
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**

File No. 673

1934 January 3

Washington, D.C. - Annual Message to Congress

MESSAGE OF THE PRESIDENT
TO THE CONGRESS OF THE UNITED STATES
January 3, 1934

TO THE CONGRESS:

I come before you at the opening of the Regular Session of the 73d Congress, not to make requests for special or detailed items of legislation; I come, rather, to counsel with you, who, like myself, have been selected to carry out a mandate of the whole people, in order that without partisanship you and I may cooperate to continue the restoration of our national well-being and, equally important, to build on the ruins of the past a new structure designed better to meet the present problems of modern civilization.

Such a structure includes not only the relations of industry and agriculture and finance to each other, but also the effect which all of these three have on our individual citizens and on the whole people as a nation.

Now that we are definitely in the process of recovery, lines have been rightly drawn between those to whom this recovery means a return to old methods -- and the number of these people is small -- and those for whom recovery means a reform of many old methods, a permanent readjustment

Franklin D. Roosevelt Library

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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of many of our ways of thinking and therefore of many of our social and economic arrangements.

Civilization cannot go back; civilization must not stand still. We have undertaken new methods. It is our task to perfect, to improve, to alter when necessary, but in all cases to go forward. To consolidate what we are doing, to make our economic and social structure capable of dealing with modern life is the joint task of the Legislative, the Judicial, and the Executive Branches of the National Government.

Without regard to party, the overwhelming majority of our people seek a greater opportunity for humanity to prosper and find happiness. They recognize that human welfare has not increased and does not increase through mere materialism and luxury, but that it does progress through integrity, unselfishness, responsibility and justice.

In the past few months, as a result of our action, we have demanded of many citizens that they surrender certain licenses to do as they pleased in their business relationships; but we have asked this in exchange for the protection which the State can give against exploitation by their fellow men or by combinations of their fellow men.

I congratulate this Congress upon the courage, the

earnestness and the efficiency with which you met the crisis at the Special Session. It was your fine understanding of the national problem that furnished the example which the country has so splendidly followed. I venture to say that the task confronting the First Congress of 1789 was no greater than your own.

I shall not attempt to set forth either the many phases of the crisis which we experienced last March, nor the many measures which you and I undertook during the Special Session that we might initiate recovery and reform.

It is sufficient that I should speak in broad terms of the results of our common counsel.

The credit of the Government has been fortified by drastic reduction in the cost of its permanent agencies through the Economy Act.

With the two-fold purpose of strengthening the whole financial structure and of arriving eventually at a medium of exchange which will have over the years less variable purchasing and debt paying power for our people than that of the past, I have used the authority granted me to purchase all American produced gold and silver and to buy additional gold in the world markets. Careful investigation and constant study prove that in the matter of foreign

exchange rates, certain of our sister nations find themselves so handicapped by internal and other conditions that they feel unable at this time to enter into stabilization discussions based on permanent and world-wide objectives.

The overwhelming majority of the banks, both national and state, which reopened last spring, are in sound condition and have been brought within the protection of Federal Insurance. In the case of those banks which were not permitted to reopen, nearly 600 million dollars of frozen deposits are being restored to the depositors through the assistance of the National Government.

We have made great strides towards the objectives of the National Industrial Recovery Act, for not only have several millions of our unemployed been restored to work, but industry is organizing itself with a greater understanding that reasonable profits can be earned while at the same time protection can be assured to guarantee to labor adequate pay and proper conditions of work. Child labor is abolished. Uniform standards of hours and wages apply today to 95% of industrial employment within the field of the National Industrial Recovery Act. We seek the definite end of preventing combinations in furtherance of monopoly and in restraint of trade, while at the same time we seek to prevent ruinous

rivalries within industrial groups which in many cases resemble the gang wars of the underworld and in which the real victim in every case is the public itself.

Under the authority of this Congress, we have brought the component parts of each industry together around a common table, just as we have brought problems affecting labor to a common meeting ground. Though the machinery, hurriedly devised, may need readjustment from time to time, nevertheless I think you will agree with me that we have created a permanent feature of our modernized industrial structure and that it will continue under the supervision but not the arbitrary dictation of government itself.

You recognized last spring that the most serious part of the debt burden affected those who stood in danger of losing their farms and their homes. I am glad to tell you that refinancing in both of these cases is proceeding with good success and in all probability within the financial limits set by the Congress.

But agriculture had suffered from more than its debts. Actual experience with the operation of the Agricultural Adjustment Act leads to my belief that thus far the experiment of seeking a balance between production and consumption is succeeding and has made progress entirely in

line with reasonable expectations towards the restoration of farm prices to parity. I continue in my conviction that industrial progress and prosperity can only be attained by bringing the purchasing power of that portion of our population which in one form or another is dependent upon agriculture up to a level which will restore a proper balance between every section of the country and every form of work.

In this field, through carefully planned flood control, power development and land use policies, in the Tennessee Valley and in other great watersheds, we are seeking the elimination of waste, the removal of poor lands from agriculture and the encouragement of small local industries, thus furthering this principle of a better balanced national life. We recognize the great ultimate cost of the application of this rounded policy to every part of the Union. Today we are creating heavy obligations to start the work and because of the great unemployment needs of the moment. I look forward, however, to the time in the not distant future, when annual appropriations, wholly covered by current revenue, will enable the work to proceed with a national plan. Such a national plan will, in a generation or two, return many times the money spent on it; more important, it will eliminate the use of inefficient tools, conserve and increase

natural resources, prevent waste, and enable millions of our people to take better advantage of the opportunities which God has given our country.

I cannot, unfortunately, present to you a picture of complete optimism regarding world affairs.

The delegation representing the United States has worked in close cooperation with the other American Republics assembled at Montevideo to make that conference an outstanding success. We have, I hope, made it clear to our neighbors that we seek with them future avoidance of territorial expansion and of interference by one nation in the internal affairs of another. Furthermore, all of us are seeking the restoration of commerce in ways which will preclude the building up of large favorable trade balances by any one nation at the expense of trade debits on the part of other nations.

In other parts of the world, however, fear of immediate or future aggression and with this the spending of vast sums on armament, and the continued building up of defensive trade barriers, prevent any great progress in peace or trade agreements. I have made it clear that the United States can not take part in political arrangements in Europe but that we stand ready to cooperate at any time in practicable measures on a world basis looking to immediate reduction of armaments and the lowering of the barriers against commerce.

I expect to report to you later in regard to debts owed the Government and people of this country by the governments and peoples of other countries. Several nations, acknowledging the debt, have paid in small part; other nations have failed to pay. One nation -- Finland -- has paid the installments due this country in full.

