
Franklin D. Roosevelt — “The Great Communicator”
The Master Speech Files, 1898, 1910-1945

Series 1: Franklin D. Roosevelt’s Political Ascension

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1928 October 23

Syracuse, NY - Campaign Speech

the wet subject ARENA - SYRACUSE (Laughter and Applause.)
 While it was not Tuesday Evening stirring a subject as
 the other Tuesday October 23, 1928 was just as deep to
 the roots of our democracy.

 This is a history and a lesson on the subject

Mr. Chairman, my friends of Syracuse: This
 is Alfred E. Smith's lucky hall. (Applause.) And I
 hope it will be mine, too. (Applause.) Just two years
 and three weeks ago I had the honor to preside in this
 hall over the Democratic State Convention, the conven-
 tion which nominated Governor Smith for his fourth term
 as the Chief Executive of this State. And you know well
 that as a result of that nomination, and as a result of
 his election in the following November, his nomination
 for the Presidency became inevitable. (Applause.) And
 by the same token his nomination for the first place in
 the Nation makes his election inevitable (applause) this
 coming November sixth. I yet cannot realize the vast and

I bear you a message, -- I bear you the message
 that Buffalo and Rochester are going Democratic, and
 that they expect Syracuse to do so, too. (Applause.)
 And tonight I am going to talk about a very wet subject,

the wet subject of water power. (Laughter and Applause.) While it may not be quite as soul-stirring a subject as the other wet one, in some ways it goes just as deep to the roots of our democracy.

This is a history and a sermon on the subject of water power, and I preach from the Old Testament -- the text "Thou shalt not steal." (Applause.)

It is the history of the development of public thought in this State over a period of twenty years, a gradual forming of public opinion made necessary by the greatest of American inventions, electricity, and by the growth among a small group of individuals of the very human desire to add to their worldly possessions by getting something for nothing.

The story goes back twenty-one years. In 1907 the use of electricity for power purposes or for general illuminating purposes was still in its infancy, and the general public had not yet come to realize the vast expansion which has taken place since then. On the other hand, the far-seeing experts and specialists in the electrical field had already begun to lay out a program, a program for the acquisition of water power sites,

realizing that the development of the turbine would soon make the production of electric power by the use of water far cheaper than by the use of coal. That time (ap-

It was back in 1907 that the passage by the Legislature of the State of New York of a free, gratis charter, created mighty little interest. Very few people knew about it. Yet that Legislature gave away on a silver platter a charter in perpetuity giving the right to develop the power of the Long Sault Rapids up on the St. Lawrence River. Most of us knew nothing about it at all, and it was not until sometime afterwards that the people came to realize what the Legislature had done. Probably the great majority of the members of that Legislature had considered it merely one of the usual charters for private companies, and nobody charges bad faith on the part of that legislature. as told by Governor Nathan B.

Several years later, however, the Democratic Party came into power for the first time in both the Senate and the Assembly. By that time, in 1912 and 1913, public opinion had begun to crystallize in this State, and in the face of intense lobbying and bitter opposition, the law was passed repealing the free hand-out of

the charter to the Long Saulte Development Company.

I shall always be proud of the fact that I was a member of the State Senate at that time (ap-
plause), for I believe firmly that our action saved to the people of the State of New York its most valuable water power asset.

Well, what happened? The power interests remained pretty quiet for a while. Nothing happened until Governor Smith became chief executive of the State in 1919. He immediately urged the development of the water power resources of the State, and during two years was, as usual, as in everything else that he recommended, blocked by the Legislature of the State.

Evidently the water power interests feared the possible future return of a Democratic Governor, because two years later, during the term of Governor Nathan L. Miller, whom some of you know, I understand (laughter), an act was passed creating a body called the Water Power Commission, that consisted of the Speaker of the Assembly, the Majority Leader of the Senate, the Conservation Commissioner, the State Engineer, and the Attorney General (Applause). The Legislature gave to

this commission the broadest sort of power to grant licenses to private persons or corporations authorizing the diversion and use for power or other purposes of any of the water powers of the State.

I suppose people who were chiefly interested thought they had all the time in the world to go ahead with their well laid plans. But they reckoned as they have often reckoned before, without Alfred E. Smith. (Applause.) Because, as we know, he came back into office on January 1st, 1923, and fortunately also he has remained as our Chief Executive from that day to this. (Applause.)

