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**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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**1932 February 2**

**Albany, NY - Partial Draft of Speech to  
New York State Grange**

Problem of adequate markets for American industry and agriculture, before the members of the New York State Grange, State Armory, Albany, February 2, 1932

Worthy Master and Members of the New York State Grange:

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I am here tonight to extend as Governor of the State a friendly greeting to the farmer citizenship represented in the New York State Grange; but I do more than to extend a formal greeting. I welcome the opportunity to discuss with you the attitude that we ought to take toward matters that are vital to our welfare and our honor as farmers, as citizens of the greatest State in the Union, as citizens of the United States of America and as dwellers in a world in which economic and political conditions that affect one nation affect many nations.

I speak with freedom on these matters to an audience of farmers because I have found in many previous contacts with you that you take seriously and deal thoughtfully with the problems that democratic self-government imposes on all citizens.

It is peculiarly true today that your problems are not yours alone, but are the common problems of all the people in our great Republic—problems that are world-wide in their scope.

If you consider, for instance, your own economic situation—your status as a farmer trying to support his family worthily on the soil of the State of New York—you find quickly that it is many-sided; that you are directly and vitally affected in your efforts to earn a living by the activities of local government, by those of the State government and by those of the Federal government. And you will find, too, a fourth element that affects your own personal and family problems of finance, of markets, of taxes and of living—the relationships between this Nation and other nations.

In your consideration of local government you find that the major part, the overwhelming part, of your tax burden is that which goes, not to the support of State government, but to the support of strictly local government. If you want to save any considerable part of your expenses for government, you have got to reduce your local government costs. It is true that the State can help you in many ways—by improving market conditions, by giving you better roads, by improving your schools, by supervising your accounting systems, by protecting you against crime and by searching out and passing on to you information that is of practical value. The Federal government also can contribute to your welfare by its information service, by its regulation of inter-state commerce and by working out a sound policy to guide the movement of population so as to bring about a more stable distribution both of population and industry.

But I wish to speak tonight about a more general problem, to discuss particularly means by which the products of American industry and of American farms can find a better outlet than they have now. The question of markets is today our most vital question. Without adequate markets industry is stifled and when industry is stifled the demand for farm products and the prices of farm products sink to levels that mean privation, hunger

and dispossession. Without such markets an era of low prices and an army of unemployed will long be with us.

There are two outlets for our products; the first, an increase of home consumption, and the second, the sale of more of our industrial and agricultural products to other nations throughout the world.

You, in the State of New York, whether you live on the farm or work in the factory, are personally and deeply interested in the problem, not only of finding home markets but of finding foreign markets. Volumes of technical phrases have been written and uttered, but it all comes down to this plain truth:

The nations of Europe, South America and the Far East are not buying our products of factory and farm for the very good reason that they have not the means to do the buying. International cash is gold or its equivalent, and they have not got the gold.

For 10 years, between 1920 and 1930, we Americans helped these other nations to buy our goods by lending them our own money to do the buying. We have stopped doing that now for good and obvious reasons.

There was and is only one other way by which other nations could buy our goods—and that was by using the old-fashioned method of bartering or exchanging their goods for ours. Unfortunately, that is an impossibility for them because our government, in its wisdom, put up a tariff fence so high that they could not use this old-fashioned method of exchange of goods. Furthermore, when our Smoot-Hawley Tariff Law went into effect three years ago, over the protest of thousands of our own business men and farmers, the foreign nations, by way of retaliation, raised high tariff fences of their own.

By way of parenthesis, I might add that our own tariff fence increased the cost to the farmer of manufactured articles used by him on his farm and in his household, while at the same time it did not prevent foreign competition with him in many lines of agricultural products. It is a simple fact that the farmers of America have been buying in a protected market and selling in a market open to the competition of the whole world.

It is time for this Nation to use a little horse sense about the objective we seek and the results of our present Tariff Law. It is time for us to sit down with other nations and say to them "this tariff fence business, on our part and on yours, is preventing world trade. Let us see if we can work out reciprocal methods by which we can start the actual interchange of goods. We do not ask you to buy our goods for cash because we know you have not got the cash, but we do suggest that it would be good for us and for you if we could send to you each year a large volume of American products in exchange for your products. But we do recognize the fact that we can probably use many of your articles and at the same time we can start our own wheels of industry going in manufacturing the things you need and want—all with adequate safeguards for the American standards of labor."