Returning to home problems, we have been shocked by many notorious examples of injuries done our citizens by persons or groups who have been living off their neighbors by the use of methods either unethical or criminal.

In the first category -- a field which does not involve violations of the letter of our laws -- practices have been brought to light which have shocked those who believed that we were in the past generation raising the ethical standards of business. They call for stringent preventive or regulatory measures. I am speaking of those individuals who have evaded the spirit and purpose of our tax laws, of those high officials of banks or corporations who have grown rich at the expense of their stockholders or the public, of those reckless speculators with their own or other people's money whose operations have injured the values of the farmers' crops and the savings of the poor.

In the other category, crimes of organized banditry,

cold-blooded shooting, lynching and kidnapping have threatened our security.

These violations of ethics and these violations of law call on the strong arm of government for their immediate suppression; they call also on the country for an aroused public opinion.

The adoption of the 21st Amendment should give material aid to the elimination of those new forms of crime which came from illegal traffic in liquor.

I shall continue to regard it as my duty to use whatever means may be necessary to supplement state, local and private agencies for the relief of suffering caused by unemployment. With respect to this question, I have recognized the dangers inherent in the direct giving of relief and have sought the means to provide not mere relief, but the opportunity for useful and remunerative work. We shall, in the process of recovery, seek to move as rapidly as possible from direct relief to publicly supported work and from that to the rapid restoration of private employment.

It is to the eternal credit of the American people that this tremendous readjustment of our national life is being accomplished peacefully, without serious dislocation, with only a minimum of injustice and with a great, willing spirit of cooperation throughout the country.

Disorder is not an American habit. Self-help and self-control are the essence of the American tradition -- not of necessity the form of that tradition, but its spirit. The program itself comes from the American people.

It is an integrated program, national in scope. Viewed in the large, it is designed to save from destruction and to keep for the future the genuinely important values created by modern society. The vicious and wasteful parts of that society we could not save if we wished; they have chosen the way of self-destruction. We would save useful mechanical invention, machine production, industrial efficiency, modern means of communication, broad education. We would save and encourage the slowly growing impulse among consumers to enter the industrial market place equipped with sufficient organization to insist upon fair prices and honest sales.

But the unnecessary expansion of industrial plants, the waste of natural resources, the exploitation of the consumers of natural monopolies, the accumulation of stagnant surpluses, child labor, and the ruthless exploitation of all labor, the encouragement of speculation with other people's money, these were consumed in the fires that they themselves kindled; we must make sure that as we reconstruct our life there be no soil in which such weeds can grow again.

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A final personal word. I know that each of you will appreciate that I am speaking no mere politeness when I assure you how much I value the fine relationship that we have shared during these months of hard and incessant work. Out of these friendly contacts we are, fortunately, building a strong and permanent tie between the Legislative and Executive Branches of the Government. The letter of the Constitution wisely declared a separation, but the impulse of common purpose declares a union. In this spirit we join once more in serving the American people.

Miss Le Hand:

For my personal files.

F. D. R.

This is the reading copy used by the President when he appeared in person to deliver his Annual Message on Wednesday, January 3rd, 1934, to the Joint Session of the Congress -- marking the opening of the 2nd Session, 73rd Congress.

S.T.E.

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January 3, 1934.

OFFICE OF
PUBLIC PRINTER

193

TO

Mr. Forster:

We have corrected
according to this copy.
Found several minor
errors or changes from
Cong. Record report.
Will correct permanent
Record also.

Thanks.

Do you want copies
of House Document 2.

W. H. C.

RECORDS OF THE UNITED STATES SENATE

RECORD GROUP 46

ANNUAL MESSAGE OF THE PRESIDENT

JANUARY 3, 1934

THE NATIONAL ARCHIVES
NATIONAL ARCHIVES AND RECORDS SERVICE
GENERAL SERVICES ADMINISTRATION
WASHINGTON: 1955

Jan 3 - 1934
Message read
in person in House of
Reps., under H. Con. Res. 25.

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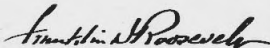
It is an integrated program, national in scope. Viewed in the large, it is designed to save from destruction and to keep for the future the genuinely important values created by modern society. The vicious and wasteful parts of that society we could not save if we wished; they have chosen the way of self-destruction. We would save useful mechanical invention, machine production, industrial efficiency, modern means of communication, broad education.

We would save and encourage the slowly growing impulse among consumers to enter the industrial market place equipped with sufficient organization to insist upon fair prices and honest sales.

But the unnecessary expansion of industrial plants, the waste of natural resources, the exploitation of the consumers of natural monopolies, the accumulation of stagnant surpluses, child labor, and the ruthless exploitation of all labor, the encouragement of speculation with other people's money, these were consumed in the fires that they themselves kindled: we must make sure that as we re-construct our life there be no soil in which such weeds can grow again.

We have ploughed the furrow and planted the good seed; the hard beginning is over. If we would reap the full harvest we must cultivate the soil where this good seed is sprouting and the plant is reaching up to mature growth.

A final personal word. I know that each of you will appreciate that I am speaking no mere politeness when I assure you how much I value the fine relationship that we have shared during these months of hard and incessant work. Out of these friendly contacts we are, fortunately, building a strong and permanent tie between the legislative and executive branches of the government. The letter of the Constitution wisely declared a separation, but the impulse of common purpose declares a union. In this spirit we join once more in serving the American people.



THE WHITE HOUSE,
January 3, 1934.

Draft -

HOLD FOR RELEASE

January 3, 1934

CONFIDENTIAL! To be held in STRICT CONFIDENCE and no portion, synopsis or intimation to be published or given out until the READING of the President's message has begun in the Senate or the House of Representatives. Extreme care must be exercised to avoid premature publication.

STEPHEN EARLY
Assistant Secretary to the President

MESSAGE OF THE PRESIDENT TO THE CONGRESS OF THE UNITED STATES

Final Draft

1

TO THE CONGRESS:

I come before you at the opening of the Regular Session of the 73rd Congress, not to make requests for special or detailed items of legislation; I come, rather, to ~~it~~^{Counsel} with you, who, like myself, have been selected to carry out a mandate of the whole people, in order that without partisanship you and I may cooperate to continue ~~the~~^{the} restoration^{tion of our} national well-being and, ~~but~~ equally important, to build on the ruins of the past a new structure designed better to meet the present problems of modern civilization.

Such a structure includes not only the relations of industry and agriculture and finance to each other, but also the effect which all of these three have on our individual citizens and on the whole people as a nation.

Now that we are in ^{definitely the} ~~the definite~~ process of recovery,

^{lines} have been rightly drawn between those to whom this recovery means a return to old methods -- and the number of these people is small -- and those for whom recovery means a reform of many old methods, a ^{a permanent readjustment} ~~transformation by social progress~~ of many of our ~~ways~~ ways of thinking and therefore of many of our social and economic arrangements.