It is only because of this fact, my friends, that we, you and I, the owners of our water power, have not lost that water power by theft. (Applause.) Governor Smith sought in vain to obtain a repeal of the Water Power Commission Law. The Legislative leaders blocked it, and it is interesting to note the definite appearance at this time of the Speaker of the Assembly, Mr. Machold, the open and avowed champion of the private corporations which were seeking to obtain the water power sites from the control of the State. With the help of

Mr. Machold the water power interests made the next move and offered an amendment to the Constitution of the State, allowing the use of the waters in the forest reserves. See how clever it was! The amendment did not have to go to the Governor for signature; it went straight to the voters, and they were clever too, because they carefully camouflaged that amendment to make the voters think that it would allow the use of these waters up in the Adirondacks only for municipal canal or stream flow purposes. But it contained a little joker, just as so many of my friend Machold's little schemes did. A little joker allowing the development of power by lessees under lease not to exceed fifty years. That of course would have enabled the construction of water power plants throughout the Adirondack Park. *Paul grants. and I remember about that time the*

Governor Smith is not the kind, perhaps, that jokers get by. (Laughter and Applause.) He dug it out, took prompt issue, labelled the amendment "the Adirondack raid" and made a personal campaign against its adoption. He made the issue so clear to the people of the State that it is worth while remembering that they

sustained his position by defeating the amendment by a vote of 965,000 to 470,000 (applause), a little over two to one. And yet there are people going around saying that we ought to investigate the matter further (laughter), that the position of the people of the State is not quite clear on that subject; a little over two to one, and not so long ago.

Well, what was the next step? The next step in the history of the attempted theft was the announcement by Governor Smith of the adoption of a definite policy on water power, January, 1924. He brought out two points clearly. First, the people of the State are opposed to the principle of leasing the power sites which they own (Applause.) Secondly, that leases for long-term periods, such as fifty years, are in effect perpetual grants. And I remember about that time the opposition was saying, "Why, the people are going to be protected, because the rates that the power companies could charge will be all kept down by the Public Service Commission," and the answer of Governor Smith at that time was this:

He said, "Do you realize that there is a body

called the Interstate Commerce Commission, and do you realize that the Federal Government has a well-defined habit of stepping in when any two states are concerned? And do you realize that in this modern day the high power transmission lines of electricity are not confined just to one state, but run from one to another, East and West and South?" And then he went on, and he called to our attention a little fact that you people up here -- I won't say you can remember, because none of you were born then, but somewhere back around 1840, I think it was, the ancestor of the New York Central and Hudson River Railroad got a charter from the State, and the New York Central, as it was called, that portion of it that ran through here, I think, built the railroad under this charter. And the charter said that for all time that railroad could only charge two cents a mile, and that if they attempted to charge more than two cents a mile for passengers, they would forfeit their charter.

Well, when I was small I could ride for two cents a mile, and so could you. Do I notice anybody around here today that is riding on the New York Central for two cents a mile? (Applause.) What happened? The

New York Central and Hudson River Railroad and affiliated lines came under the Interstate Commerce Commission because they served more than the inhabitants of the State of New York, and the Interstate Commerce Commission said, "Never mind about that New York charter of the forties, of the last century; it has nothing to do with the case in point; two cents a mile is unfair. We are the doctors. Go ahead and charge four."

What did the State of New York say about it? We paid. And by the same token the transmission of electrical power will inevitably come, some day, under the Federal authority, because it is interstate, because we are working up a network all over the United States, in the interest of economy, in the interest of good business; a network of high-power transmission lines, so that we may be getting the power today from Niagara, and tomorrow from the St. Lawrence, and the day after, perhaps, from the tides of the Bay of Fundy; you cannot tell.

So that was the Governor's answer to the perfectly ridiculous assertion that the regulation of rates could always be determined by the Public Service Commission

of the State of New York. *clear to everybody.*

He went on. He proposed the development of the sites by a water power authority, on a principle similar to that of the highly successful Port of New York Authority. This proposed that your water power corporation would have the right to issue bonds and build necessary structures, and keep them for the development of water power. These bonds will be an obligation only of the Power Authority, not of the State itself. In effect this Power Authority would be a State agency, organized only to build, own and control the development of power at its source. The Power Authority was at no time intended to make an ultimate distribution of power to the consumers, on the theory that it is the State's business only to develop the basic part of the development. *power resources? which would you rather*

Well, needless to say the Republican Senate and Assembly, under the guidance of my friend, Speaker Machold, failed to carry out the recommendations of the Governor, or to consider what were undoubtedly the wishes of the great majority of the voters of this State. Again they tried to delay action by suggesting further ingesti-

gation of a subject perfectly clear to everybody.

