Franklin D. Roosevelt — “The Great Communicator”
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Message to Congress - National Defense
First Draft — MESSAGE

(Introduction unifying the problems within and without to be added).

It is my painful duty to dwell with extreme emphasis on world affairs and the world situation in which our nation finds itself. As early as three years ago I reported to you the growing concern of the people of the United States at the international developments in Europe and Asia. I stated to you that the United States had remained dedicated to peace and the policy of the good neighbor, and that among all the other nations of the great Western Hemisphere the same sentiment and the same policy had happily prevailed.

And then I went on to state that the trouble lay in the rest of the world. I said that not only had peace and good will among men grown more remote among the rulers of many of the great populations in Europe and Asia, but that a point had been reached where the people of the Americas must take cognizance of growing ill-will, of marked trends toward aggression, of increasing armaments, of shortening tempers — a situation which had in it many of the elements that lead
to the tragedy of a general war.

Without identifying these rulers and the nations for which they
spoke, I said:

"Nations seeking expansion, seeking the rectification of
injustices springing from former wars, or seeking outlets for
trade, for population, or even for their own peaceful contributions
to the progress of civilization, fail to demonstrate that patience
necessary to attain reasonable and legitimate objectives by peace-
ful negotiation or by an appeal to the finer instincts of world
justice. They have therefore impatiently reverted to the old belief
in the law of the sword or to the fantastic conception that they,
and they alone, are chosen to fulfill a mission and that all the
others among the billion and a half of human beings must and shall
learn from and be subject to them."

And now in the past three years, and more especially in the
past eighteen months the nations of which I spoke have publicly and
insolently identified themselves. They have gloried in the rule of
the sword, in terror as an instrument of domestic government and
international domination. It is of course not customary for one
government to take cognizance of the domestic policies of other
civilized countries. But when the rulers of certain countries follow
a systematic policy of exterminating helpless minority populations
in their midst, of eradicating the respected religions of mankind —
and do all this in an attempt to whip the majority of their
population into a ruthless frenzy so that they will follow their leaders on the path of world conquest — then indeed we must take cognizance even of domestic developments.

We cannot forget that the people of the entire world today are part of a common, inter-dependent civilization. World civilization today is as closely knit together as was the civilization of the little group of quarreling City States of ancient Greece. And events that stab at the vitals of civilization in one part of the world cannot but create a throb of pain elsewhere. And we in America, particularly, compounded as we are of the peoples of all nations, would be less than human if we did not utter a cry of pain at the recent persecutions of helpless minorities in European countries.

There are those who express surprise that these recent events of a domestic character in Europe created a greater wave of emotion in the United States than the international developments both in Europe and in Asia which preceded. I think most of us can well understand the reason for this. Few, if any of us, viewed with approval the annihilation of a member state of the League of Nations
in Africa, the invasion of China, the boastful participation by foreign countries on both sides of the Civil War in Spain, the annexation of Austria, and the partition of Czecho-Slovakia.

But because we all love peace and hate the horrors of war, we hoped against hope that these would turn out to be purely local events which would not impinge upon the destiny of the Western Hemisphere. We tried to magnify the other side of the situation, we tried to make the worse cause appear the better in order to hide from ourselves the injustices of events which we felt powerless to change. We hoped that by the patient acceptance of these injustices there might be created, if not a peace with honor, at least the conditions of international stability. We hoped that with our ironclad neutrality law we could in any case keep these events from having a repercussion upon our own Americas.

But the horrible persecutions of the minority groups, coming after these events, have served to confirm our worst fears. We know now that mad dogs are loose in the world. We know now that
the aggressions by dictatorial countries in Europe and Asia are not isolated cases, but part of an insane plan of domination by force. And we know too that this lust of domination will not stop with those other continents, but can leap across the narrow gaps which separate them from our Americas.

We know, in short, that the world today is too small to hold aggressive dictatorship and democracy without a conflict. The conflict has already developed in the Old World. If events proceed in accordance with the pace that has been set the conflict may spread to the New World.

One hundred sixteen years ago we resolved never to tolerate aggressions by European and Asiatic nations on the American Continents. Not only have we steadily adhered to this resolution, but in our relations with other member states of the Western Hemisphere we have steadily pursued the good neighbor policy of peace and cooperation. There has been, to be sure, an occasional backsliding, but the mistakes have always been corrected without any permanent
harm to our relations with other countries. Because of our size and wealth, it would have been easy to turn the Monroe Doctrine into a mask for imperialistic domination of the whole continent. But in line with our democratic tradition we have refused to be tempted into such a course, and because we have refused the temptation of imperialism we have been able all the more readily to preserve our democratic tradition.

Our relations with our Latin-American neighbors to the South and with Canada to the North are the best they have ever been, and they reflect equal credit on all the countries involved. They are a model of an international community of republics animated with mutual respect for one another. All of these nations are resolved to cooperate in protecting and defending the great cultural achievements of this hemisphere. This was closely manifested at the remarkable Pan-American Conference just concluded at Lima. The conference of Lima was not another Munich with a helpless nation as the prize. American nations have no designs in other parts of the world, but they are determined to act jointly as a community of good neighbors.
to repel foreign intervention or invasion in their neighborhood.

