
Franklin D. Roosevelt — “The Great Communicator”
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St. Louis, MO - Campaign Speech

ADDRESS OF GOVERNOR FRANKLIN D. ROOSEVELT
St. Louis, Missouri
October 21, 1932

I am glad to return tonight to the citizens of St. Louis. I have been here many times in many campaigns, and always I have felt the warmth of your generous greeting. I came through here five weeks ago when we were starting on our Western trip, and we had time only for a short stop. The Western trip on which we were beginning afforded me the opportunity to continue the elaboration of the Democratic program as I saw it, a program which began with the adoption of the platform in Chicago at the end of June.

As this program developed, I have found an extraordinary response on the part of the people of the United States. As our plans for the restoration of agriculture, of business, of labor and of finance were presented, an appreciable steadiness came over the people of this country who had stood so patiently in the face of adversity for so long a time.

This is the spirit, as I see it, of late October. It is a spirit that is a tribute to the saneness of the Democratic program of restoration. It proves the vitality of the people of the United States. As business and labor and agriculture have begun to feel more secure and hopeful because of

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This is a transcript made by the White House stenographer from his shorthand notes taken at the time the speech was made. Underlining indicates words extemporaneously added to the previously prepared reading copy text. Words in parentheses are words that were omitted when the speech was delivered, though they appear in the previously prepared reading copy text.

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certain Democratic victory, strange reactions have been produced among the Republican leaders.

They protest that if the Republican ticket is defeated dire things will happen after November 8th. They forget that the only appreciable improvement and confidence in the past three months has come not as a result of the insincere and indefinite Republican platform adopted in June, or the agonized note of apology in the utterances of the President and his supporters, but as the result of a growing confidence on the part of the people of this country that on November 8th there is but one thing to be expected, and that is the overwhelming election of the Democratic ticket. They realize that the confidence that is growing in the minds of the American people is getting ready to express itself in a vote of confidence in the Democratic program of rehabilitation.

Moreover it comes with poor grace from this Administration to lay claim to relief measures that in large part were sponsored by Democratic leaders in Congress.

To talk of untried leadership in the face of the fact that the Republican administration has had to turn repeatedly to Democrats for help is to talk folly and nonsense. It is a childish cry and the people will recognize it as such.

Faith is a delicate though powerful factor in our

economic life, and a party that sounds a note of alarm from high places is performing no decent service to the American nation.

One of the most artful and plausible of administration whipcrackers started this campaign of fear on the eve of the Maine election. At that moment our people were in low spirits. Millions of men who had tramped the streets for months feeling hopeless, friendless and alone were listening to his words and he told them that if they didn't vote for the Republican candidate in the Maine election it would be practically impossible for the administration remaining in power from election to March to save them from dire disaster. The good people of Maine were not disturbed by these false-faces of disaster. They saw that this horrible menace was only a painted mask; that the artificially created eclipse of the sun was nothing but a low-lying smoke screen, so light as to be blown aside by the first breath of fresh air.

They knew that the fire so artfully whipped into life was nothing but a campaign sky-rocket, and that the rumblings of disaster that were intended to sound so near and so menacing were simply the old fashion melodramatic campaign stage properties patented by Mark Hanna and Matt Quay, and for these long years lying dust-covered in the attic of

American politics. The people of Maine saw through this, and I well remember that on the night when we started on our Western trip, the night before I greeted the citizens of St. Louis here in September, the news came that the electorate of Maine had registered their disapproval of this sort of silly entertainment in no uncertain terms.

All of the good old spectres are snatched from the grave, but the mantle of the giant actors of the past now hang in a shabby and ill-fitting manner on the diminutive forms of these new apostles of disaster. The workers and the farmers of today have heard from their fathers of the old terroristic threats that were put into their pay envelope just before election. They have heard of the warnings originating from the Republican National Committee in past campaigns, and pasted on the walls of their factories just before election. And they are not being scared by these things any more.

American labor has educated itself too well. American agriculture has learned too much in the bitter school of experience to be frightened by any new variations of the old terrorism of the past. We are living in another age. These stage properties are out of date.

As a last resort, the President and the ex-President advance and attempt to throw political and economic tear bombs

among the people of the country. Now, my friends, you all know what tear gas is. It is one of the new inventions by which a few people can control a lot of people. A few do it by blinding the eyes of the many, by causing tears to flow; and in the midst of the confusion that thus results a determined minority seeks to accomplish its selfish purposes.

You and I know that this tear gas has no permanent effect; it is the temporary and very painful effect that counts. The tears, I can assure you, are not tears of sympathy, but the purpose of the users of tear gas is not to create sympathy but to blind you for the occasion. No, my friends, the purpose of the panic-creating tear gas which the Republican leaders are now hurling is not to open your hearts but it is to blind your eyes.

