economics.*

In the years before 1929, this country 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 normal and natural growth.

Now, it is worth remembering that
during that time there was little or no drop in prices to the consumer, although the cost of production fell considerably. ~~The~~ Corporate profits resulting from this period ~~were~~ *was* enormous, *at the same time* but, ~~as I have just said,~~ little of ~~this profit~~ *this profit* was devoted to the reduction of prices. The consumer was forgotten. Not much of it went into increased wages. The worker was forgotten. By no means an adequate proportion was paid out in dividends. The stockholder was forgotten. *And very little* ~~scarcely any~~ of it was ~~lost~~ *taken* by taxation to the beneficent government of those years. ~~Industry as a source of taxation was forgotten.~~

As a result, enormous corporate surpluses piled up -- the most stupendous in history. Where, under the spell of delirious speculation, did these surpluses go? Chiefly in two directions: First, into new and unnecessary plants which now stand stark and idle; second, into the call-money market, either directly by the corporations or indirectly through the banks.

Then was the crash. You know the story. The surplus invested in unnecessary plant became idle. Men lost their jobs. Their purchasing power dried up. The banks became frightened and began calling loans. Those who had money were afraid to part with it. Credit contracted; industry stopped; commerce declined; unemployment mounted. And there we are today.

Translated into human terms, let us see how these events of three years come home to specific groups of people. First, there was the group dependent upon industry. Second, there were those engaged in agriculture. ~~XXXXXXXXXX~~ ^{there} Third, was the group of 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 the third group, the credit structure of the country. 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 or mortgages - governmental bonds of

all kinds, federal, state and local; bonds of industrial companies and utility companies; mortgages on real estate in farms and cities; and, finally, the vast investments of the Nation in its railroads. What is the measure of the security of each of these groups? We know well that in our complicated, interrelated financial structure, if any one of these credit groups collapses they may all crash. Danger to one is danger to all. How, I ask, has the present administration in Washington treated the interrelationship of these credit groups? *It has not recognized that interrelation ship* The answer is clear. Its policy has been to rush with a sandbag first to some tiny trickle in the levee and then, to rush a mile away to another little trickle, then in the opposite direction to still another. Why, the Nation asks, has Washington failed to understand that all of these groups must be considered together, that each and every one of them is interdependent on every other, each one of them affects the whole financial fabric. Statesmanship and vision require relief to all at the same time. → X


I use as an example the railroad situation of today, proving that the policy of rushing hither and yon applies even to individual groups of the credit structure. 11 billion dollars of our savings, the savings of savings and insurance institutions and trustees, as well as of individuals, lie in outstanding railroad bonds. It is common knowledge that the railroads today are not earning enough money to meet the interest on a large proportion of these bonds. Has the administration at Washington developed and put into effect a comprehensive program? Practically the sole relief has been an occasional dole by the Reconstruction Finance

Corporation to ward off immediate receivership.

What would have been a course of statesmanship! First, to stop and stop at once the waste caused by the duplication of traffic facilities in every part of the country; and at the same time to put into effect plans for consolidation, plans which in large part have been prepared and are lying idle ready to be carried out. Secondly, to eliminate altogether a huge railroad mileage made up of parallel or short line trackage which do not pay and never will pay for its upkeep, let alone its investment. Third, to ~~give immediate protection to~~ ^{protect the earnings of} the mileage which remains and which is necessary to our national transportation, ^{- to} ~~protection~~ ^{it} from such competition from bus and truck lines as is essentially unfair. Finally, it is time for government to take a hand in reducing the enormous tax which railroads are today compelled to pay, particularly to local government.

Help the railroads? Yes, of course. ~~The Reconstruction Finance Corporation must advance funds immediately to help them meet interest and maturities when necessary in this emergency. But let not the railroads forget that by these advances, the government of the United States is in substance ^{becoming a creditor} ~~laying an emergency~~ but a vital interest in these railroads. It has a right, a duty to protect that interest. ^{But we have} It has a right and a duty to demand that the railroads put their own house in order, as a condition ^{to} getting further aid from the government. They must consolidate; they must remove from around their necks the millstones of useless competing lines, of short, unprofitable lines. They and their junior security holders~~

must cooperate where necessary in voluntary reduction of interest and even in extension of maturities during this period of stress.