(More insert some quotations of sentiments expressed at Lima).

Why are we American nations concerned at the threat of dictatorial aggression? What is involved in the threat, just what are the steps appropriate to meeting that threat? I think we all have a right to be clear on these points. When I mentioned a little while ago that the world is too small for dictatorship and democracy to live together in harmony, I did not wish to imply that nations go to war for the sake of mere slogans. Democracy and dictatorship, however, represent different and conflicting systems of national activity, different ways of national living. Their differences do not lie merely in the sphere of domestic politics — in their attitudes to the rights of man and to the participation of the people in the framing of their own laws. Their differences also go beyond the fact that dictators appear to be interested in extending their own ideology to foreign countries by propaganda that promotes treason and subversion of the state. Their most important differences are in the field of economic
activity, the field which forms so much of the substance of human behavior.

Trade between nations is in almost every respect analogous to economic intercourse between individuals. And just as democratically-minded individuals seek to observe the rules of fair play in economic dealings in such a way that every economic exchange becomes mutually advantageous, so do democratic nations seek to preserve the rules of fair play and the principle of reciprocal advantage in international trade. But we often find in domestic economic affairs that there are certain individuals, certain businesses, which do not like to observe the rules of fair play. They prefer to use monopolistic methods, which often go to the point of physical intimidation, in order to increase the advantage to themselves at the expense of the other fellow. Just so do dictatorial nations behave in international trade. Instead of providing a sphere for fair play and just dealings between their own nationals and the nationals of other nations, they force their own nationals into participating in a game of international grab and run.
Let me give some illustrations of what I mean by this game of international grab and run. Our citizens lent hundreds of millions of dollars to German nationals and firms. So did the citizens of other countries. Does Germany allow the debts to be repaid equally to all countries? No. In principle it refuses to allow any repayment to anybody. But those countries whose citizens buy more from Germany than Germany buys from them can threaten to withhold payment for German goods. So Germany performs has to allow payment of its own debts to these countries. In the case of the United States, because we are not able to apply such pressure, Germany refuses to allow any free payment of the debts which were honestly contracted. They may allow an American creditor to take some of his money out in surplus German goods — an oil company may be told that the only way in which it can get its money out is by taking a cargo of harmonicas to dispose of abroad. Just translate these dealings into your own experience. Just imagine a businessman who sells goods on credit to a man up the street being told that he has to go
into the business of selling potatoes in order to get money for the
goods which he delivered and which were already consumed.

Not only does Germany refuse to pay its own debts, but when it
annexed Austria it served notice that it would not pay any of the
American loans that were invested in the reconstruction of that
unhappy country. All our protests thus far have proved unavailing.

In South America, as indeed in other parts of the world, the
dictatorial countries follow the method of using the economic straits
of a country to impose an unfair barter system. Under such a system
in the guise of exchanging German products for South-American products,
Germany sells for cash South American products to the natural customers
of the South American countries.

Side by side with such trade practices are attempts at political
penetration through propaganda. For the principle of autocratic
governments is to get unfair advantage at all costs — get them by
economic pressure, by political propaganda, and even by armed con-

flict if necessary.
We see all the elements of the fascist plan at work in the behavior of Japan, which has proudly made a common front with the fascist countries in Europe after practicing all their methods in Asia. First came economic penetration by unfair tactics, and when China fought back by means of a boycott, Japan responded by a military invasion. For the conquered region of China, Japan has torn up all the international agreements and monopolized all the trade. This monopoly is of course not for the benefit of China but in order to enslave China economically as well as politically.

These racketeering methods of international economic control are a menace to our own economic life. We must draw on the outside world for essential raw materials. (Insert some illustrations) We have large sections of our population dependent upon foreign trade. In time of peace, as well as in time of war, we must not be denied access to raw materials or to markets for our goods, nor must we be forced to pay a toll to third parties.
North America, Central America and South America are too close together economically as well as politically and culturally, for them to be able to stand by passively and see such things happen on this side of the ocean. That is why we must be prepared, should the occasion arise, to resist armed force with armed force. There must be no Chinas in the Western Hemisphere — no, nor Munches either.

And of course the United States must also be prepared, as must any nation, to resist invasion of its own shores. From the point of view of national security it is unfortunate that modern technology has made the world smaller. We have to accept the fact. We cannot depend upon distance alone to give us time to organize our resources and train our citizens once the threat of war has appeared — let alone after hostilities have begun.

It goes without saying that our national defense must be planned in terms of hemisphere defense. In Europe the rumors that one country is planning to increase its armaments immediately causes a thrill of terror among its neighbors, who immediately arm to the teeth against
the first nation. I am happy to say that the talk of increasing our armaments, which has appeared in the press, instead of causing a thrill of terror in the Dominion of Canada, has instead caused that government to signify its desire to cooperate with us in a plan of hemisphere defense. Of course we all tend to take for granted the spectacle of a 3,000-mile frontier between two countries that has remained unfortified for more than a century, but every event in Europe makes this record — and all that it signifies — so much the more precious to both nations and indeed to the whole world.