Civilization ^{can} ~~must~~ not go back: ~~more than that,~~ civilization must not stand still. We have undertaken new methods. It is our task ~~to go forward along these new lines~~ to perfect, to improve, to alter when necessary, but in all cases to ^{go forward.} ~~proceed.~~ To consolidate ~~and to perfect~~ what we are doing, to make our economic and social structure capable of dealing with modern life is the joint task of the Legislative, the Judicial, and the Executive

Branches of the National Government.

Without regard to party, the overwhelming majority of our people seek a greater opportunity for humanity to prosper and find happiness. They recognize that human welfare has not increased and does not increase through mere materialism and luxury, but that it does progress through integrity, unselfishness, responsibility and justice.

In the past few months, as a result of our action, we have demanded of many ~~individual~~ ^{*in their business relationships:*} citizens that they surrender certain licenses to do as they pleased, but we have asked this in exchange for the protection which the State can give against exploitation by their fellow men or by combinations of their fellow men.

I congratulate this Congress upon the courage, the

earnestness and the efficiency with which you met the crisis at the Special Session. It was your fine ~~spirit in substituting~~ ^{undertaking of the} ~~patriotism for partisanship~~ ^{National Problem} that furnished the example which the country has so splendidly followed. I venture to say that the task confronting the First Congress of 1789 was no greater than your own.

I ~~will~~ ^{shall} not attempt to set forth either the many phases of the crisis which we experienced last March, nor the many measures which you and I undertook during the Special Session ^{that we might} ~~to~~ initiate recovery and reform.

It is ~~more~~ sufficient that I should speak in broad terms of the results of our common counsel ^{see 3}

The credit of the Government, ^{has been highly fortified} ~~strengthened~~ by drastic reduction in the cost of ^{the} ~~the~~ permanent agencies ~~of the Government~~

~~Page 3-3041~~

Through the Economy Act.

Q With the two-fold purpose of strengthening the whole financial

structure and of arriving eventually at a medium of exchange which
have over the years less variable
will ~~represent a more constant and less fluctuating~~ purchasing and

debt paying power for our people than that of the past, I have used
the authority granted me to purchase all American produced gold and
silver and to ^{*buy*} ~~purchase~~ additional gold in the world markets. Careful
investigation and constant study prove that in the matter of foreign
exchange rates, ^{*certain of our sister*} ~~the other principal~~ nations find themselves so handi-
capped by internal and other conditions that they feel unable at this
time to enter into stabilization discussions based on permanent and
world-wide objectives.

~~through the Economy Act, has been vigorously fortified.~~ 6 9 The

overwhelming majority of the banks, both national and state, *which* reopened last spring, are in sound condition and have been brought within the protection of Federal Insurance. In the case of those banks which were not permitted to reopen, nearly 600 million *dollars* of frozen deposits are being restored to the depositors through the assistance of the National Government.

We have made great strides towards the objectives of the National Industrial Recovery Act, for not only have several millions of our unemployed been restored to work, but industry is organizing itself with a greater understanding that reasonable profits can be earned while at the same time protection can be assured to guarantee to labor adequate pay and proper conditions of work. Child labor is abolished. Uniform standards of hours

and wages apply today to 95% of industrial employment within the field of the National Industrial Recovery Act. We seek the ~~definite end~~ ^{definite end} ~~the monopoly~~ of preventing combinations in furtherance of monopoly and in restraint of trade, while at the same time we seek to prevent ruinous rivalries within industrial groups which in many cases resemble the gang wars of the underworld and in which the real victim in every case is the public itself.

Under the authority of this Congress, we have brought the component parts of each industry together around a common table, just as we have brought problems affecting labor to a common meeting ground. Though the machinery, hurriedly devised, may need ~~re-adjustment~~ ^{re-adjustment} ~~re-adjustment~~ from time to time, nevertheless I think you will agree with me that we have created a permanent feature of our modernized industrial structure and that it will continue

~~27~~ (8)
under the supervision but not the arbitrary dictation of government itself.

You recognized last spring that the most serious part of the debt burden affected those who stood in danger of losing their farms and their homes. I am glad to tell you that ~~the~~ refinancing ~~in~~ both of these ~~cases~~ is proceeding with good success and in all probability within the financial limits set by the Congress.

But agriculture had suffered from more than its debts. Actual experience with the operation of the Agricultural Adjustment Act leads to my belief that thus far the experiment of seeking a balance between production and consumption is succeeding and has made progress entirely in line with reasonable expectations towards the restoration of farm prices to parity. I continue

9

in my conviction that industrial progress and prosperity can only be attained by bringing the purchasing power of that portion of our population which in one form or another is dependent upon agriculture up to a level which will restore a proper balance between every section of the country and every form of work.

In this field, through carefully planned flood control, power development and land use policies, in the Tennessee Valley and in other great watersheds, we are ~~logically~~ seeking the elimination of waste, the removal of poor lands from agriculture and the encouragement of small local industries, thus furthering this principle of *a better balanced national* ~~restoring balance~~.

life.

~~259~~ (10)
We recognize the great ultimate cost of the application of
this rounded policy to every part of the Union. Today we
are creating ~~large debts~~ heavy obligations ~~in the~~ *to start*
~~initial stages~~ *the work* and because of the great unemployment needs
of the moment. I look forward, however, to the time in

the not distant future, when annual appropriations, wholly
covered by current revenue, will enable the work to proceed

with a national plan. Such a national plan will, ~~for~~ *in* a
generation or two, return many times ~~over~~ the money spent
on it; more important, it will eliminate the use of
inefficient tools, conserve and increase natural resources,
prevent waste, and enable millions of our people to take

better advantage of the opportunities which God has given
our country.
~~to the United States of America.~~

11

I cannot, unfortunately, present to you a picture of complete optimism regarding world affairs. ~~On the~~
~~continent of America~~ ^{At} the delegation representing the United States has worked in close cooperation with the other American republics assembled at Montevideo to make that conference an outstanding success. We have, I hope, made it clear to our neighbors that we seek with them future avoidance of territorial expansion and of interference ^{by one} between nations in the internal affairs of another, ~~nation~~. Furthermore, all of us are seeking ^{the} restoration of commerce in ways which will preclude the building up of large favorable trade balances by any one nation at the expense of trade debits on the part of other nations.

In other parts of the world, however, fear of immediate or future aggression and with this the spending

62 (12)

of vast sums on armament ^{and} ~~and~~ the continued building up
of defensive trade ^{barriers} ~~quotas~~ prevent any great progress in
peace or trade agreements. I have made it clear that the
United States cannot take part in political arrangements
in Europe but that we stand ready to cooperate at any
time ~~in measures~~ ^{practicable} in measures on a world basis looking
to immediate reduction of armaments and the lowering of
the barriers against commerce.