Let me tell you from the bottom of my heart that I for one favor having you keep your eyes wide open, and I for one favor keeping my own heart wide open.

I want to take this occasion to say that in my opinion such efforts cast a deep reflection upon the principles that this country has stood for. The American working men and the American farmers are free men, citizens of a great Republic. The life blood of this Republic is the integrity and independence of the electorats. You American farmers and

American workmen are entitled by all of the fundamental rights that you have acquired in generations of fighting to a free and untrammelled choice on election day. The politician or employer who tries to deny to you these rights and to use a gospel of fear to blind you to the true facts presented in this campaign is an enemy not only of fairness and sportsmanship in politics, but the very principles upon which this country has been established. To protect these rights men have suffered and died. The principles they have won in such a bitter fight are chiseled for all the centuries to come on the granite walls of our American system of government. The man who tries for political or economic advantage, to chip away these rights is an untrustworthy leader in business and politics.

And now to the business of conducting a campaign in the proper spirit, a spirit of good reason, good sense and good humor.

I have spoken of human rights and of social justice and tonight in the confident spirit that the present temper of the country affords me I am going to talk with you about a form of property rights which has a direct bearing on our present and future enjoyment of life. You and I know that many millions of Americans have some kind of an interest in

some form of property. From the point of view of the average citizen this interest in property takes the form of bank deposits, of trust funds, of insurance policies, or of land or security ownership.

In addition to individuals, thousands upon thousands of institutions created for the public good have similar interests -- the churches, the hospitals, the relief funds, the schools and colleges and other non-profit-making organizations of many kinds.

Most of the property of these individuals and of these institutions is invested in some form of long-term security. Let me illustrate: Our national economic life is in large part tied up in underlying bonds that represent in fact mortgages on American railroads, on American industry, on American land and on three forms of American government -- the national, state and local governments of the United States.

These securities are bought and sold and it is a fact that the prices at which they sell are important to everyone of us even though we individually and immediately may own none of them.

It may be said that they are the medium by which the savings of Americans are put to work. For example, your savings in the savings bank do not go into the vaults of the

savings bank, but are put out by the bank at interest for your benefit. In the same way, the premium that you pay to a building and loan association goes in each case into investments. All of them representing some interest in the stable institutions of America.

Many months ago in attempting to see the economic situation of this country as a whole in simple terms and in terms so full of meaning that I could at a glance encompass the need of the entire country, I set down a list of the eight great credit groups of this country. I conceive this list to represent the credit interest of the Nation, north, and south, east and west, employer and employee, industry, commerce and agriculture. I conceive these eight groups as representing the foundation stones upon which the permanent credit of the country rests. I said then, and I say now, that the stability of the country rests not on any one but on all of these and that when we want to know whether anything is disturbing the stability of the country we want to see whether any of these foundation stones are crumbling away, or whether the ground underlying these stones is weakened by any cause. This is the way to comprehend the stability of the country as a whole, and in my opinion it is the only way. It is with this in mind that I conceived the plan of my

campaign. It was with this in mind that I ordered the presentation of the various subjects that I have discussed with the people of this country. I made my plan in accordance with this comprehensive picture of national needs. I attempted to discuss these in an orderly fashion, carefully, simply, with system and with a deep regard for the facts. I have not been shaken from this plan. I have refused to be intimidated by my opponents. I have kept the faith with this plan as I have kept the faith with the platform of my party, because I believe in the sound sense of the American people. I knew they would hear me, and I knew they would hear me to the end, in spite of all the fear and all the terrorism that the leaders of the Republican Party have been seeking to purchase.

And now, at the end of October, I come to a resume of this subject of credit. I want to set forth these points, these eight credit groups, and to talk briefly about the condition of each. At the end of my discussion, which in the last analysis is a summary of what I have been talking about for many weeks, you will see what the condition of the country is with reference to credit, what these groups need and what the Democratic Party proposes to do about it.

First, Federal obligations:

At the very top of the credit structure of the

country, surpassing all other groups in moral and material importance, stand the obligations of the Federal Government. These are paramount, because Government is essential to all ordered economic life. When they go, everything goes. Happily these obligations are secure. They suffer only to the extent that government is permitted to be extravagant, wasteful, or ill-managed. They suffer if the Federal budget is not balanced, and particularly where the deficit of one year is not cleared up in the succeeding year.