That same situation continued in practically the same way through 1925 and the greater part of 1926. But in the fall of 1926 -- and now we are getting down to modern times, we are getting down very close to the days of the attempted robbery that I am coming to in a minute -- in the fall of 1926 the difference in policy between the leaders of the two parties was made definite in their platforms. The Republican platform said "We favor the prompt development of the water power resources of the State by private capital and management, under a system of limited leases. On the other hand, the Democratic platform said, "We pledge ourselves to the enactment of laws which will guarantee the perpetual ownership and control by the people of the State of the State-owned water power resources." Which would you rather have? Which is the standard that the people of this State have so clearly adopted? Engineer, and Albert

Now, it is a simple fact, which Mr. Ottinger cannot deny, that the Gubernatorial campaign of 1926 was waged in large part on this issue. As all know, Governor Smith was re-elected by an enormous majority,

and it seemed clear that the people of the State had set the seal of their approval on his policy. As a result of the 1926 election, however, there came that episode in our State history which will be recorded in large letters for all time.

Immediately after the votes had been counted in November, the power interests of this State realized that unless prompt action were taken, their chances would be gone, for the plan of reorganization of the State Government which had been adopted by the people the previous year, was to go into effect the following first of January. Under that plan the old Water Power Commission was to die. The power interests had less than two months to get something done, seven weeks to go. Through the subservient Republican leaders they controlled four out of five members of the Water Power Commission; the Speaker of the Assembly, the Majority Leader of the Senate, the State Engineer, and Albert Ottinger, the Attorney General of the State of New York. (Applause.) Yes, he was the Attorney General of the State of New York in November and December, 1926.

In this situation the water power interests

became desperate. They induced the Water Power Commission to consent to grant them a lease on the St. Lawrence River which would have deprived the people of most of their water power resources forever. The Governor, on hearing of the plan of the Commission, promptly protested, calling the attention of the State to the fact that the Commission was about to go out of office, and that after January 1, 1927, the Governor himself was to be given the right to veto such licenses. But in spite of that this Commission had the consummate nerve to reply to the Governor that they intended to go through with the granting of the lease during the final months of their existence.

Public opinion was thoroughly aroused in every section of the State. Litigation was threatened. The situation was critical. There, on the one side, was the overwhelming and definitely proven opposition of the great majority of the citizens, demanding that this steal should not be consummated at the eleventh hour.

There, on the other side, stood the Water Power Commission, listening to the pleadings of the power magnates, asking them to act before it was too late.

they would I see a picture of a table; four men, among them the Attorney General of the State, the lawyer elected by the people to defend the interests of the people, the lawyer of the State whom the Governor in this crisis was so unable to trust to work for the interests of the people of the State, that he felt obliged to retain the services of Samuel Untermyer to represent the people.

(Applause.)

There stood those four men, their pens poised in hand, ready to consummate the final steal. Telegrams poured in, protests from public meetings, editorials in the newspapers of all parties flooding into Albany. And in that crisis came the deciding move, the open dare of the Governor of the State of New York, challenging the Water Power Commission to affix their names. (Applause.) For a few moments it looked as if the steal would be consummated. But in the nick of time the face of the Water Power Commission was saved. The power companies themselves lost their nerve. They didn't dare to accept the challenge of the Governor and of the people of the State of New York. (Applause.) No; they decided that rather than arouse public opinion any further,

they would wait until they could control, at some future date, not only the Attorney General, but also the Governor of the State. They were waiting until the election of the year 1928. ~~The matter, as the applicants have~~

Yes, the Water Power Commission put down their pens. Attorney General Ottinger and his colleagues had also lost their nerve. It was a drama that has had a happy ending of the first act; the curtain is about to ring up on the second act of that drama. (Applause.)

I was reading today, coming over in the car, a speech by Attorney General Ottinger delivered yesterday in Oswego, on the subject of water power, and I want to read just two or three little paragraphs to you. He started in by saying, getting off a grand sentence, a splendid thought; he says, "I am for the immediate development of water power along lines to serve the best interests of the people of this State."