The cooperative exchange of views at the Lima Conference makes it certain that complete unanimity will prevail in regard to hemisphere defense. And this fact means that not only must we do our share in regard to military and naval armaments, but that we must reorient certain aspects of our foreign policy with hemisphere defense in mind. I spoke a little while ago of our iron-clad neutrality act, and I alluded to the philosophy that lay behind it. We had all believed that it was a question of localizing conflicts in Europe and
Asia and we thought that this would be an appropriate means to accomplish that end. But now we know that the causes of conflict in these other continents are such as to give legitimate grounds for fear that the conflict may spread to this hemisphere. In such an eventuality not only does the neutrality act lose its reason for existence, but it may actually contribute to getting us into war under unfavorable circumstances.

We have to be frank and realistic on the subject. If one of the states of Europe or Asia were to foment civil war in one of our sister republics to the South, the neutrality act would prevent us from shipping munitions and supplies to the legitimate government while the intervening state would be free to ship all the arms and munitions it desires to the opponents of the legitimate government. In other words, if we were governed by the neutrality act, we should have to sacrifice the Monroe Doctrine and all that that signifies to the United States.

There is another aspect of the neutrality act which also has a bearing on hemisphere defense. I refer to the Civil War in Spain.
Then the United States by a special act made the principle of the neutrality act applicable to prevent shipments of munitions to either side of the Spanish struggle, it did so largely in the belief that the European powers would be able to enforce the Non-Intervention Agreement. That agreement was violated by two groups of states. It was violated by the fascist states, and it was violated by Russia. Thus, instead of a struggle between two domestic factions, the Civil War in Spain became for a while a struggle between two contending foreign systems of dictatorship, both of which we equally abhorred.

And as long as this situation prevailed we had a new reason for maintaining the principle of the neutrality act as regards Spain. We had no desire to assist one system of dictatorship against the other, or even to supply fuel for both. But today the situation has changed. Russia has ceased to be a factor in Spain or indeed in any other part of Western Europe. On the other hand the fascist states are continuing their open intervention in Spain and hope to erect a new fascist dominion, which may be used both physically and culturally
as an instrument for extending their way to Latin-America. The United States cannot be indifferent to such a development. And while I am sure none of us want to go to Europe to intervene in the Spanish struggle, we certainly should not any longer deprive by our laws the legitimate Government of Spain of access to munitions and supplies from our shores.

I recommend, therefore, that the whole neutrality act be reconsidered in the light of current circumstances. It is needless to say that even the complete repeal of the neutrality act would not in any way affect our status of neutrality as conceived under the general principles of international law. It would merely restore the policy which we pursued until very recently — the freedom of the seas and the right to trade with all nations in accordance with international law.

Along with the revision of the neutrality act we should of course continue and strengthen our economic good neighbor policy as it has been crystallized in a series of reciprocal trade pacts. We have
recently made such an agreement with Canada as well as with Great Britain, and we shall continue to devote ourselves to sympathetic efforts to assist our neighbors in the solution of their economic problems by increasing trade to our mutual benefit.

(This would be the place to insert a proposal to provide credit to Central and South American countries).

Although the cultivation of good international relations is the most important part of our plan of hemisphere protection, we must not lose sight of the fact that physical armaments are an indispensable condition towards making that protection ultimately successful. And we must not forget that military preparedness under modern conditions is a painstaking and difficult task which can be achieved only if we put our national intelligence and our national will vigorously behind such a program. Dictators boast that nobody can beat them at armaments, that democracies are inefficient and blundering. The Kaiser said much the same thing in the last war. The fact is of course that we in this country as in all democracies don't like to spend all our time thinking of armaments. But when we do have to turn to that
task, we can show the dictators cards and spades at their own game.

And not only can we beat dictators at their own armament game,
but we can do it without in any way sacrificing our normal, democratic
peace-time objectives. Those who think that an intensified armament
program in the United States means that we have to abandon all our
progressive measures of the past six years are deluding themselves.

To the conservatives who hope this will be so, and to some of the
liberals who fear this will be so — to both I say, we in America
have only just begun to fight for our liberal objectives. The program
we have consistently pursued during these years and which has, in
general, stood up so successfully — this program must be continued.

We can and must continue to work to increase the national income. We
can and must continue to provide government work for those that are
made idle through no fault of their own. We can and must continue the
fight against unemployment. We can and must continue to raise the
standard of living for the submerged third of the population. We
can and must continue the program of assistance to the farmers and
perfect that program in the fact of world-wide marketing difficulties.

We can and must continue and perfect the system of social security
and have no hesitation in amending it, not to limit its original
purpose, but to further advance that purpose. We can and must continue
to develop the system of collective bargaining in labor disputes which
has been so greatly advanced since the validation of the Wagner Labor
Relations Act. We can and must continue to eradicate slums and build
decent housing for the poor. All these things we can and must continue
to do notwithstanding the armament program.

There are those who fear that our energies are limited, that we
must make a desperate choice between armaments and a social program
and that we cannot have both. My answer is that we must have both,
and we can have both. We must have both because national defense
without social defense is devoid of meaning, and social defense
without national defense is ultimately futile. It is the function
of the state to defend society against attack from without and
disintegration from within. Each form of defense strengthens the
other. Only a nation protected against external attacks can work
out its internal problems in order and security. And only a nation
that is strong within can stand the strain of a modern war against
an external enemy without collapsing.