I spoke two nights ago in Pittsburgh about balancing the Federal budget -- and I mean it. I pointed two obvious ways: First, to cut down expenses -- and that is something that all of us can understand. (Applause, loud cheering) And secondly, to raise more money -- not, my friends, if we can possibly avoid it, by increasing any of the present taxes -- but, my friends, by carrying out the mandates of the Democratic platform by restoring to the several states their own rights to handle the liquor question through the repeal of the Eighteenth Amendment. (Prolonged applause, loud cheering) And in the meantime to increase our Federal revenues by several hundred million dollars a year, by placing a tax on beer. (Prolonged applause, loud cheering)

I called attention in my address at Pittsburgh on

Wednesday night to the great importance of Federal budget-making as the foundation of the national credit. I pointed out that the Hoover Administration had been responsible for deficit after deficit; that as one disastrous year succeeded another no attempt was made to arrange the finances of the country so that at least the mounting loss of revenue might not be turned into a deficit for the next year. It is my pledge and promise that this dangerous kind of financing shall be stopped and that rigid governmental economy shall be forced by a stern and unremitting administration policy of living within our income.

Second, state obligations:

State obligations constitute one of the most sound and safe groups of the entire credit structure. A state is generally required by dire necessity, if for no other reason, to live within its income. If it runs a deficit one period, it must make provision for that deficit in the budget of the following period.

In fact in New York when we run a deficit the Constitution of the State requires us to provide in the budget for the following year not merely for current needs, but also for revenue with which to pay the deficit of the past year. And I have strictly lived up to this requirement. This is

the best guarantee of credit stability known, and it accounts for the fact that the credit of the State of New York makes its bonds almost the highest grade of investment known to the country.

Third, municipal bond issues:

The next great credit group includes the obligations of cities, counties, towns, villages and other local units. This is a very large group. A fair estimate is over 17 billions of these local bonds. They are largely held by individuals and by institutions and are properly a matter of deep public concern. The soundness of these bonds is directly bound up with the honesty and capability with which American cities are run. I have as the Governor of New York State concerned myself very definitely with the finance of its cities. I have exercised what influence I could to keep the credit of these cities sound and secure. I have set my face sternly against not only municipal dishonesty, but likewise against municipal mismanagement. And I want to record myself here and now, that every public official from the President of the United States down owes it to himself to use every scrap of influence he can to prevent the frittering away of the revenues exacted from the sorely pressed taxpayers of every city in the United States, to the end that if necessary they must be compelled to walk in the way of municipal honesty and efficiency.

I want to reaffirm what I have said many times, that while the legal power of the President in this respect is limited, his power to lead public opinion in the way of an improvement in local government can be a very definite and useful force for cheaper government and better government in American cities. This is what I propose to do toward the credit represented by the 17 billions of municipal bonds.

Fourth, foreign obligations:

The next group of obligations comprises what are known as foreign bonds. This is an unsavory chapter in American finance. These bonds in large part are directly the fruit of a disastrous policy pursued by the present Administration in Washington -- none other, if you please, than the policy of lending to backward and crippled nations.

Flagrant instances of the abuse of American investors occurring under this system are well known. When, after my address at Columbus last August, the Secretary of State chose to come to the defense of the Administration, his apology was smothered by irrefutable and devastating statements of fact from Senator Glass and Senator Barkley and others. The Administration has not since attempted to defend the indefensible fallacy of the Department of State with regard to these investments. If we were depending upon these bonds as an

integral part of American finance we should be fearful indeed. But fortunately, or unfortunately, as you choose to look at it, the returns on the foreign bond list have already come in. Many are in default. Others have lost the major part of their original face value. The best that can be said is that the danger is in great part behind us and not ahead of us.

I have already announced the policy of my own administration in this regard. My job will be to prevent a recurrence of this incident and to prevent the hard-earned dollars of American investors from being frittered away in foreign fields, encouraged by the sanction of the Federal Government of the United States, and with a profit flowing only to certain international financiers whose greed is greater than their patriotism.

Fifth, domestic industrial bonds:

These obligations do not represent major difficulties. They are not widely held by banks, insurance companies, savings banks, or the credit institutions of the country. They are largely in the hands of private investors. The amount is relatively small in quantity for the industrial companies during the past few years were engaged not in creating debts, but in paying them. On the great chessboard of American finance the industrial obligations do not constitute a danger.

The problem of industry is not strictly speaking a problem of finance. It is a problem which I dealt with in my speech at San Francisco. So far as possible, industry should be organized so that it will give every workman the right to earn a living through his own effort. Such influence as the Federal Government may have should be directed to this end.

Sixth, public utility obligations:

In connection with public utility obligations, I am not speaking now of the financial excrescences on the public utility system represented by pyramided holding companies, some of which are already in bankruptcy and others of which have already been discounted by the public markets. These companies that are engaged not in stock jobbing, but in the sound and important business of distributing light, power, heat and public service have obligations which do not at this time constitute a problem in American finance. As a group they are currently earning their interest charges. I have already set forth in my Portland speech my attitude toward the problems of these companies.