I have spoken to you of the taxes which railroads pay; and that leads me to the consideration of the taxes which all of us pay towards the cost of government of all kinds. For three years I have been going up and down the country preaching that government, - federal, ~~and~~ state and local, - costs too much. I shall not stop that preaching. [The wastefulness, the inefficiency, the unnecessary functions, the overlapping, constitute a vast charge upon our credit system - not necessary for proper government. Here too we need a program - a program not merely of deep cuts in costs, but of extensive reorganization, based on a comprehensive picture of all government. 

Today we must pay the fiddler. It is time to view our budget and our expenditures, not in the light of one year, but as a part of a continuing national policy.]

As an immediate program of action, we must abolish useless offices. We must eliminate functions of government which are not definitely essential to the continuance of government. We must merge and 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 governments. Let us remember well that out of every tax dollar, forty cents enters the treasury of the United States; ten or twelve cents only go to the states; and forty-eight cents are consumed by the costs

of local government in counties and cities and towns. I propose to you, and through you to the Nation, that government of all kinds be made solvent, and that the example be set by the President of the United States and his Cabinet.

setting a definite example
And talking about ~~temperance~~, I congratulate this convention for having had the courage fearlessly to write into its declaration of principles, what an overwhelming majority here assembled really think about the eighteenth amendment. This convention wants repeal; your candidate wants repeal; ~~the~~ Nation wants repeal. Two years ago the platform on which I ran for Governor contained substantially the same provisions. The overwhelming sentiment of the people of my state as shown by the vote 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 eighteenth amendment is doomed.

With that and simultaneously, we as Democrats must rightly and morally enable the states to protect themselves against the importation of intoxicating liquor where such importation may violate their laws; and we must rightly and morally prevent the return of the saloon.

In a comprehensive planning for the reconstruction of the great credit groups including government credit, I list as an important factor that fine statement of principle in the platform, which here has been adopted, calling for the letting in of the light of day on all issues of securities, foreign and domestic, which are offered for sale to the investing public. It would help protect the savings of the country from the dishonesty of crooks and the lack of honor of some men in high financial places. *Publicity*

is the enemy of crookedness (20 p. 10)

~~To protect the public against great losses in foreign securities.~~

I favor 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 works. I have, however, pointed out that no economic end is served if we merely build without building for a necessary purpose. Such works should, further be self-sustaining, if possible.

So as to spread employment of all kinds as widely as possible we must take definite steps to shorten the working day and the working week. ¶ Let us use common sense and business sense. For example, a very hopeful and immediate means of relief both for the unemployed and for agriculture would come from a wide plan of conversion of ^{certain} marginal land into timber land through reforestation.

There are tens of millions of acres east of the Mississippi alone, in abandoned farms or in cut-over land, now growing up in worthless brush. Every European nation has a definite land policy. We have none. Having none we face a future of soil erosion and timber famine. It is clear that economic foresight and immediate unemployment needs call for the reforestation of these vast areas. In so doing, employment can be given to a million men. This type of public works is self-sustaining and, therefore, capable of being financed by the issuance of bonds made secure by the fact that the growth of tree crops will provide adequate security for the investment. I have a definite program for providing employment by this means. I have done it and am doing it in New York successfully. I know that the Democratic party can do it in the nation successfully. That will put men to work.

As a further aid to agriculture we should repeal immediately those provisions of law which compel the federal government to go into the market to purchase, sell and speculate in farm products in a futile attempt to reduce farm surpluses. They have put our government not only into business but into gambling on a huge scale. I am opposed to that.

the farmer
The practical way to help 'is by an arrangement which will, in addition to lightening some of the impoverishing burdens from his back, do something toward reducing the surpluses of staple commodities which hang over the markets.

It should be our aim to add to the world prices of staple products the amount of a reasonable tariff protection, thus making the tariff really effective on our agriculture. In exchange for this immediately increased return, I am sure that the farmers of the nation would agree ultimately to such a planning of their production as would reduce the surplus, and make it unnecessary in later years to depend on dumping abroad to support domestic prices. That result has been accomplished in other nations, - why not in America?

Farm leaders and economists generally agree that a plan based on this principle is a desirable first step in the reconstruction of agriculture. It does not in itself furnish a complete program but 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 part of our objective, but the long continuance and present burden of existing surpluses make it necessary to repair great damage by immediate emergency measures. Such a plan as this does not cost the government any money, nor does it put it in business or speculation. As to the details of this method of relief, we should be guided by whatever the responsible farm groups themselves agree upon. The principle is sound and we should carry it out at once. Again I speak for action.