I have good reason to believe that many nations who, like us, are suffering from stoppage of industry, will meet us half way and put all the cards on the table for the purpose of breaking an actual deadlock which has paralyzed world trade and thrown millions here and abroad out of useful work.

Let me at the same time make it clear that a trade conference with the other nations of the world does not and should not, by any stretch of the imagination, involve the United States in any participation in political controversies in Europe or elsewhere. Nor does it involve the renewal in any way of the problem of 12 years ago of American participation as a member of the League of Nations.

In common with millions of my fellow countrymen, I worked and spoke, in 1920, in behalf of American participation in a League of Nations, conceived in the highest spirit of world friendship for the great object of preventing a return of world war. For that course I have no apology to make.

If today I believed that the same or even similar factors entered into the

argument, I would still favor America's entry into the League; and I would go so far as to seek to win over the overwhelming opposition which exists in this country today.

But the League of Nations today is not the League conceived by Woodrow Wilson. It might have been, had the United States joined. Too often through these years its major function has been not the broad overwhelming purpose of world peace, but rather a mere meeting place for the political discussion of strictly European political national difficulties. In these the United States should have no part.

The fact remains that we did not join the League. The League has not developed through these years along the course contemplated by its founder, nor have the principal members shown a disposition to divert the huge sums spent on armament into the channels of legitimate trade, balanced budgets and payment of obligations. American participation in the League would not serve the highest purpose of the prevention of war and a settlement of international difficulties in accordance with fundamental American ideals. Because of these facts, therefore, I do not favor American participation.

What the world needs most today is a national policy which will make us an example of national honor to other nations. The first lesson for all the world is recognition that a treaty is a nation's word of honor to another nation and that all just national debts are "debts of honor;" that, therefore, no honorable nation may break a treaty in spirit any more than they may break it in letter; nor, when it is a debtor, may repudiate or cancel a national debt of honor. On the other side, it should be remembered also that the creditor on his part should use every honorable means to help the debtor set his house in order.

Europe owes us. We do not owe her. Therefore, we should call a meeting of our debtors here and not in Europe and demand an understanding. If it were considered advisable in the present condition of world finance to postpone the payment of debts for a while, we should nevertheless insist upon an accord as to when payments should begin and in what amount.

Europe has indulged herself in an orgy of spending and finds herself at the moment in a crippled financial position. She should look at the facts of her spending and bring about a change of policy to restore her financial equilibrium and enable her to meet her just obligations. She should cease to blame us for all the ills which have followed this reckless course of spending and try to remember the aid we gave her in time of need; aid for which she was once grateful but which she has forgotten.

The world ship of state cannot regain its safe course to port by reckless spending and by reckless vituperation, but it can steer safely home by unity of action and a determination eventually to meet its just obligations.

By economic co-operation this Nation can revive the trade of the world as well as trade within our own borders. In so doing we can extend a helping hand to our debtors as well as to ourselves. The highest ideals of America demand that with strict adherence to the principles of Washington, we maintain our international freedom and at the same time offer leadership to a sorely tried humanity.

I have given you definite proof of the failure of local government to take advantage of definite opportunities to reduce taxes. But I realize, and all of us realize, that something besides tax reduction is necessary to enable us to find a market for all the products of America, industrial and agricultural. Without such market, an era of low prices and an army of unemployed will long be with us.

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It is time for this nation to use a little horse sense about the objective we seek and the results of our present tariff law. It is time for us to sit down with other nations and say to them "this tariff fence business, on our part and on yours, is preventing world trade. Let us see if we can work out reciprocal methods by which we can start the actual interchange of goods. We do not ask you to buy our goods for cash because we know you have not got the cash, but we do suggest that it would be good for us and for you if we could send to you each year a large volume of American products in exchange for your products. But we do recognize the fact that we can probably use many of your articles and at the same time we can start our own wheels of industry going in manufacturing the things you need and want" - all with adequate safeguards for the American standards of labor.

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