(Concrete requirements of modern war to be added).

We can have both, because under our present conditions of an
abundance of idle men and idle resources there is enough unused
energy for both purposes. An armament program, under these con-
ditions, can be made to harmonize with our social objectives. One
of our social objectives has been to raise the national income by
government spending and public works. Now armaments are a form of
government spending; they are a form of public works. As such they
contribute also to an increase in employment. But armaments are not
a type of expenditure that we would choose voluntarily. There are
better ways of spending money. We prefer to build houses rather
than battleships, playgrounds rather than bombing planes. For when we build houses and playgrounds the people benefit twice — through the distribution of purchasing power which enables other production to go at a faster pace, and through the goods and services produced for the enjoyment of the people. When we build armaments, we benefit economically only once — through the distribution of purchasing power. But we need armaments for national defense, and the fact is that a fuller utilisation of our idle men and our idle resources will give us both armaments and our social needs at the same time.
And while I am on the subject of the economic benefit of
armaments, I would like to allude somewhat to the misleading
comparisons that have so often been made as to the extent of
recovery and employment in certain countries of Europe and in the
United States. Both the European countries and the United States
have been spending large sums of money for public works; in the
European countries much of this has gone for armaments which have
been counted as increasing the national income; in this country very,
very little has gone for armaments. On the other hand, the bulk of
our expenditure has been used by the government itself, through the
medium of the works program, to create roads, streets and bridges,
parks, playgrounds, and various social services. But none of this
has been counted as adding to the national income. By the same
token the European workers on armaments, because they have been
hired productively by private contractors through government funds,
have been counted as being productively employed in private industry,
whereas our WPA workers, who produce usable goods and services, have
not been counted as being productively employed in private industry.

I believe that American common sense, not to mention the American sense of honor, can see through such statistical distortions.

In recent months indeed, even these biased comparisons have not been altogether to our disadvantage. Although we suffered severely from the recession of 1937-38, we are now recovering much faster than many countries in Europe. The explanations are not far to seek. The American people and government recognized that we had been wise in curtailing government expenditures in 1936 and 1937.

Private industry, as it turned out, was premature in expressing its confidence in the ability to provide jobs for the unemployed.

On the other hand the Government failed to exercise appropriate caution in adjusting its expenditures to the promises of businessmen without concrete proof of the ability of business to take over. But thanks to the prompt measures taken last spring the recession was arrested. The decline in industrial production stopped. Instead, in the short period from May to December, the level of industrial production increased by something like 35 per cent.
The increase in the rate of national income during the same period has been about four (?) billion dollars. As for employment, there has been an increase of 1,500,000 (?) jobs between the second quarter and the fourth quarter of 1938, and almost an equal number of workers have had short hours extended to full time.

When we keep in mind the fact that the increase in employment always lags behind the increase in production during the initial stages of every recovery, we have every reason to be satisfied with the success of our government spending program. Particularly successful has been the record of the Works Progress Administration and allied agencies in providing work for the needy unemployed and disbursing purchasing power during this period before the public works program and the housing program could take effect through actual expenditures.

The payments of the unemployment insurance benefits in the majority of the states helped a great deal and more is to be expected as the system goes into full operation. But the bulk of the disbursements of purchasing power came through the Works Progress Administration and similar channels. The heavier public works
programs could not move as quickly as the work relief programs. These have always provided the valuable element of flexibility in the operation of an integrated system of recovery expenditures. The record during the past year adds one more proof of their value. No longer do critics raise the cry of "boondoggles" at the work relief program. The record of its accomplishments is to be found in every corner of the United States. These accomplishments are all the more precious to us because they represent the fruit of labor that would not have been used, the devotions and energies of men who would have been left to discouragement and despair, if we had not followed the progressive and human policy of restoring the unemployed to the dignity of useful work. During the dark days of 1932 a high official of the Federal relief organization called it "sloppy sentimentality that the government should care for its people," and said it was "an idiotic idea that it was the duty of the government to find its citizens work."

We of this administration have never taken such a short-sighted, un-American view. We have sought to revive the morale of the
unemployed by emphasizing the principle that relief and work should come to the unemployed as a matter of right and not as charity from a benevolent administration. We believe with that great modern apostle of social betterment, Pope Pius XII, that charity cannot make amends for the lack of justice. We do not desire the unemployed to be grateful to this government or to this administration; rather do we regret that under the complicated circumstances of our economic organization we have been unable to do more for the unemployed. And those critics who have tried to terrify the American people with the thought that government aid to the unemployed would corrupt the electorate and undermine our democratic institutions have received their answer in the recent elections. The unemployed in many states voted against the administration in power, thus manifesting the same healthy spirit which was traditional among the philosophers of ancient Greece — where a pupil showed how well he was educated by refuting the position of his teacher.