The outlines of my public utility policy are definitely in the direction of protecting the investor, as well as the consumer. Certainly the integrity of the financial obligations represented in this group will be conserved to a

greater degree than ever before through an adoption of my policy toward public utilities. There has not been, so far as I have been able to determine, a single responsible criticism of the program there set forth.

I ask the simple question, "What leadership has the President exerted toward the elimination of the type of abuse which resulted in the Insull failure?"

The indifference of the present Administration has permitted the savings of thousands of our citizens to be swallowed up and lost for all time.

Seventh, railroads:

And now I come to the railroads: Railroad obligations, mostly bonds, amount to 11 billion dollars. They bear interest charges of nearly half a billion dollars a year. Such bonds are held in savings banks, insurance companies, commercial banks, and similar institutions. In the year 1931, admittedly a bad year, the railroad system as a whole earned slightly more than its interest charges on this entire group of bonds. The year 1932 has not been so happy, although railroad earnings are beginning to show slight increases. As to the Democratic plan of meeting this problem, not only in the interest of maintaining railroads at a fair degree of efficiency, but what is more important, the protection of the savings

of millions of persons in this country, which are involved in the securities of these railroads. I made it a cardinal point in my railroad address that the railroads should be freed from certain destructive competition, that the Government should undertake for a specified period to see the railroads through provided they put their own houses in order. Note the difference between this and the program of the administration. Without plan and apparently without thought, the best that they could do was to advance a dole to the railroads month by month as any emergencies might arise, leaving both the railroad and the bondholder uncertain as to whether each dole would not be the last.

This was not meeting problems. It is sticking financial mustard plasters on the railroads.

There is only one way to do this job, and that is to do it. Where adjustments are to be made, let us find out what they are. Let us arrange for their handling in a swift and orderly method. Let us make a definite commitment that once the railroad's house is in order the Government can stand firmly behind it. Our Democratic plan has been before the country now for some weeks. Experts on the situation, representing railroad managements, railroad unions, employers, workers and investors, have joined in almost universal approval of the soundness of this plan.

Real estate obligations:

Finally, we come to the real estate obligations:

There is first a great body of mortgages on city and suburban homes. These represent money borrowed by you and me, and our friends, with which to buy homes. Most of these are mortgages on small homes. They are paid by the little man -- the "forgotten man", if you like -- of whom no one thinks because he does not beg for help. And yet these men are not only the backbone of the American financial system, they are in the aggregate about the safest credit risks we have. This group does not constitute a financial danger to the country, but it does call for wise financial handling. We propose to do whatever we can to free these homes of the burden of excessive taxation. This definitely helps these home owners to protect their homes. I have said that these home owners were "forgotten men". But they are no longer forgotten, because in the midst of the campaign, the Federal administration has finally considered their difficulties. We agree to the necessity of home loan banks, but we shall insist in the administration of these banks that they shall not be subject to the unwise and improper administration that has characterized the Federal and Joint Stock Land Bank Systems under which the bank makes money while the mortgagor goes unaided. To the

extent that the Home Loan Banks effect this I shall be glad to approve the policy, and I shall be glad to make whatever modifications are needed to insure that the relief grant reaches the spot it is intended to cover.

Farm mortgages:

And finally I come to farm mortgages. I have discussed this question twice in my campaign. Only today in Springfield I set forth in some detail my proposals with respect to this. What I said there was an amplification of my pledge in my Topeka speech of a month ago.

I seek definite action by the Federal Government -- and I stress the word "action" -- to prevent farmers from losing their homes, to provide for them lower interest rates where, as in many cases, such rates are excessive, and to extend the capital payments due under the original mortgage terms.

We have seen too many farmers driven from their homes and from their lands. It is time to reverse that process.

These are the eight great credit groups of the country. And this is, in brief, what the Democratic Party proposes to do with regard to each. I submit to your fairness, your intelligence and your insight the case of the Democratic Party with regard to what it means to our credit system.

I have taken you over the great field of permanent American finance. I have tried to summarize for you in a few minutes the result of many months of public discussion of the various problems connected with these credit groups.

I fully know that the tasks before me are heavy; some are difficult, but all are possible. The question is not whether the situation could be worse; the question is, how can we make it better?

The financial fabric of America is, as I have said before, a seamless web held together by the infinitely complex loyalties of men. We must protect it against men who would tear it to pieces rather than face defeat. There is every reason to face the future with confidence. Let us bend our minds and will in performing this plain duty because the unmistakable temper of the American people is going to place this responsibility upon the Democratic Party. That is the lesson of the past few weeks. It is the answer of the American people.