I expect to report to you later in regard to debts
owed the government and people of this country by the
governments and peoples of other countries. ~~Only one~~
nation - Finland - has paid the ^{installments} ~~amount~~ due this country ^{in full}
~~in June and December last.~~ Several ~~other~~ nations,
acknowledging the debt, have paid in small part; other
nations have failed to pay. A

~~13~~

13

Returning to home ~~problems~~ ^{problems.}, we have been shocked

by many notorious examples of injuries done our citizens
by persons or groups who have been living off their
neighbors by the use of methods either unethical or
criminal.

~~BB~~

~~evasions of the income tax laws -- or at least
the spirit of them, -- personal enrichment by high
officials of banks or corporations at the expense of
their stockholders or the public, reckless speculation
with their own or with other peoples money to such an
extent that values of farmers crops and of poor people's
savings have been tossed upward or smashed downward to
the detriment of the Commonwealth, crimes or organized
banditry, cold-blooded shooting, lynching and kidnapping --
all of these call not only for definite education of our~~

(14)

In the first category -- a field which does not involve violations of the letter of our laws -- practices have been brought to light which have shocked ~~the sensibilities~~ ^{believed} of those who ~~have thought~~ ^{were} that we ~~were~~ in the past generation ~~been~~ ^{she} raising ethical standards of business, ~~and~~ ^{they} call ~~in many instances~~ for stringent preventive or regulatory measures.

I am speaking of those individuals who have evaded the spirit and purpose of our tax laws, of those high officials of banks or corporations who have grown rich at the expense of their stockholders or the public, of those reckless speculators with their own or other people's money whose operations have injured the values of the farmers' crops and the savings of the poor.

In the other category, crimes of organized banditry, cold-blooded shooting, lynching and kidnapping have threatened our security.

These violations of ethics and these violations of law call on the strong arm of government for their immediate suppression; they call also on the country for ^{an aroused public} definite education toward their elimination. ^{opinion.} ~~they are a~~

15

A

The adoption of the 21st Amendment should give material aid to the
elimination of those new forms of crime which came from the ^{illegal} liquor
traffic. ⁱⁿ liquor

*The absorption of the Treasury funds
understandings should give material aid
to the reconstruction of the nation & crime within
come from the higher traffic.*

illegal
of criminal cases and wise treatment of those convicted.

16
I shall continue to regard it as my duty to use whatever means may be necessary to supplement state, local and private agencies for the relief of suffering caused by unemployment. With respect to this question, I have recognized the dangers inherent in the direct giving of relief and have sought the means to provide not mere relief, but the opportunity for useful and remunerative work. We shall, in the process of recovery, seek to move as rapidly as possible from direct relief to publicly supported work and from that to the rapid restoration of private employment.

being
It is to the eternal credit of the American people that this tremendous readjustment of our national life ^{is} ~~was~~ accomplished peacefully, without serious dislocation, with only a minimum of injustice and with a great, willing spirit of cooperation throughout the country. ~~Similar readjustments elsewhere have been accomplished only by the forcible seizure of power by a few self-constituted leaders activated by some dogmatic general plan of social reconstruction. Adjustments have been made only at the cost of suffering and disorder.~~ *order*
order ~~Disorder is not an American habit. Cooperation, self-control and self-help are the essence of the American~~ *self help and self*

(17)

tradition -- not of necessity ~~the~~ the form of that tradition, but ~~essentially in accord with~~ its spirit. The program itself ^{came} ~~came~~ from the American people.

9 It ^{is} ~~was~~ an integrated program, national in scope. It ~~conceived the nation as consisting of many economic interests and factors and it proceeded on the practical principle that the way to restore economic life was first to restore the vanished purchasingpower of the agricultural population. In this respect the issue was drawn sharply with those who guided the destiny of our economic life in previous years. It was their theory that we should help those at the top in order that they might help the masses underneath. It is our theory that to build securely we should start at the bottom of the pyramid, making the structure sound throughout.~~

Viewed in the large, ~~this~~ ^{it} program is designed to save from destruction and to keep for the future the genuinely important values created by modern industrial society. The vicious and wasteful parts of that society we could not save if we wished; they have chosen the way of self-destruction. We would save useful mechanical invention, machine production, industrial efficiency, modern means of communication, ~~and~~ ^{broad} education. We should save for the enlightened employer the opportunity to use his genius to devise new means of industrial

19

I have from time to time informed the people of what I now repeat to the Congress. We are logically and with great care and discrimination moving toward a broadly conceived and charted national life. The steps we have taken are the necessary implements of such a life. And, as we have proceeded, the intelligence of the people of this great nation has followed us with understanding approval. It is only a few months ago when I first spoke of the planned use of the land, of the elimination of sub-marginal land and the afforestation of the portions eliminated. Those who saw only the past were amused, contemptuous. But the average man was willing to try it and now the planned use of the land is an ^{accepted} ~~accomplished~~ ^{policy} ~~fact~~. The conception of using a precious natural resource in the Tennessee Valley to the end that richer life might be enjoyed by a great population, once called Utopian, is now growing into practical realization. These, among many aspects of the new policies, illustrate how much more dependable the opinions of the average man are than the timid reactionaries who only yesterday thought they were the rulers of the nation.

II We have ploughed the furrow and planted the ^{good} seed; the hard beginning is over. If we would reap the full harvest we must cultivate the soil where ^{this good} ~~the~~ seed is sprouting and the

plant is reaching up to mature growth.

~~To this end no detailed program of legislation is necessary. I shall from time to time suggest a few measures for your consideration, but these will be in the nature of a continuation and broadening of present measures. It must be remembered that most of our program has been in operation only a few months. Results are gratifying but the full realization is still to come. I recommend to you a session of constructive discussion of our common policies, of considering means and of strengthening our program, of adding a few necessary new measures.~~

~~I~~ A final personal word ~~of greeting~~. I know that each of you will appreciate that I am speaking no mere politeness when I assure you how much I value the fine relationship that we have shared during these months of hard and incessant work. Out of these friendly contacts we are, fortunately, building a strong and permanent tie between the legislative and executive branches of the government. The ~~law~~ ^{letter} of the Constitution wisely declared a separation, but the ~~law~~ ^{unwritten purpose} of fellowship declares a union. In this spirit we join once more in serving the American people.