Three and a half years ago, as the present work program was being organized, in a radio address to the nation, I said:
"Our responsibility is to all of the people in this country. This is a great rational crusade to destroy enforced idleness which is an enemy of the human spirit generated by this depression. Our attack upon these enemies must be without stint and without discrimination. No sectional, no political distinctions can be permitted. It must, however, be recognized that when an enterprise of this character is extended over more than three thousand counties throughout the nation, there may be occasional instances of inefficiency, bad management, or misuse of funds. When cases of this kind occur, there will be those, of course, who will try to tell you that the exceptional failure is characteristic of the entire endeavor. It should be remembered that in every big job there are some imperfections. . . . The most effective means of preventing such evils in this work relief program will be the eternal vigilance of the American people themselves."

I believe that it is in this spirit that the charges of individual political coercion have been investigated by the Senate Committee on Campaign Expenditures, and I expect that Committee to make its report without fear or favor. Not only should wrong-doers be punished, but I recommend that we should take steps to correct the possibility of repetition of abuses.

In my executive order of June 22 (7) 1936 I took steps to extend the merit system of civil service to the central administrative staff of the Works Progress Administration and to other emergency agencies. I recommend to Congress to consider the advisability of putting State administrators, and the local supervisory staffs under Civil Service in order to remove them from all temptations.
of political influence and coercion of workers under their charge. I also recommend that Congress at the same time consider means of protecting Federal funds used as grants to States — such as highway aid funds and social security grants — from being used for political purposes. Specifically I would ask the Congress to consider whether it would not be feasible to require all Federal grants to be administered by State agencies operating under a merit system.

These steps toward placing the work relief on a permanent merit basis of administration will assist us in our task of making the work program a more effective instrument for achieving full employment and full use of our resources. This full employment and use of idle resources is an indispensable condition to the success of the program of national and social defense which I am recommending for the consideration of the Congress. I shall send a special message recommending specific steps through which we may better adapt the work program to our larger objectives.

(Here would follow discussions of wages and hours, collective bargaining, Social Security, housing, the farm program, etc. A discussion of the debt would come at the end).
MEMORANDUM

TO: Mr. Hopkins

PROM: Arthur E. Burns

SUBJECT: Suggested "Keynote" for the Presidential Message

The other day you suggested that I think about a "keynote" for the Presidential message. The following pages develop a general idea which might be worth considering.

The keynote, briefly, is this: The program in recent years and the program for the coming years must be dedicated to the maintenance of free democratic institutions. The creation of jobs is the best method of achieving this end. Business and industry must be stimulated to provide jobs and for those who are unable to get private jobs the Government must continue its work program. Jobs are the best defense within our country and externally defense depends upon adequate armed forces.

Thus, the relief and public spending program, stimulation and encouragement of business, and rearmament can be conceived as a comprehensive program for the maintenance of American democracy.

This program is politically unassailable; from an economic standpoint, it is fundamentally sound.
Events throughout the world at the present time bring home to us daily the importance of our free and democratic institutions - freedom of speech and of the press, freedom of religion, and the liberty to pursue economic activity.

Our first responsibility is the defense of these cherished liberties and these democratic institutions: defense against any threat of aggression from without and defense against disintegrating influences from within. These influences within our own borders are fed by the despair and misery arising from unemployment, ill health, and inadequate living standards.

The bulwark of our defense of our democratic traditions rests on these fundamental bases: (1) jobs to our working population; (2) economic and social opportunities to the youth of this country; and (3) good health and living standards for our population.

High levels of employment, good wages, and a large national income are our best defenses against the influences at work in this country that are working to undermine the faith of our people in our traditional liberties and democratic institutions. Jobs for the unemployed are our best defense from within. Good jobs at good wages go far to maintain the health and vigor of our people. We in America have ignored this problem too long. Good health is basic to our defense; and full employment is one of the essentials for good health.

Against the possibility of foreign aggression in the West-
ern Hemisphere we must further our other defenses: our armed forces. We have done much to improve the efficiency of the services. We must do more. We cannot blind ourselves to the aggressive moves taking place in other parts of the world.

The danger of aggression against our good neighbors would be greatly lessened by the return of prosperity and full employment here in this country. Upon our well-being depends much of the well-being of our neighbors. As we prosper we buy more from them. Their prosperity removes a potent source of danger and dissension within their borders.

These, then, are our twin goals: defense against any threatened outside force; and defense of our democratic institutions by restoring the high level of employment and well-being we in this country take to be the mark of progress.

What must we do to achieve these goals?

We must continue our efforts to provide work for the unemployed. Over several years we have vastly improved our organization and methods of providing work. This must continue as long as any major part of the American working population cannot find jobs in private industry.

We must stimulate and encourage the expansion of private investments. Jobs in private industry are our best defense at home. We must expand our enterprises to provide jobs, to increase our levels of well-being; and to provide our armed forces with the industrial organization and resources necessary to meet future tests.
To aid this expansion of private industry our public employment program must be continued and our public works program made permanent.

Stimulation of business by public work and public employment is a tradition in America. The only important new development in recent years has been the financing of this work by Federal funds. In the past our cities and States borrowed to build public improvements. They exhausted their power to do this alone. And now the Federal Government is underwriting the local and State activities, furthering this essential work.

A basic part of our public program must be the improvement of health. We have only just begun in this field. A program of hospital construction must be inaugurated. I see no reason why every county in this country should not have a hospital—small hospitals in the rural counties. In many counties the WPA has already built these facilities. This work should be expanded as part of our program to safeguard the health of future generations. The record of physical disability in America is appalling. Our long-term standard of well-being and our ability to defend our free institutions depend upon a healthy, vigorous population.