And then in a plaintive mood he goes on and says, "An attempt has been made" -- I wonder whom by -- "to make political capital out of the fact that the proposed St. Lawrence lease of 1926 was never carried through. It has been charged that the Water Power Commission did

not care to put into effect the provisions of the Water Power Act and execute it. The truth is entirely different. As a matter of fact, the Water Power Commission had no choice in the matter, as the applicants themselves withdrew their acceptance of the terms."

Wasn't that lucky (Laughter and Applause)? Just like the old fairy tales that always used to end, "So they lived happily ever after." (Laughter and Applause.)

Well, I think I have described the exact facts of the fall of December, 1926. And then the Attorney General goes on -- still the same Attorney General -- goes on in his speech and says: "As I stated in my letter of acceptance, I am for the immediate development of the water powers of the State by methods that will accomplish the result with a definite provision that the people of the State shall hold the title of their great natural resources. If there is a better method for the development of water power I will accept it. If the people are ever to receive any benefit from those resources with which nature has so generously endowed our State, we must develop the power to start at the source."

Frankly, I don't get an awful lot out of that. Do you? Let me read you a very few sentences from a statement that is coming out tomorrow, written by this same New York lawyer, Mr. Samuel Untermyer, who was invited by Governor Smith to come to Albany to save the situation at the eleventh hour. Mr. Untermyer says, "I went to Albany on a Sunday morning in December at Governor Smith's request to advise him. After examining the lengthy and complicated franchise, I was fortunately able to advise him that Machold-Mills" -- that is not Miss Harriet May Mills, but Ogden -- "had overshot the mark and that it could be defeated. While the Commissioners of the Water Power Commission had the strict legal right to grant these fifty-year licenses, they had no right to grant an option on the license, and that is what they managed to do by certain cunning phraseology scattered throughout the document. Under my advice, we then and there gave notice that any attempt to put this license into effect would be opposed by court proceedings. My understanding is that the companies then consulted eminent counsel as to whether or not I was right in my opinion, and when informed that the

license could be defeated on that ground, they reluctantly abandoned it rather than face a fight at that time."

So the old Water Power Commissioners went out of power, without having put through their deal, due to the courage and independence of Governor Smith, and to that alone, (Applause.) And then Mr. Untermyer says in closing: "Remember that Mr. Ottinger was a member of the Water Power Commission. Remember that he was also an Attorney General of the State, that he must have known that the franchise was illegal, and yet he was doing everything in his power to put it over. What can the people of the State expect to happen in this last remaining and most valuable natural resource, if this man is elected Governor of this State? A vote for him means a vote to give away this great natural resource."

(Applause.)

What is the situation in 1928? First, the Republican Party fearing to re-enact the open approval of the 1926 platform favoring private development, seems to back down part of the way. They say in their platform: "We favor the development of such resources under strict supervision and regulation by law, and under the full

safeguards of the Constitution." really means about this power sit. In other words, they don't say anything at all. That means nothing more than an unmeaning mouthful of words. It is important only because of the fact that the same Mr. Machold is today the Chairman of the Republican State Committee of this State. He is opposed

The Democratic Platform pledges support to the previously announced policy of Governor Smith for the development of power at the source through a Power authority. tion and a simultaneous election of a Machold-

In many ways this matter of power is the outstanding controversial issue before the people of the State in this election. I say that because I have not been able to get up much of a controversy with Mr. Ottin-ger about anything else he has said. In his speech of acceptance and in his tour throughout the State he has been good enough to tell the people about the perfectly magnificent constructive work accomplished by the administration of Governor Smith. It is true that he has perhaps given himself the impression -- he hasn't given anybody else the impression -- that he and the Republican leaders were solely responsible for our great program.

But what Mr. Ottinger really means about this power situation is that he has not changed the fundamental position which he held in 1926. I do not hesitate to challenge him to deny that he is in favor of his old plan of 1926. Will he come out and throw it overboard? Will he come out and say that he is opposed to fifty year leases to private corporations? Not much. It is a perfectly safe challenge on my part. (Applause.) I challenge him further to admit the truth that his election and a simultaneous election of a Machold-controlled Republican Legislature this year would result in the following definite program:

First, as Governor, Mr. Ottinger would have the appointing of or the control of any further investigating committee such as he has proposed this year, and it seems quite clear on the record that a committee of his appointing would obviously recommend a return to the 1926 plan of giving long leases to private corporations.