(End)

MESSAGE OF THE PRESIDENT TO THE CONGRESS OF THE UNITED STATES

TO THE CONGRESS:

I come before you at the opening of the Regular Session of the 73rd Congress, not to make requests for special or detailed items of legislation; I come, rather, to counsel with you, who, like myself, have been selected to carry out a mandate of the whole people, in order that without partisanship you and I may cooperate to continue the restoration of our national well-being and, equally important, to build on the ruins of the past a new structure designed better to meet the present problems of modern civilization.

Such a structure includes not only the relations of industry and agriculture and finance to each other, but also the effect which all of these three have on our individual citizens and on the whole people as a nation.

Now that we are definitely in the process of recovery, lines have been rightly drawn between those to whom this recovery means a return to old methods -- and the number of these people is small -- and those for whom recovery means a reform of many old methods, a permanent readjustment of many of our ways of thinking and therefore of many of our social and economic arrangements.

Civilization can not go back; civilization must not stand still. We have undertaken new methods. It is our task to perfect, to improve, to alter when necessary, but in all cases to go forward. To consolidate what we are doing, to make our economic and social structure capable of dealing with modern life is the joint task of the Legislative, the Judicial, and the Executive Branches of the National Government.

Without regard to party, the overwhelming majority of our people seek a greater opportunity for humanity to prosper and find happiness. They recognize that human welfare has not increased and does not increase through mere materialism and luxury, but that it does progress through integrity, unselfishness, responsibility and justice.

In the past few months, as a result of our action, we have demanded of many citizens that they surrender certain licenses to do as they pleased in their business relationships; but we have asked this in exchange for the protection which the State can give against exploitation by their fellow men or by combinations of their fellow men.

I congratulate this Congress upon the courage, the earnestness and the efficiency with which you met the crisis at the Special Session. It was your fine understanding of the national problem that furnished the example which the country has so splendidly followed. I venture to say that the task confronting the First Congress of 1789 was no greater than your own.

I shall not attempt to set forth either the many phases of the crisis which we experienced last March, nor the many measures which you and I undertook during the Special Session that we might initiate recovery and reform.

It is sufficient that I should speak in broad terms of the results of our common counsel.

The credit of the Government has been fortified by drastic reduction in the cost of its permanent agencies through the Economy Act

With the two-fold purpose of strengthening the whole financial structure and of arriving eventually at a medium of exchange which will have over the years less variable purchasing and debt paying power for our people than that of the past, I have used the authority granted me to purchase all American produced gold and silver and to buy additional gold in the world markets. Careful investigation and constant study prove that in the matter of foreign exchange rates, certain of our sister nations find themselves so handicapped by internal and other conditions that they feel unable at this time to enter into stabilization discussions based on permanent and world-wide objectives.

The overwhelming majority of the banks, both national and state, which reopened last spring, are in sound condition and have been brought within the protection of Federal Insurance. In the case of those banks which were not permitted to reopen, nearly 600 million dollars of frozen deposits are being restored to the depositors through the assistance of the National Government.

We have made great strides towards the objectives of the National Industrial Recovery Act, for not only have several millions of our unemployed been restored to work, but industry is organizing itself with a greater understanding that reasonable profits can be earned while at the same time protection can be assured to guarantee to labor adequate pay and proper conditions of work. Child labor is abolished. Uniform standards of hours and wages apply today to 95% of industrial employment within the field of the National Industrial Recovery Act. We seek the definite end of preventing combinations in furtherance of monopoly and in restraint of trade, while at the same time we seek to prevent ruinous rivalries within industrial groups which in many cases resemble the gang wars of the underworld and in which the real victim in every case is the public itself.

Under the authority of this Congress, we have brought the component parts of each industry together around a common table, just as we have brought problems affecting labor to a common meeting ground. Though the machinery, hurriedly devised, may need re-adjustment from time to time, nevertheless I think you will agree with me that we have created a permanent feature of our modernized industrial structure and that it will continue under the supervision but not the arbitrary dictation of government itself.

You recognized last spring that the most serious part of the debt burden affected those who stood in danger of losing their farms and their homes. I am glad to tell you that refinancing in both of these cases is proceeding with good success and in all probability within the financial limits set by the Congress.

But agriculture had suffered from more than its debts. Actual experience with the operation of the Agricultural Adjustment Act leads to my belief that thus far the experiment of seeking a balance between production and consumption is succeeding and has made progress entirely in line with reasonable expectations towards the restoration of farm prices to parity. I continue in my conviction that industrial progress and prosperity can only be attained by bringing the purchasing power of that portion of our population which in one form or another is dependent upon agriculture up to a level which will restore a proper balance between every section of the country and every form of work.

In this field, through carefully planned flood control, power development and land use policies, in the Tennessee Valley and in other great watersheds, we are seeking the elimination of waste, the removal of poor lands from agriculture and the encouragement of small local industries, thus furthering this principle of a better balanced national life. We recognize the great ultimate cost of the application of this rounded policy to every part of the Union. Today we are creating heavy obligations to start the work and because of the great unemployment needs of the moment. I look forward, however, to the time in the not distant future, when annual appropriations, wholly covered by current revenue, will enable the work to proceed with a national plan. Such a national plan will, in a generation or two, return many times the money spent on it; more important, it will eliminate the use of inefficient tools, conserve and increase natural resources, prevent waste, and enable millions of our people to take better advantage of the opportunities which God has given our country.

I cannot, unfortunately, present to you a picture of complete optimism regarding world affairs.

The delegation representing the United States has worked in close cooperation with the other American republics assembled at Montevideo to make that conference an outstanding success. We have, I hope, made it clear to our neighbors that we seek with them future avoidance of territorial expansion and of interference by one nation in the internal affairs of another. Furthermore, all of us are seeking the restoration of commerce in ways which will preclude the building up of large favorable trade balances by any one nation at the expense of trade deficits on the part of other nations.

In other parts of the world, however, fear of immediate or future aggression and with this the spending of vast sums on armament, and the continued building up of defensive trade barriers, prevent any great progress in peace or trade agreements. I have made it clear that the United States cannot take part in political arrangements in Europe but that we stand ready to cooperate at any time in practicable measures on a world basis looking to immediate reduction of armaments and the lowering of the barriers against commerce.

I expect to report to you later in regard to debts owed the government and people of this country by the governments and peoples of other countries. Several nations, acknowledging the debt, have paid in small part; other nations have failed to pay. One nation - Finland - has paid the installments due this country in full.

Returning to home problems, we have been shocked by many notorious examples of injuries done our citizens by persons or groups who have been living off their neighbors by the use of methods either unethical or criminal.

In the first category -- a field which does not involve violations of the letter of our laws -- practices have been brought to light which have shocked those who believed that we were in the past generation raising the ethical standards of business. They call for stringent preventive or regulatory measures. I am speaking of those individuals who have evaded the spirit and purpose of our tax laws, of those high officials of banks or corporations who have grown rich at the expense of their stockholders or the public, of those reckless speculators with their own or other people's money whose operations have injured the values of the farmers' crops and the savings of the poor.