These problems cannot be attacked in piece-meal fashion. They all fit together in a pattern for American defense and for the well-being of the men, women, and children of this country. Our industries must be expanded to produce the things needed for a high level of well-being and for defense purposes.
We must coordinate the activities of industry so that it will function most efficiently in providing materials for rearmament. We must lay the basis for comprehensive economic mobilization and expansion, should war be forced upon us. The role of industry in this task is enormous. I am sure that business leaders will accept the tremendous responsibilities and cooperate most wholeheartedly in this endeavor. I can assure them that Government will aid and encourage them in this work.

Industrial expansion creates jobs. Those who are not fortunate to get new jobs must continue to get public work. Our public employment program must be directed so as to further our democratic defense program.

This program of work and defense must be coordinated so as to accomplish most efficiently our purposes. Accordingly I believe a Coordinated Defense Committee should be established under the leadership of the Secretary of Commerce to carry through this defense program for democracy.

This program will cost huge sums. Public works and public employment, the health program, armament expenditures—our internal and external defenses—will involve the continuation of high levels of Federal expenditure.

There is no question of our ability to meet these outlays. There is no question about our eventual covering of these outlays by Federal revenues. I do not propose to recommend higher taxes for this purpose. Our tax system needs improvement, but there is no need for higher taxes.
The higher levels of national income and full employment which will result from this program and from the expansion of private investments will bring wholly adequate revenues into the Treasury.

These expenditures are required not only for the immediate situation confronting us but for the long-term need to maintain our free institutions and the traditional democratic liberties of America.
Message On National Defense
TO THE CONGRESS OF THE UNITED STATES:

In my Annual Message to this Congress I have spoken at some length of world conditions outside of the American Hemisphere which make it imperative that we take immediate steps for the protection of our liberties.

It would be unwise for any of us to yield to any form of hysteria. Nevertheless, regardless of political affiliations, we can properly join in an appraisal of the world situation and agree on the immediate defense needs of the Nation.

It is equally sensational and untrue to take the position that we must at once spend billions of additional money for building up our land, sea and air forces on the one hand, and to insist that no further additions are necessary on the other.

What needs to be emphasized is the great change which has come over conflicts between nations since the World War ended, and especially during the past five or six years.
Those of us who took part in the conduct of the World War will remember that in the preparation of the American armies for actual participation in battle, the United States, entering the war on April 6, 1917, took no part whatsoever in any major engagement until the end of May, 1918. In other words, while other armies were conducting the actual fighting, the United States had more than a year of absolute peace at home without any attack on this Continent, to train men to produce raw materials, to process them into munitions and supplies and to forge the complete fighting forces. Even with this opportunity of preparation in a home land untouched by war, it is a matter of record that in the Autumn of 1918, American armies at the Front used almost exclusively French or British artillery and aircraft.

Calling attention to these facts does not remotely intimate that the Congress or the President have any thought of taking part in another war on European soil, but it does show that in 1917 we were not ready to conduct large scale land or air operations. Relatively we are not much more ready to do so today than we were then — and we cannot
guarantee a period of more than a year in which free from 
attack, we could prepare.

I have called attention to the fact that "We must 
have armed forces and defenses strong enough to ward off 
sudden attack against strategic positions and key facilities 
essential to ensure sustained resistance and ultimate victory."
And I have said "We must have the organization and location 
of those key facilities so that they may be immediately 
utilized and rapidly expanded to meet all needs without 
danger of serious interruption by enemy attack."

I repeat that "there is new range and speed to 
offense."

Therefore, it has become necessary for every American 
to restudy present defense against the possibilities of 
present offense against us.

Careful examination of the most imperative present 
needs leads me to recommend the appropriation at this 
session of the Congress, with as great speed as possible, 
of approximately $525,000,000, of which sum approximately 
$310,000,000 would be actually spent in the Treasury 
before the end of the fiscal year ending June 30, 1940.
The survey indicates that of this sum approximately $450,000,000 should be allocated for new needs of the Army, $85,000,000 for new needs of the Navy, and $10,000,000 for training of civilian air pilots.

The several items will be submitted to the appropriate Committees of the Congress by the Department of the Interior, and I need, therefore, touch only on the major divisions of the total.

In the case of the Army, information from other nations leads us to believe that there must be a complete revision of our estimates for aircraft. The Baker Board Report of a few years ago is completely out of date. No responsible officer advocates building our air forces up to the total either of planes on hand or of productive capacity equal to the forces of certain other nations. We are thinking in the terms of necessary defenses and the conclusion is inevitable that our existing forces are so utterly inadequate that they must be immediately strengthened.

It is proposed that $300,000,000 be appropriated for the purchase of several types of airplanes for the Army. This should provide a minimum increase of 3,000 planes, but
it is hoped that orders placed on such a large scale will materially reduce the unit cost and actually provide many more planes.

Military aviation is increasing today at an unprecedented and alarming rate. Increased range, increased speed, increased capacity of airplanes abroad changed our requirements for defensive aviation. The additional planes recommended will considerably strengthen the air defenses of the continental United States, Alaska, Hawaii, Puerto Rico and the Canal Zone. If an appropriation bill can be quickly enacted, I suggest that $50,000,000 of the $300,000,000 for airplanes be made immediately available in order to correct the present lag in aircraft production due to idle plants.