The second step would be that the Legislature would then pass a law in conformity with this report.

The third step would be, Mr. Ottinger, as Governor, would sign that law.

the legal And the fourth and last step would be the end of the control by the people of this State of their own water power resources. (Applause.) -- do you think for

Now, the record and position of Mr. Ottinger on the whole power question are too well know, too well fixed in history to do other than convince the people of this State that his election as Governor would mean the abandonment of the policy of Governor Smith, the policy that has received the support of the electorate. It means, further, the immediate handing over of our power resources to development by private corporations.

And right here I want to make this fact clear, as the Governor has done time and time again. One word in regard to these leases. It may sound mighty plausible to talk about a lease for a fifty-year period. I state, and I make this statement on a fairly wide reading of history and a certain amount of common sense, and that is that a fifty year lease of water power resources to a private corporation is, in effect, a grant in perpetuity. Let that sink in in this State. Does any human being suppose that when one of the great water power companies, if it should by any mischance get

the legal right to develop the Long Sault Rapids up in the St. Lawrence River, put in its dams, its power plants, and its transmission lines -- do you think for one single moment that at the end of fifty years that it would walk out, comfortably and quietly, and turn it over to somebody else? That is not credible. That is asking us plain people to swallow something awfully big. But that has been the history of every lease of such character. *New York. (Applause.)*

I don't want, any more than Mr. Ottinger or the power interests do, to put the State of New York into the business of distributing power to the ultimate buyer. That is a matter which can now be properly taken care of by private companies, especially because of the fact that it involves the employment of very large forces of men and women in the distributing of power to the ultimate consumer. But this function of the distribution end is a wholly separate function from that of the development of power at its sources. *part in that diffi-*

Personally, I am convinced that the people of this State have made up their minds that they want their power sites developed by a Power Authority, and not by

defence, and not sent for tribute. (Applause.)

private corporations. I shall advocate legislation to carry out that policy (applause), and I will go just one step further. If, by some misfortune, the legislature after the 1st of January still be under the control of Mr. Machold, Chairman of the Republican State Committee, and should decline to carry out the policy that I have suggested, I would then dare them to submit the question in simple form by referendum to the people of the State of New York. (Applause.)

Yes, it is a fairly critical situation, my friends. One election, just one day, two weeks from today by the way, just one day in November stands between the people of the State, the rights of the people of the State on one side, and the loss of their priceless heritage on the other. The rights of the people are assailed in this election. Those who would steal our heritage are within one day of success. I have been placed by my party on duty as policeman to guard that heritage (Applause). I ask your support in that difficult and great task, and I ask you to join with me in saying, as our old sailors did back there in the days against the pirates of the Barbary Coast, "Millions for defense, and not one cent for tribute." (Applause.)

This Hall - 1926

ADDRESS OF

[Syracuse]

Buffalo & Rochester

HON. FRANKLIN D. ROOSEVELT

TUESDAY EVENING
October 23, 1928

MR. ROOSEVELT: This is a history and a sermon on the subject of water power, and I preach from the Old Testament -- the teaching of the commandment "Thou shalt not steal".

It is the history of the development of public thought in this State over a period of twenty years -- a gradual forming of public opinion made necessary by the greatest of American inventions, and by the growth among a small group of individuals of the very human desire to add to their worldly possessions by getting something for nothing.

In 1907 the use of electricity for power and lighting purposes was still in its infancy and the general public had not yet come to realize the vast expansion which has subsequently occurred. On the other hand, far-seeing experts and specialists in the electric field had already begun to lay out a program for the acquisition of water power sites, realizing that the development of the turbine would soon make the production of electric power by the use of water far cheaper than by the use of coal.

The passage by the legislature, therefore, of a free charter giving to a private company the right to develop the power of Long Saulte Rapids on the St. Lawrence River, created little public interest. Several years later the Democratic Party for the first time in a generation gained a majority in both the Senate and the Assembly. By that time public opinion had begun to crystallize in this State, and in the face of intense lobbying and bitter opposition, a law was passed repealing the free hand-out of the charter to the Long Saulte Development Company. I shall always be proud of the fact that I was a member of the State Senate at that time, for I

believe that our action saved to the people of the State of New York its most valuable water power asset.