In the other category, crimes of organized banditry, cold-blooded shooting, lynching and kidnaping have threatened our security.

These violations of ethics and these violations of law call on the strong arm of government for their immediate suppression; they call also on the country for an aroused public opinion.

The adoption of the 21st Amendment should give material aid to the elimination of those new forms of crime which came from illegal traffic in liquor.

I shall continue to regard it as my duty to use whatever means may be necessary to supplement state, local and private agencies for the relief of suffering caused by unemployment. With respect to this question, I have recognized the dangers inherent in the direct giving of relief and have sought the means to provide not mere relief, but the opportunity for useful and remunerative work. We shall, in the process of recovery, seek to move as rapidly as possible from direct relief to publicly supported work and from that to the rapid restoration of private employment.

It is to the eternal credit of the American people that this tremendous readjustment of our national life is being accomplished peacefully, without serious dislocation, with only a minimum of injustice and with a great, willing spirit of cooperation throughout the country.

Disorder is not an American habit. Self help and self control are the essence of the American tradition -- not of necessity the form of that tradition, but its spirit. The program itself comes from the American people.

It is an integrated program, national in scope. Viewed in the large, it is designed to save from destruction and to keep for the future the genuinely important values created by modern society. The vicious and wasteful parts of that society we could not save if we wished; they have chosen the way of self-destruction. We would save useful mechanical invention, machine production, industrial efficiency, modern means of communication, broad education. We would save and encourage the slowly growing impulse among consumers to enter the industrial market place equipped with sufficient organization to insist upon fair prices and honest sales.

But the unnecessary expansion of industrial plants, the waste of natural resources, the exploitation of the consumers of natural monopolies, the accumulation of stagnant surpluses, child labor, and the ruthless exploitation of all labor, the encouragement of speculation with other people's money, these were consumed in the fires that they themselves kindled: we must make sure that as we reconstruct our life there be no soil in which such weeds can grow again.

We have ploughed the furrow and planted the good seed; the hard beginning is over. If we would reap the full harvest we must cultivate the soil where this good seed is sprouting and the plant is reaching up to mature growth.

A final personal word. I know that each of you will appreciate that I am speaking no more politeness than I assure you how much I value the fine relationship that we have shared during these months of hard and incessant work. Out of these friendly contacts we are, fortunately, building a strong and permanent tie between the legislative and executive branches of the government. The letter of the Constitution wisely declared a separation, but the impulse of common purpose declares a union. In this spirit we join once more in serving the American people.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

January 3, 1934.

AFTER RECESS

The recess having expired, the House (at 1 o'clock and 28 minutes p.m.) resumed its session.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had agreed to the concurrent resolution (H.Con.Res. 25) providing that the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, the 3d day of January 1934, at 1:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

JOINT MEETING OF THE SENATE AND HOUSE

At 1 o'clock and 30 minutes p.m. the Doorkeeper, Mr. J. J. Sinnott, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by their Secretary and Sergeant at Arms, entered the Chamber.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

THE SPEAKER. On behalf of the House, the Chair appoints the following committee to conduct the President into the Chamber: Messrs. BYRNS, DOUGLTON, and SNELL.

THE VICE PRESIDENT. On the part of the Senate, the Chair appoints as a like committee Senators ROBINSON of Arkansas, McCLARY, and GERHART.

At 1 o'clock and 32 minutes p.m. the Doorkeeper, Mr. J. J. Sinnott, announced the Cabinet of the President of the United States.

The Members of the Cabinet of the President entered the Chamber and took the seats reserved for them in front of the Speaker's rostrum.

At 1 o'clock and 35 minutes p.m. the President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House and stood at the Clerk's desk, amid prolonged applause.

THE SPEAKER. Senators and Representatives, I have the distinguished honor of presenting to you the President of the United States. [Applause.]

ADDRESS BY THE PRESIDENT OF THE UNITED STATES

THE PRESIDENT. Mr. President, Mr. Speaker, Senators, and Representatives in Congress, I come before you at the opening of the regular session of the Seventy-third Congress not to make requests for special or detailed items of legislation; I come, rather, to counsel with you, who, like myself, have been selected to carry out a mandate of the whole people, in order that without partisanship you and I may cooperate to continue the restoration of our national well-being and, equally important, to build on the ruins of the past a new structure designed better to meet the present problems of modern civilization. [Applause.]

Such a structure includes not only the relations of industry and agriculture and finance to each other, but also the effect which all of these three have on our individual citizens and on the whole people as a nation.

Now that we are definitely in the process of recovery, lines have been rightly drawn between those to whom this recovery means a return to old methods—and the number of these people is small—and those for whom recovery means a reform of many of our methods, a permanent readjustment of many of our ways of thinking, and, therefore, of many of our social and economic arrangements.

Civilization cannot go back; civilization must not stand still. We have undertaken new methods. It is our task to perfect, to improve, to store when necessary, but in all cases to go forward. To consolidate what we are doing, to make our economic and social structure capable of dealing with modern life, is the joint task of the legislative, the judicial, and the executive branches of the National Government.

Without regard to party, the overwhelming majority of our people seek a greater opportunity for humanity to prosper and find happiness. They recognize that human welfare

has not increased and does not increase through mere materialism and luxury, but that it does progress through integrity, unselfishness, responsibility, and justice. [Applause.]

In the past few months, as a result of our action, we have demanded of many citizens that they surrender certain licenses to do as they pleased in their business relationships; but we have asked this in exchange for the protection which the State can give against exploitation by their fellow men or by combinations of their fellow men.

I congratulate this Congress upon the courage, the earnestness, and the efficiency with which you met the crisis at the special session. It was your fine understanding of the national problem that furnished the example which the country has so splendidly followed. I venture to say that the task confronting the First Congress of 1789 was no greater than your own.

I shall not attempt to set forth either the many phases of the crisis which we experienced last March, nor the many measures which you and I undertook during the special session that we might initiate recovery and reform.

It is sufficient that I should speak in broad terms of the results of our common counsel. [Applause.]

The credit of the Government has been fortified by drastic reduction in the cost of its permanent agencies through the Economy Act.

With the twofold purpose of strengthening the whole financial structure and of arriving eventually at a medium of exchange which will have over the years less variable purchasing and debt-paying power for our people than that of the past, I have used the authority granted me to purchase all American produced gold and silver [applause] and to buy additional gold in the world markets. Careful investigation and constant study prove that in the matter of foreign exchange rates certain of our sister nations find themselves so handicapped by internal and other conditions that they feel unable at this time to enter into stable discussions based on permanent and world-wide objectives.