Of the balance of approximately $150,000,000 requested for the Army, I suggest an appropriation of $110,000,000 to provide critical items of equipment which would be needed immediately in time of emergency, and which cannot be obtained from any source within the time and quantity desired — material such as anti-aircraft artillery, semi-automatic rifles, anti-tank guns, tanks, light and heavy artillery, ammunition and gas masks. Such purchases would go far to equip existing units of the regular Army and the National Guard.
I suggest approximately $32,000,000 for "educational orders" for the Army — in other words, to enable industry to prepare for quantity production in an emergency, of those military items which are non-commercial in character and are so difficult of manufacture as to constitute what is known as "bottlenecks" in the problem of procurement.

The balance should be used, I believe, for improving and strengthening the seacoast defenses of Panama, Hawaii and the continental United States, including the construction of a highway outside the limits of the Panama Canal Zone, important to the defense of the Zone. The estimated appropriation of $65,000,000 for the Navy should be divided into (a) $44,000,000 for the creation or strengthening of Navy bases in both oceans in general agree with the report of the Special Board which has already been submitted to the Congress, (b) about $21,000,000 for additional Navy airplanes and air material tests.

Finally, national defense calls for the annual training of additional air pilots. This training should be primarily directed to the essential qualifications for civilian flying.
In cooperation with educational institutions, it is believed that the expenditure of $10,000,000 a year will give primary training to approximately 20,000 citizens.

In the above recommendations for appropriations totaling $525,000,000, I have omitted reference to a definite need, which, however, relates to the implementing of existing defenses on the Panama Canal. The security of the Panama Canal is of the utmost importance to our national security. The peace garrison now there is inadequate to defend this vital link. This deficiency cannot be corrected with existing forces without seriously jeopardizing the general defense by stripping the continental United States of harbor defense and anti-aircraft personnel. The permanent garrison in the Canal Zone should be increased to provide the minimum personnel required to man the anti-aircraft and seacoast armament provided for the defense of the Canal. Such personnel cannot be increased until additional housing facilities are provided — and, in the meantime, additional personnel must be trained. I recommend, therefore, an immediate appropriation of $27,000,000 to provide an adequate peace garrison for the Canal Zone and to house it adequately. $5,000,000 of this sum should be made available immediately in order that work on necessary construction can be initiated.
All of the above constitutes a well-rounded program, considered by me, as Commander-in-Chief of the Army and Navy, and by my advisors, to be a minimum program for the necessities of defense. Every American is aware of the peaceful intentions of the Government and of the people. Every American knows that we have no thought of aggression, no desire for further territory.

Nevertheless, as the Executive head of the Government, I am compelled to look facts in the face. We have a splendid asset in the quality of our manhood. But without modern weapons, and without adequate training, the men, however splendid the type, would be hopelessly handicapped.

The young men of this Nation should not be compelled to take the field with antiquated weapons. It would be economically unsound to provide in time of peace for all the modern equipment needed in a war emergency. But it would be nationally unsound not to provide the critical items of equipment which might be needed for immediate use, and not to provide for facilities for mass production in the event of war.

I trust, therefore, that the Congress will quickly act on this emergency program for the strengthening of the defense of the United States.
January 12, 1939

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 therefore be exercised to avoid premature publication.

STEPHEN EARLY
Secretary to the President

TO THE CONGRESS OF THE UNITED STATES:

In my Annual Message to this Congress I have spoken at some length of the changing world conditions outside of the American Hemisphere which make it imperative that we take immediate steps for the protection of our liberties.

It would be unwise for any of us to yield to any form of hysteria. Nevertheless, regardless of political affiliations, we can properly join in an appraisal of the world situation and agree on the immediate defense needs of the Nation.

It is equally sensational and untrue to take the position that we must at once spend billions of additional money for building up our land, sea and air forces on the one hand, or to insist that no further additions are necessary on the other.

What needs to be emphasized is the great change which has come over conflicts between nations since the World War ended, and especially during the past five or six years.

Those of us who took part in the conduct of the World War will remember that in the preparation of the American armies for actual participation in battle, the United States, entering the war on April 6, 1917, took no part whatsoever in any major engagement until the end of May, 1918. In other words, while other armies were conducting the actual fighting, the United States had more than a year of absolute peace at home without any threat of attack on this Continent, to train men, to produce raw materials, to process them into munitions and supplies and to forge the whole into fighting forces. It is even a matter of record that as late as the Autumn of 1918, American armies at the Front used almost exclusively French or British artillery and aircraft.

Calling attention to these facts does not remotely intimate that the Congress or the President have any thought of taking part in another war on European soil, but it does show that in 1917 we were not ready to conduct large scale land or air operations. Relatively we are not much more ready to do so today than we were then -- and we cannot guarantee a long period free from attack in which we could prepare.
I have called attention to the fact that "We must have armed forces and defenses strong enough to ward off sudden attack against strategic positions and key facilities essential to ensure sustained resistance and ultimate victory." And I have said "We must have the organization and location of those key facilities so that they may be immediately utilized and rapidly expanded to meet all needs without danger of serious interruption by enemy attack."

