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

**Series 2: “ You have nothing to fear but fear itself:”**  
**FDR and the New Deal**

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**File No. 632**

**1933 May 17**

**Message to congress re**  
**Reemployment, Taxation, etc.**

TO THE CONGRESS:

Before the Special Session of the Congress adjourns, I recommend two further steps in our national campaign to put people to work.

I

My first request is that - - the Congress provide for the machinery necessary for a great co-operative movement throughout all industry in order to obtain wide re-employment, to shorten the working week, to pay a decent wage for the shorter week and to prevent unfair competition and disastrous overproduction.

Employers cannot do this singly or even in organized groups, because such action increases costs and thus permits cutthroat underselling by selfish competitors unwilling to join in such a public-spirited endeavor.

One of the great restrictions upon such cooperative efforts up to this time has been our anti-trust laws. They were properly designed as the means to cure the great evils of monopolistic price fixing. They should certainly be retained as a permanent assurance that the old evils of unfair competition shall never return. But the public interest will be served if, with the authority and under the guidance of Government, private industries are permitted to make agreements and codes insuring fair competition. However, it is necessary, if we thus limit the operation of anti-trust laws to their original purpose to provide a rigorous licensing power in order to meet rare cases of non-cooperation and abuse. Such a safeguard is indispensable.

II

The other proposal - - gives the executive full power to start a large program of direct employment. A careful survey convinces me that approximately \$3,300,000,000 can be invested in useful and necessary public construction, and at the same time put the largest possible number of people to work.

Provision should be made to permit states, counties and municipalities to undertake useful public works, subject, however, to the most effective possible means of eliminating favoritism and wasteful expenditures on unwarranted and uneconomic projects.

We must, by prompt and vigorous action, override unnecessary obstructions which in the past have delayed the starting of public works programs. This can be accomplished by simple and direct procedure.

In carrying out this program it is imperative that the credit of the United States Government be protected and preserved. This means that at the same time we are making these vast emergency expenditures there must be provided sufficient revenue to pay interest and amortization on the cost and that the revenues so provided must be adequate and certain rather than inadequate and speculative.

Careful estimates indicate that at least \$220,000,000 of additional revenue will be required to service the contemplated borrowings of the Government. This will of necessity involve some form or forms of new taxation. A number of suggestions have been made as to the nature of these taxes. I do not make a specific recommendation at this

time, but I hope that the Committee on Ways and Means, of the House of Representatives, will make a careful study of revenue plans and be prepared by the beginning of the coming week to propose the taxes which they judge to be best adapted to meet the present need and which will at the same time be least burdensome to our people. At the end of that time, if no decision has been reached or if the means proposed do not seem to be sufficiently adequate or certain, it is my intention to transmit to the Congress my own recommendations in the matter.

The taxes to be imposed are for the purpose of providing reemployment for our citizens. Provision should be made for their reduction or elimination -

First - As fast as increasing revenues from improving business become available to replace them;

Second - Whenever the repeal of the 18th Amendment now pending before the States shall have been ratified and the repeal of the Volstead Act effected. The pre-Prohibition revenue laws would then automatically go into effect and yield enough wholly to eliminate these temporary re-employment taxes.

Finally, I stress the fact that all of these proposals are based on the gravity of the emergency and that therefore it is urgently necessary immediately to initiate a re-employment campaign if we are to avoid further hardships, to sustain business improvement and to pass on to better things.

For this reason I urge prompt action on this legislation.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE  
May 17, 1933.

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One of the great restrictions upon such cooperative

efforts up to this time has been our anti-trust laws.  
They were <sup>properly</sup> designed as the ~~proper~~ means to cure the great evils of monopolistic price fixing. They should certainly be retained as a permanent assurance that the old evils of unfair competition shall never return. But the public interest will be served if, with the authority and under the guidance of Government, private industries are permitted to make agreements and codes <sup>insuring</sup> fair competition. However, it is necessary, if we thus <sup>limit the operation</sup> ~~relax the enforcement~~ of anti-trust laws, <sup>to their original purpose</sup> to provide a rigorous licensing power in order to meet rare cases of non-cooperation and abuse. Such a safeguard is indispensable.

II

The other proposal gives the executive full power to start a <sup>large</sup> ~~small~~ program of direct employment. A careful survey convinces me that approximately \$3,300,000,000 can be invested in useful and necessary public construction, and ~~which will~~ at the same time put <sup>the</sup> largest possible number of people to work.

~~The greater part of such construction is to be found in the smaller political subdivisions.~~ Provision should <sup>States, counties and municipalities</sup> be made to permit ~~them~~ to undertake useful public works, subject, however, to the most effective possible means of eliminating favoritism and wasteful expenditures on unwarranted and uneconomic projects.

We must, by prompt and vigorous action, override unnecessary obstructions which in the past have ~~unnecessarily~~

✓

~~(unwarrantedly)~~ delayed the starting of public works programs.

This can be accomplished by simple and direct procedure.

~~in the legislation which we now enact.~~

In carrying out this program it is imperative that the credit of the United States Government be protected and preserved. This means that at the same time we are making these vast emergency expenditures there must be provided sufficient revenue to pay interest and amortization and <sup>on the cost,</sup> that the revenue<sup>^</sup> so provided must be adequate and certain rather than inadequate and speculative.

Careful estimates indicate that at least \$220,000,000 of additional revenue will be required to service the contemplated borrowings of the Government. This will of necessity involve some form or forms of new taxation. A number of suggestions have been made as to the nature of these taxes. *I do not* ~~It is not my intention to make any~~ *a* specific recommendation at this time, but I hope that *the* ~~your~~ *Mr. Ways and Means of the House of Representatives* ~~your~~ *Committee, Mr. Ways and Means* will make a careful study of revenue plans and be prepared by the beginning of the coming week to propose the taxes which they judge to be best adapted to meet the present need and which will at the same time be least ~~onerous and~~ burdensome to our people. At the end of that time, if no decision has been reached or if the means proposed do not seem to be



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~~First Alternative (Continued)~~

sufficiently adequate or certain, it is my intention to  
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~~as this is something which must be done and cannot be~~

~~delayed.~~  
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Finally, I stress the fact that all of these proposals are based on the gravity of the emergency and that therefore it is urgently necessary ~~to~~ immediately <sup>to</sup> initiate a re-employment campaign if we are to avoid further hardships, to sustain business improvement and to pass on to better things.

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~~HOUSE ALTERNATIVE~~

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