The overwhelming majority of the banks, both National and State, which reopened last spring, are in sound condition and have been brought within the protection of Federal insurance. In the case of those banks which were not permitted to reopen nearly \$600,000,000 of frozen deposits are being restored to the depositors through the assistance of the National Government.

We have made great strides toward the objectives of the National Industrial Recovery Act, for not only have several millions of our unemployed been restored to work but industry is organizing itself with a greater understanding that reasonable profits can be earned when at the same time protection can be assured to guarantee to labor adequate pay and proper conditions of work. Child labor is abolished. Uniform standards of hours and wages apply today to 95 percent of industrial employment within the field of the National Industrial Recovery Act. We seek the definite end of preventing combinations in furtherance of monopoly and restraint of trade, while at the same time we seek to prevent ruinous rivalries within industrial groups which in many cases resemble the gang wars of the underworld and in which the real victim in every case is the public itself.

Under the authority of this Congress we have brought the component parts of each industry together around a common table, just as we have brought problems affecting labor to a common meeting ground. Though the machinery, hurriedly devised, may need readjustment from time to time, nevertheless I think you will agree with me that we have created a permanent feature of our modernized industrial structure and that it will continue under the supervision, but not the arbitrary dictation of government itself. [Applause.]

You recognized last spring that the most serious part of the debt burden affected those who stood in danger of losing their farms and their homes. I am glad to tell you that refinancing in both of these cases is proceeding with good success and in all probability within the financial limits set by the Congress.

But agriculture had suffered from more than it debts. Actual experience with the operation of the Agricultural Adjustment Act leads to my belief that thus far the experiment of seeking a balance between production and consumption is succeeding and has made progress entirely in line with reasonable expectations toward the restoration of farm prices to parity. I continue in my conviction that industrial progress and prosperity can only be attained by bringing the purchasing power of that portion of our population which in one form or another is dependent upon agriculture up to a level which will restore a proper balance between every section of the country and every form of work. [Applause.]

In this field, through carefully planned flood-control, power-development, and land-use policies in the Tennessee Valley and in other great watersheds, we are seeking the elimination of waste, the removal of poor lands from agriculture, and the encouragement of small local industries, thus furthering this principle of a better balanced national life. We recognize the great ultimate cost of the application of this rounded policy to every part of the Union. Today we are creating heavy obligations to start the work and because of the great unemployment needs of the moment, I look forward, however, to the time when the distant future through annual appropriations, wholly covered by current revenue, will enable the work to proceed with a national plan. Such a national plan will, in a generation or two, return many times the money spent on it; more important, it will eliminate the use of land that looks to conserve and increase natural resources, prevent waste, and enable millions of our people to take better advantage of the opportunities which God has given our country.

I cannot, unfortunately, present to you a picture of complete optimism regarding world affairs.

The delegation representing the United States has worked in close cooperation with the other American Republics assembled at Montevideo to make that conference an outstanding success. We have, I hope, made it clear to our neighbors that we seek with them future avoidance of territorial expansion and of interference by one nation in the internal affairs of another. [Applause.] Furthermore, all of us are seeking the restoration of commerce in ways which will preclude the building up of large favorable trade balances by any one nation at the expense of trade debits on the part of other nations.

In other parts of the world, however, fear of immediate or future aggression, and with this the spending of vast sums on armament and the continued building up of defensive trade barriers, prevent any great progress in peace or trade agreements. I have made it clear that the United States cannot take part in political arrangements in Europe but that we stand ready to cooperate at any time in practicable measures on a world basis looking to immediate reduction of armaments and the lowering of the barriers against commerce. [Applause.]

I expect to report to you later in regard to debts owed the Government and people of this country by the governments and peoples of other countries. Several nations, acknowledging the debt, have paid in small part; other nations have failed to pay. One nation—Finland—has paid the installments due this country in full. [Applause.]

Returning to home problems, we have been shocked by many notorious examples of injuries done our citizens by persons or groups who have been living off their neighbors by the use of methods either unethical or criminal.

In the first category—a field which does not involve violations of the letter of our laws—practices have been brought to light which have shocked those who believed that we were in the past generation raising the ethical standards of business. They call for stringent preventive or regulatory measures. I am speaking of those individuals who have evaded the spirit and purpose of our tax laws [applause], of those high officials of banks or corporations who have grown rich at the expense of their stockholders or the pub-

lic, of those reckless speculators with their own or other people's money whose operations have injured the values of the farmers' crops and the savings of the poor. [Applause.]

In the other category, crimes of organized banditry, cold-blooded shooting, lynching, and kidnapping have threatened our security.

These violations of ethics and these violations of law call on the strong arm of government for their immediate suppression; they call also on the country for an aroused public opinion. [Applause.]

The adoption of the twenty-first amendment should give material aid to the elimination of those new forms of crime which came from illegal traffic in liquor. [Applause.]

I shall continue to regard it as my duty to use whatever means may be necessary to supplement State, local, and private agencies for the relief of suffering caused by unemployment. With respect to this question, I have recognized the dangers inherent in the direct giving of relief and have sought the means to provide not mere relief but the opportunity for useful and remunerative work. We shall, in the process of recovery, seek to move as rapidly as possible from direct relief to publicly supported work, and from that to the rapid restoration of private employment.

It is to the eternal credit of the American people that this tremendous readjustment of our national life is being accomplished peacefully, without serious dislocation, with only a minimum of injustice, and with a great, willing spirit of cooperation throughout the country.

Disorder is not an American habit. Self-help and self-control are the essence of the American tradition—not of necessity the form of that tradition, but its spirit. The program itself comes from the American people.

It is an integrated program, national in scope. Viewed in the large, it is designed to save from destruction and to keep for the future the genuinely important values created by modern society. The vicious and wasteful parts of that society we could not save if we wished; they have chosen the way of self-destruction. We would save useful mechanical invention, machine production, industrial efficiency, modern means of communication, broad education. We would save and encourage the slowly growing impulse among consumers to enter the industrial market place equipped with sufficient organization to insist upon fair prices and honest sales.

But the unnecessary expansion of industrial plants, the waste of natural resources, the exploitation of the consumers by natural monopolies, the accumulation of stagnant surpluses, child labor, and the ruthless exploitation of all labor, the encouragement of speculation with other people's money, these were consumed in the fires that they themselves kindled; we must make sure that as we reconstruct our life there be no soil in which such weeds can grow again. [Applause.]

We have plowed the furrow and planted the good seed; the hard beginning is over. If we would reap the full harvest, we must cultivate the soil where the good seed is sprouting and the plant is reaching up to mature growth.

