
Franklin D. Roosevelt — “The Great Communicator”

The Master Speech Files, 1898, 1910-1945

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1920 September 14

Holyoke, MA - Campaign Speech

It is a fact which cannot be denied by the most rabid Republican campaigners that a Democratic Administration and three successive Democratic Congresses placed more constructive and vital legislation on the statute books than ~~has~~ ever been enacted in an similar period in our history. I want to call particular attention to what I regard as perhaps the greatest of these many accomplishments, that is the Federal Reserve Act, which has placed the control of the finances of the United States in the hands of the American people. Two different theories have been clearly represented in the Republican and Democratic Parties. Under the Taft Administration, every effort was made to pass the Aldrich Banking Law, but it was defeated by a Democratic House of Representatives because it contained what we believed to be fundamentally wrong principles. It is true that the Aldrich Bill created a reserve system, with regional banks, but it is also true that the Aldrich Bill vested control of the regional banks, and in fact of the entire system, in the hands of the private banking interests of the nation, in fact, principally those in a few large cities. The whole Republican plan was based on the theory that ~~prominent~~ ^{at least} bankers were the only people fit to control our national finances. In addition to this, the Aldrich Bill left many distinct loopholes for the control of money matters for political and partisan purposes.

The Democratic ideal was the reverse. In the passage of the Federal Reserve Act in President Wilson's first term, twelve great reserve banks were created under the control of the Government of the United States thru the Federal Reserve Board, a non-partisan organization in Washington wholly separate from the money trusts and private banking interests.

The actual working out of the Federal Reserve System has been a complete success. It was because of this system that we were able to finance the war more economically than any other nation, that we were able to extend credit to the nations vitally associated with us in the conduct of the war at a time when financial assistance to them was necessary for military reasons, and that today our national finances are truly in the hands of the

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people ~~and~~ not any selfish group of capitalists.

I charge that it is a part of the plan of those special interests who are behind the candidacy of Senator Harding to revise the Federal Reserve Act in case of his election with a Republican Congress in such a way as to restore the principles of the Aldrich Banking Law.

I charge that it is the purpose of these interests to gain control of the national finances in order that they may again establish ^{the} special privileges of the old "money trusts".

I charge that they seek to take away the powers of the Federal Reserve Board and to transfer those powers into the hands of what they call "practical" bankers in the half dozen important financial centers of the country.

It is unnecessary to point out what would be the effect on the farmer, on the small merchant, on the home-builder, and in fact indirectly on the life of every citizen. The country had hoped that it had got away from that kind of government. That is the kind of "sound government" which Republicans are asking a return of at the present time.

ADDRESS BY HON. FRANKLIN D. ROOSEVELT, Holyoke, Mass., September 4, 1920.

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