I repeat that "there is now range and speed to offense."

Therefore, it has become necessary for every American to restudy present defense against the possibilities of present offense against us.

Careful examination of the most imperative present needs leads me to recommend the appropriation at this session of the Congress, with as great speed as possible, of approximately $25,000,000, of which sum approximately $210,000,000 would be actually spent from the Treasury before the end of the fiscal year ending June 30, 1940.

The survey indicates that of this sum approximately $460,000,000 should be allocated for new needs of the Army, $65,000,000 for new needs of the Navy, and $10,000,000 for training of civilian air pilots.

The several items will be submitted to the appropriate Committees of the Congress by the Departments concerned, and I need, therefore, touch only on the major divisions of the total.

In the case of the Army, information from other nations leads us to believe that there must be a complete revision of our estimates for aircraft. The Baker Board Report of a few years ago is completely out of date. No responsible officer advocates building our air forces up to the total either of planes on hand or of productive capacity equal to the forces of certain other nations. We are thinking in the terms of necessary defenses and the conclusion is inevitable that our existing forces are so utterly inadequate that they must be immediately strengthened.

It is proposed that $300,000,000 be appropriated for the purchase of several types of airplanes for the Army. This should provide a minimum increase of 5,000 planes, but it is hoped that orders placed on such a large scale will materially reduce the unit cost and actually provide many more planes.

Military aviation is increasing today at an unprecedented and alarming rate. Increased range, increased speed, increased capacity of airplanes abroad have changed our requirements for defensive aviation. The additional planes recommended will considerably strengthen the air defenses of the continental United States, Alaska, Hawaii, Puerto Rico and the Canal Zone. If an appropriation bill can be quickly enacted, I suggest that $50,000,000 of the $300,000,000 for airplanes be made immediately available in order to correct the present lag in aircraft production due to idle plants.

Of the balance of approximately $150,000,000 requested for the Army, I suggest an appropriation of $110,000,000 to provide "critical items" of equipment which would be needed immediately in time of emergency, and which cannot be obtained from any source within the time and quantity desired — material such as anti-aircraft artillery, semi-automatic rifles, anti-tank guns, tanks, light and heavy artillery, ammunition and gas masks. Such purchases would go far to equip existing units of the regular Army and the National Guard.
I suggest approximately $32,000,000 for "educational orders" for the Army — in other words, to enable industry to prepare for quantity production in an emergency, of those military items which are non-commercial in character and are no difficult of manufacture as to constitute what is known as "bottlenecks" in the problem of procurement.

The balance should be used, I believe, for improving and strengthening the southeast defenses of Panama, Hawaii and the continental United States, including the construction of a highway outside the limits of the Panama Canal Zone, important to the defense of the Zone.

The estimated appropriation of $65,000,000 for the Navy should be divided into (a) $44,000,000 for the creation or strengthening of Navy bases in both oceans in general agreement with the report of the Special Board which has already been submitted to the Congress, (b) about $21,000,000 for additional Navy airplanes and air material tests.

Finally, national defense calls for the annual training of additional air pilots. This training should be primarily directed to the essential qualifications for civilian flying. In cooperation with educational institutions, it is estimated that the expenditure of $10,000,000 a year will give primary training to approximately 20,000 citizens.

In the above recommendations for appropriations totaling $235,000,000, I have omitted reference to a definite need, which, however, relates to the implementing of existing defenses for the Panama Canal. The security of the Canal is of the utmost importance. The peace garrison now there is inadequate to defend this vital link. This deficiency cannot be corrected with existing forces without seriously jeopardizing the general defense by stripping the continental United States of harbor defense and anti-aircraft personnel. The permanent garrison in the Canal Zone should be increased to provide the minimum personnel required to man the anti-aircraft and seacoast armament provided for the defense of the Canal. Such personnel cannot be increased until additional housing facilities are provided — and, in the meantime, additional personnel must be trained. I recommend, therefore, an appropriation of $27,000,000 to provide an adequate peace garrison for the Canal Zone and to house it adequately. $25,000,000 of this sum should be made available immediately in order that work on necessary construction can be initiated.

All of the above constitutes a well-rounded program, considered by me as Commander-in-Chief of the Army and Navy, and by my advisors to be a minimum program for the necessities of defense. Every American is aware of the peaceful intentions of the government and of the people. Every American knows that we have no thought of aggression, no desire for further territory.

Nevertheless, as the Executive head of the Government, I am compelled to look facts in the face. We have a splendid asset in the quality of our manpower. But without modern weapons, and without adequate training, the men, however splendid the type, would be hopelessly handicapped if we were attacked.

The young men of this Nation should not be compelled to take the field with antiquated weapons. It would be economically unsound to provide in time of peace for all the modern equipment needed in a war emergency. But it would be nationally unsound not to provide the critical items of equipment which might be needed for immediate use, and not to provide for facilities for mass production in the event of war.
Devoid of all hysteria, this program is but the minimum of requirements.

I trust, therefore, that the Congress will quickly act on this emergency program for the strengthening of the defense of the United States.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE
January 12, 1939