A final personal word. I know that each of you will appreciate that I am speaking no mere politeness when I assure you how much I value the fine relationship that we have shared during these months of hard and incessant work. Out of these friendly contacts we are, fortunately, building a strong and permanent tie between the legislative and executive branches of the Government. The letter of the Constitution wisely declared a separation, but the impulse of common purpose declares a union. In this spirit we join once more in serving the American people. [Applause, the Members rising.]

Thereupon, at 2 o'clock p.m., the President retired from the Hall of the House.

At 2 o'clock and 1 minute p.m. the Speaker announced that the joint session was dissolved.

Thereupon the Vice President and the Members of the Senate returned to their Chamber.

A-2

P.P.F.

Supersede

Draft of
Message to Congress

Jan 3, 1934

Now that we are in the definite process of
recovery, lines have been rightly drawn between those to whom

this recovery means ^a return to old methods -- and the number of these

people is small -- and those for whom recovery ^{means a} ~~is~~ ^{up many old methods,} ~~reform,~~ a transfor-

mation by social progress of many of our economic ways of thinking

~~and~~ and therefore of many of our social and economic arrangements.

(A) >

Without regard to party, the overwhelming majority of our people seek a greater opportunity for humanity to prosper and find happiness. They recognize that human welfare has not increased and does not increase through mere materialism and luxury, but that it does progress through integrity, unselfishness, responsibility and justice.

In the past few months, as a result of ^{our} ~~your~~ action ~~and~~, we have demanded of many individual citizens that they surrender certain licenses to do as they pleased; but we have asked this in exchange for the protection which the State can

give against exploitation by their fellow men or by combinations of their fellow men.

I congratulate this Congress upon the courage, the earnestness and the efficiency with which you met the crisis at the Special Session. It was your fine spirit in substituting patriotism for partisanship that furnished the example which the country has so splendidly followed. I venture to say that the task confronting the First Congress of 1789 was no greater than your own.

I will not attempt to set forth either the many phases of the crisis which ~~we experienced~~ ^{we experienced} last March, nor the many measures which you and I undertook during the Special Session to initiate recovery and reform.

It is perhaps sufficient that I should speak in broad terms of the results of our common council:

The credit of the Government, strengthened by drastic reduction in the cost of the permanent agencies of the Government through the Economy Act, has been vigorously ~~demonstrated and~~ fortified. The overwhelming majority of the banks, both national and state, reopened last spring, are in sound condition and have been brought within the protection of ~~the~~ Federal Deposit Insurance, ~~fund~~. In the case of those banks which were not permitted to reopen, nearly 600 millions of frozen deposits have been ~~restored or~~ are being restored to the depositors through ~~the~~ *the assistance of the National Government* ~~operations of the Federal Deposit Insurance Board.~~

We have made great strides towards the objectives of the National Industrial Recovery Act, for not only have several millions of our unemployed been restored to work, but industry ^{is engendering} ~~and~~ ~~has~~ ~~acquired~~ itself with a greater understanding that reasonable profits can be earned while at the same time protection can be

assured to guarantee to labor adequate pay and proper conditions of work. Child labor is abolished. Uniform standards of hours and wages apply today to 95% of industrial employment within the field of the National Industrial Recovery Act, ~~and no less than~~ ~~four million persons have returned to work since March.~~ We seek the ~~definite retention of~~ ^{clear} the policy of preventing combinations in furtherance of monopoly and in restraint of trade, while at the same time we seek to prevent ruinous rivalries within industrial groups which in many cases resemble the gang wars of the underworld and in which the real victim in every case ^{is} ~~was~~ the public itself.

Under the authority of this Congress, we have brought the component parts of each industry together around a common table, just as we have brought problems affecting labor to a common meeting ground. Though the machinery, hurriedly ^{divided} ~~brought~~,

~~together~~, may need redesigning from time to time, nevertheless

I think you will agree with me that we have created a permanent feature of our modernized industrial structure and that it will continue under the supervision ^{but not the arbitrary dictation of Government} ~~of the government~~ itself.

You recognized ^{last Spring} that the most serious part of the debt burden affected those who stood in danger of losing their farms and ^{their} homes. I am glad to tell you that the refinancing of both of these problems is proceeding with ^{good success} ~~great usefulness~~ and in all probability within the financial limits set by the Congress.

But agriculture had suffered from more than its debts. Actual experience with the operation of the Agricultural Adjustment Act leads to my belief that thus far the experiment of seeking a balance between ^{production} ~~protection~~ and consumption is succeeding and has made progress entirely in line with expectations ^{reasonable} towards the restoration of farm prices to parity. I ^{continue in my conviction} ~~am still convinced~~

that industrial progress and prosperity can only be attained by bringing the purchasing power of that portion of our population which in one form or another is dependent upon agriculture up to a level which will restore a proper balance between every section of the country and every form of work.

In this ^{field} ~~connection~~ we are logically seeking, through carefully planned flood control, power development and land use policies, in the Tennessee Valley and in other great watersheds, ^{we are logically seeking} ~~for~~ the elimination of waste, the ^{removal of poor} ~~taking of submarginal~~ lands ^{from} ~~out of~~ agriculture and the encouragement of small local industries, thus furthering this principle of restoring balance.

people towards their elimination but also the strong arm of government for their immediate suppression.

That the overwhelming majority of our bankers and the heads of our industrial corporations have been upright in their handling of money entrusted to them makes it even more imperative that the small minority who have betrayed a trust with or without legal justification be eliminated.

That markets for the exchange of securities and commodities are necessary to trade and investment makes it all the more imperative that the abuse of and in these markets be eliminated. (Governing agencies within the markets should prevent abuses)

That peaceful citizens are able to go about their daily lives in general security makes it all the more

imperative that they be protected at all times against gunmen, mob violence and kidnapping.

To accomplish results, additional legislation is needed in many cases; in others a more practical, more effective and more honest administration of justice is needed in the administrative and judicial branches of Federal, state and local governments. I am glad to say that the Nation is aroused to the situation and that between these three branches of government cooperation is becoming more effective and more efficient.

In the first category -- a field which does not involve violations of the letter of our laws -- practices have been brought to light which have shocked the sensibilities of those who have thought that we have in the past generation been raising ethical standards of business and call in many instances for stringent preventive or regulatory measures. I am speaking of those individuals who have evaded the spirit and purpose of our tax laws, of those high officials of banks or corporations who have grown rich at the expense of their stockholders or the public, of those reckless speculators with their own or other people's money whose operations have injured the values of the farmers' crops and the savings of the poor.

In the other category, crimes of organized banditry, cold-blooded shooting, lynching and kidnapping have threatened our security.

These violations of ethics and these violations of law call on the strong arm of government for their immediate suppression; they call also on the country for definite education toward their elimination.