Nothing further happened until Governor Smith became the Chief Executive of this State in 1919. He immediately urged the development of the water power resources of the State and during two years was blocked at every turn by the legislature. Evidently the water power interests feared the possible future return of a Democratic Governor, for during the Governorship of Nathan L. Miller an act was passed creating the Water Power Commission which consisted of the Speaker of the Assembly, the majority leader of the Senate, the Conservation Commissioner, the State Engineer and the Attorney General. This Commission was given the broadest kind of a power to grant licenses to private persons or corporations "authorizing the diversion and use for power or other purposes of any of the water powers of the State".

Fortunately for the people, Governor Smith came back into office on January 1st, 1923 and fortunately also he has remained as our Chief Executive from that day to this. It is only because of this fact that we, the owners of our water power, have not lost that water power by theft. Governor Smith sought in vain to obtain a repeal of the Water Power Commission Law. The legislative leaders blocked him and it is interesting to note the definite appearance at this time of the Speaker of the Assembly, Mr. Machold, as the open and avowed champion of the private corporations seeking to obtain the water power sites from the control of the State.

The water power interests made the next move and with the assistance of Machold offered an amendment to the Constitution of

the State, allowing the use of the waters in the forest reserves. This amendment was carefully camouflaged to make the voters think that it would allow the use of these waters only for municipal canal or stream flow purposes. But it contained the joker allowing the development of power by lessees under leases not exceeding fifty years. This would have enabled the construction of water power plants in the Adirondack Park. Governor Smith took prompt issue, labeled the amendment "the Adirondack raid" and made a personal campaign against its adoption. The issue was made clear to the people and it is worth remembering that they sustained the position of the Governor by defeating the amendment by a vote of 965,000 to 470,000.

The next step in the history of the attempted theft was the announcement by Governor Smith of a definite policy on water power in January, 1924. He brought out most clearly two facts:

1. The people of the State are opposed to the principle of leasing the power sites which they own.

2. Leases for long term periods such as fifty years are in effect perpetual grants.

He proposed the development of the sites by a "power authority" on a principle similar to that of the highly successful Port of New York Authority. This proposed quasi-public corporation would have the right to issue bonds and build the necessary structures and keep them for the development of power. These bonds would be an obligation only of the power authority, and not of the State itself. In effect, this power authority would be a state agency, organized only to build, own and control the development of the power at its source. The power authority was at no time intended

to make the ultimate distribution of power to the consumers on the theory that it is the State's business only to develop the basic development. Needless to say, the Republican Senate and Assembly under the guidance of Speaker Machold failed to carry out the recommendations of the Governor or to heed what was undoubtedly the wishes of a great majority of the voters in this State. Again, they tried to delay action by suggesting further investigation of a subject perfectly clear to everybody.

This same situation continued in practically the same way through 1925 and 1926. In the latter year the difference in policy between the leaders of the two parties was made definite in their platforms. The Republican platform said: "We favor the prompt development of water power resources of the State by private capital, and management under a system of limited leases." On the other hand, the Democratic platform said: "We pledge ourselves to the enactment of laws which will guarantee perpetual ownership and control by the people of the State of the State-owned water power resources." It is a simple fact which Mr. Ottinger cannot deny that the gubernatorial campaign of 1926 was waged in large part on this issue. As all know, Governor Smith was re-elected by an enormous majority, and it seemed clear that the people of the State had set their seal of approval on his policy. As a result of the 1926 election there came an episode in our State history which will be recorded in large letters for all time. Immediately after the votes were counted, the power interests of this State realized that

unless prompt action were taken, their chance would be gone. The plan of reorganization of the State government adopted the previous year would go into effect on January 1, 1927, and under that plan the old Water Power Commission was to go out of existence.

The power interests had less than two months to get something done. Through the subservient Republican leaders they controlled four out of five members of the Water Power Commission -- the Speaker of the Assembly, the Majority Leader of the Senate, the State Engineer and the Attorney General, and this is the point of the story where the name of Albert Ottinger comes in. He was the Attorney General of the State of New York in November and December, 1926.

In this situation the water power interests became desperate. They induced the Water Power Commission to consent to grant them leases on the St. Lawrence River which would have deprived the people of most of their water power resources forever. The Governor, hearing of the plan of the Commission, promptly protested, calling the attention of the State to the fact that the Commission was about to go out of office and that after January 1st, 1927 the Governor himself was to be given the right to veto such licenses.

