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Annual Message to Congress, January 3, 1938

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Speech Drafts: Annual Message to Congress, January 3, 1938

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## Annual Message

In addressing the Congress on the State of the Union it is necessary on this occasion to recur to the causes which underly facts and to speak simply, earnestly and clearly. Present wants, and ~~the~~ ~~partly~~ ~~of~~ in the future compel it.

We cannot conduct a national government after the practice of 1787, or 1837, or 1887, for the obvious fact that human needs, are infinitely ~~greater~~ and human desires ~~are~~ greater, infinitely more difficult to meet than in any previous period in our history as a Republic. Hitherto it has been an acknowledged duty of government to answer them: nothing has occurred of late to absolve the Congress, the Senate or the President of that task. It faces us - as squarely, as insistently, as on March 1933.

Why have we had much of trouble in our internal economics and therefore in our internal social well-being during the past half century? I see this limit of sorrow because before that we were principally an agricultural people with vast new lands to develop, and

were therefore as a whole safe from starvation springing from financial panics and overbalanced production.

The troubles in our own lifetime spring from a long period of inaction, - based on ignorance of what fundamentally was happening to us, and our unwillingness to face facts as they arose.

Our national life rests on two approximately equal producing forces, agriculture and industry, employing each one a third of our citizens.

The other third distributes the products of the other two, or performs special services to the whole.

The first great force, agriculture, and with it the severance of timber, ~~and~~ minerals and other natural resources - went forward mercilessly and thoughtlessly until nature rebelled and we saw deserts encroaching, floods destroying, trees disappearing and soil impoverished. Today we fear the future but we know that by tremendous effort we can avert catastrophe.

At the same time we have been discovering other things: that vast numbers of our farming population live in a poverty more abject than that of many of the farmers of Europe whom we are wont to refer to as peasants; that the prices of our products of agriculture were too often dependent on speculation by non-farming buyers, and that foreign nations, eager to become self-sustaining or ready to put virgin land under the plough, were no longer buying our surplus of cotton and wheat and corn and meat and dairy products as they had before.

We were therefore faced with three choices. First to cut our cost of production below that of other nations - an obviously impossibility unless we reverted to human slavery or its equivalent. Second, to fix farm prices, and make the government the purchaser of all excess from production without limit - a course which would bankrupt the strongest government in the world in a decade. Third, placing the responsibility directly on the farmer

himself, under the principle of majority  
 rule, whether in any given crop he would  
 decide with full knowledge of the facts of  
 surpluses, world markets, <sup>and</sup> domestic needs  
 what production should be in order to maintain  
~~the~~ a minimum adequate price under the  
 normal processes of the laws of supply and  
 demand. That means adequacy of supply  
 but not a glut. It means adequate  
 reserves against the day of drought, but it is  
 shameful misrepresentation to call it a policy  
 of scarcity. It is a policy of insurance,  
~~but not~~ before the fact, instead of a  
 policy of government subsidy after the fact.

[1938]

DRAFT #2 Rewrite of pages 1 and 2

ANNUAL MESSAGE

January 3, 1937

In addressing the Congress on the state of the Union, I am thankful that I can tell you that our Nation has been kept at peace despite provocations which in other days, because of their seriousness, could well have <sup>engendered</sup> ~~brought~~ war. The people of the United States and the Government of the United States have shown unparalleled capacity for restraint and a civilized approach to the purposes of peace. At the same time, they have not shrunk from the realization that to abandon rights inherent in the sovereignty of 130,000,000 people may readily weaken or destroy our influence for peace and result in threats to the national welfare itself.

It is our traditional policy to live at peace with other nations. More than that, we have been among the leaders in advocating the use of pacific methods of discussion and conciliation in international differences. We have striven for the reduction of armaments.

But in spite of this determination for peace, it has become increasingly clear that acts and policies of nations in other parts of the world have far-reaching effects not only upon their immediate neighbors but also upon us.

DRAFT #2 Rewrite of pages 1 and 2

In such a world of high tension and disorder, in a world where stable civilization is actually threatened, it becomes the responsibility ~~for~~ of each nation which strives for peace ~~for~~ <sup>itself</sup> and peace ~~for all~~, <sup>with and among others</sup> to be strong enough to assure the observance, insofar as its own legitimate interests are concerned, of those ~~treaty obligations~~ <sup>fundamentals of</sup> which look to the peaceful solution of conflicts ~~and~~ which are, ~~therefore~~, the only ultimate basis for orderly existence.

Resolute in our determination to respect the rights of other people, resolute in our determination to command respect for the rights of our own people, we must keep ourselves adequately strong in self-defense.

The trend of the world is away from the observance both of the letter and the spirit of treaties. We propose to observe, as we have in the past, our own treaty obligations: but we cannot be certain of reciprocity on the part of others.

Capital is essential; reasonable earnings on capital are essential; but misuse of the powers of capital or selfish suspension of the employment of capital must be ended, or the capitalistic system will destroy itself through its own abuses.

The overwhelming majority of business men and bankers intend to be good citizens. Only a small minority have displayed poor citizenship by engaging in practices which are dishonest or definitely harmful to society. This statement is straightforward and true. No person in any responsible place in the Government of the United States today has ever taken any position contrary to it.

But, unfortunately for the country, when attention is called to, or attack is made on specific misuses of capital, there has been a deliberate purpose on the part of the condemned minority to distort the criticism into an attack on all capital. That is wilful deception but it does not long deceive.

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