The American farmer to a greater extent than ever before is burdened with debt. His purchasing power is gone. Farm mortgages reach nearly ten billions; interest charges are nearly 560 millions annually. But this 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 his interest burden. Rediscounting of farm mortgages under salutary restrictions should be expanded and should in future be conditioned on the reduction of interest rates. It would save American farmers hundreds of millions. Amortization payments and maturities should likewise be extended before rediscount is permitted. Here is practical, immediate relief. Here is a practical way of putting solvency and new purchasing power where it is most needed, where it will have the most telling effect. Farmers now under the grim shadow of debts and taxes will thus find the means with which to buy and the freedom from fear to spend. New clothes, shoes, automobiles, implements, live stock which he wants but which he refuses to buy because he must save every cent in anticipation of debt, can again enter into normal channels of trade. Here again I call for action.

I aim to do the same thing for the small home owner in our cities and villages. We can lighten his burden and develop purchasing power. Take away the spectre of too high interest and of due dates, save homes for thousands of self-respecting families, and drive out the spectre of insecurity from our midst.

The ancient swindle of a Republican tariff likewise paralyzes the American farmer's purchasing power. In spite of a few concessions he still buys in a protected market and sells in an unprotected one. Indeed the

tariff is a major factor in the present depression and strikes at all of the groups I have mentioned, - the investor, the industrial worker and the farmer alike.

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 one hundred and twenty million people has been led by the Republicans 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 big round world.

I accept the admirable tariff statement of 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 the 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.

Go into the home of the business man; he knows what the tariff has done to 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.

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.

[In any dealings with other nations on the tariff, we must include other material questions in which we have vital interest. Foremost among these will be the inter-allied debts. Here the answer is short. The people of this country believe that these are honest debts. They will not cancel these debts outright. I would, each year, insist upon the determination as to whether any of our debtor nations is in fact unable to pay any part of its debt to us. The United States should be a generous rather than a grasping creditor. But a creditor it must remain until paid. If any nation proves that it can not pay, I would say to them, - "Acknowledge your debt; next year we shall look at your balance sheet again." If it can in fact pay, then we must ask for payment. They are debts of honor; they should be paid as debts of honor.]

✓ My program, of which I can touch on but a few points today, is based upon this simple moral principle: the welfare and soundness of a nation depends first upon what the great mass of its people wish and need, and second whether they are getting it.

What do the people of America want more than anything else? To my mind two things: work with all the moral and spiritual values that go with it; and, with work, a reasonable measure of security for themselves and for those who depend upon them.

Work and security -- these are the spiritual values, the true goal toward which our efforts for 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 of economic laws -- sacred, inviolable, unchangeable, -- that these laws cause panics which no one can prevent.

But while they prate of economic laws, men are starving. We must lay hold of the fact that economic laws are not made by nature, they are made by human beings.

And in the meantime the Federal Government must boldly assume 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 needing 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 and putting it off from month to month, until the conscience of America demanded action. I say that while primary responsibility for relief rests with localities now as ever, the Federal Government has always had and still has a continuing responsibility for the public welfare. It must now fulfill that responsibility. I am proud that the platform of our party from beginning to end breathes that spirit and is dedicated to that purpose.

And now 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 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. I expect to make several short visits to several parts of the nation. My trips will have as their first object 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 section of the country.

[Before this campaign is over the voters will have no doubt as to what I stand for and I in turn will be informed what the people wish and need. If they want me for President, they will vote for me without being importuned by the old political methods. If after weighing all of the pros and cons of this important election they prefer four years more of President Hoover, they will vote for him.]

One more word. Out of every crisis, every tribulation, every disaster, mankind rises with some share of greater knowledge, of higher decency, of purer purpose. Today we have come through a period of loose thinking and 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 a great many among us have made obeisance to Mammon, that the profits of speculation, the easy road without toil have lured us from the old verities. To return to higher standards we must abandon the false prophets and seek new leaders of our own choosing.

Never before have the essential differences between the two major American parties stood out in such striking contrast as this year. Republican leaders not only have failed in material things; they have failed in national vision, because in disaster they hold out no hope, they point out no path for the people below to climb back to places of security and safety in the economic structure.

Throughout the nation, the men and women forgotten in the political philosophy of the government of the last twelve years look to us here for guidance and for a 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 our villages, millions of our citizens cherish the hope that their old standards of living and of thought have not gone forever. Those millions cannot 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 return America to its own people.