The Commission, however, had the consummate nerve to reply to the Governor that they intended to go through with the granting of leases during the final month of their existence.

Public opinion was thoroughly aroused in every section of the State. Litigation was threatened. The situation was critical.

There on the one side was the overwhelming and definitely proven opposition of the great majority of citizens, demanding that this steal should not be consummated at the eleventh hour.

There on the other side sat the Water Power Commission, listening to the pleadings of the power companies begging them to act before it was too late.

I see a picture of a table; four men, among them Attorney General Ottinger. Incidentally, he was the lawyer of the State, whom the Governor was so unable to trust to work for the interests of the people of the State, that he felt he was obliged to retain the services of Samuel Untermyer to represent the people.

There sat these four men, their pens poised in hand, ready to consummate the final steal. Telegrams poured in. Protests from public meetings, editorials of newspapers of all parties, flooded into Albany.

And on top of that came the deciding move -- the open dare of the Governor of the State challenging the Water Power Commission to affix their names.

For a few moments it looked as if the steal would be consummated, but in the nick of time the power companies themselves lost their nerve. They did not dare to accept the challenge of the Governor and of the people of the State of New York.

They decided that rather than arouse public opinion they would wait until they could control at some future date not only the Attorney-General but also the Governor of the State.

The Water Power Commission put down their pens. Attorney-General Ottinger and his colleagues had also lost their nerve. It was a drama which has had a happy ending for the first act. The curtain is about to ring up on the second act of that drama.

What is the situation of the moment? First, the Republican Party, fearing to re-enact the open approval of its 1926 platform, but still favoring power development by private companies, seemed to back down half way. They say, "We favor the development of such resources under strict supervision and regulation by law and under the full safeguards of the Constitution". *That means nothing more than an unresponsible mouthful*
It is ~~This is of course a mere quibble because of their past record,~~ *and more* ^{very} *important* ^{because} of the fact that the same Mr. Machold is today the Chairman of the State Committee of the Republican Party.

The Democratic platform pledges support to the previously announced policy of Governor Smith for the development of power at the sources through a power authority.

Ottinger
Smith
1926
1927
In many ways this matter of power is the outstanding controversial issue before the people of the State in this election. At Oswego yesterday my friend, Mr. Ottinger, stated: "I am for the immediate development of water power along lines to serve the best interests of the people of this State and to preserve to the people for all time their ownership and control of these great natural

resources." He talks about further investigation as the best way to carry out the development.

But what Mr. Ottinger really means is that he has not changed the fundamental position which he held in 1926. I challenge Mr. Ottinger to deny that he is in favor of his old plan of 1926, by which the water power resources of the State would be leased for a fifty-year period to private corporations. I challenge him to admit the truth, that his election and the simultaneous election of a Machold-controlled Republican legislature this year would result in the following definite program: as Governor, Mr. Ottinger would have the appointing or the control of any further investigating committee and that committee would obviously recommend a return to the 1926 plan of giving long leases to private corporations, the legislature would then pass a new law in conformity with this report, and Mr. Ottinger, as Governor, would sign that law. That would be the end of the control by the people of their own power resources.

The record and position of Mr. Ottinger on the whole power question was too well known, too fixed in history to do other than convince the people of the State that his election as Governor would mean the abandonment of the policy of Governor Smith, which policy has received the support of the public. It means further the handing over of our power resources to development by private corporations.

And right here I want to make this fact clear, as the Governor has done time and time again. A lease granted to a

private corporation for a term of fifty years is in effect a grant in perpetuity. That has been the history of every lease of such character during history. I don't want, any more than Mr. Ottinger or the power interests, to put the people of the State of New York into the business of distributing power to the ultimate consumer. That is a matter which can now be properly taken care of by private companies, as it involves the employment of large forces of employees. But this function is a wholly separate function from that of the development of power at its source.

Personally, I am convinced that the people of this State have made up their minds that they want their power cites developed by a water power authority and not by private corporations. I shall advocate legislation to carry out that policy, and if the legislature should by some misfortune still be under the control of Mr. Machold and the present Republican leaders and fail to carry out my recommendations, I will then dare them to submit the question in simple form by referendum to the people of the State of New York.

*The rights of the people are assailed on every side - Those who would steal our heritage are within our election - 2 weeks from today of consummation that theft
I am the politician are duty to guard those possessions
Millions for defense - not one cent for tribute*