

The Facts in the Case
By Governor Alfred E. Smith
January 25, 1936

At the Mayflower Hotel in Washington, DC, before an American Liberty League audience of 2000 and a national radio audience.

This is one of the greatest American political speeches. At the time it was considered the definitive analysis of the New Deal. Al Smith was the 1928 Democrat Presidential nominee, former governor of New York State and the leader of the Democrat Party until Roosevelt and the Communist wing took over in 1932. Smith was the person who gave Roosevelt his second chance in politics and therefore was responsible for FDR becoming President.

Mr. Chairman, members and guests of the American Liberty League and my friends listening in, as I have been told by the newspapers, from all parts of the United States:

At the outset of my remarks let me make one thing perfectly clear. I am not a candidate for any nomination by any party at any time, and what is more, I do not intend to even lift my right hand to secure any nomination from any party at any time.

Further than that, I have no axe to grind. There is nothing personal in this whole performance in so far as I am concerned. I have no feeling against any man, woman or child in the United States. I am in possession of supreme happiness and comfort. I represent no group, no man, and I speak for no man or no group, but I do speak for what I believe to be the best interests of the great rank and file of the American people in which class I belong.

NOW I am here tonight, also, because I have a great love for the United States of America. I love it for I know what it has meant to mankind since the day of its institution. I love it because it has grown to be the great stabilizing force in world civilization. I love it above everything else for the opportunity it offers to every man and every woman that desires to take advantage of it. No man that I know of or that I probably ever read of has any more reason to love it than I have.

It kept the gateway open for me. It is a matter of common knowledge throughout the country, and I do not state it boastfully, because it is well known, that, deprived by poverty in my early years of an education, that gateway showed me how it was possible to go from a newsboy on the sidewalks of New York to the Governorship of the Greatest state in the Union.

Now listen: I have five children and I have ten grandchildren, and you take it from me, I want that gate left open not alone for mine. I am not selfish about it--not for mine, but for every boy and girl in the country, and in that respect I am no different from every father and mother in the United States.

Think it over for a minute. Figure it out for yourself. It is possible for your children's success to be your success.

I remember distinctly my first inauguration as Governor of New York. I am not sure that the young folks understood it thoroughly, but there were three people at that inauguration that did understand it, and one was my mother, and the other was my sister, and the third my wife. They understood. They were with me in all of the early struggles.

NOW, I am here for another reason. I am here because I am a Democrat. I was born in the Democratic party and I expect to die in it. I was attracted to it in my youth because I was led to believe that no man owned it, and furthermore that no group of men owned it, but, on the other hand, that it belonged to all the plain people of the United States.

I must make a confession. It is not easy for me to stand up here tonight and talk to the American people against the Democratic Administration. That is not easy. It hurts me. But I can call upon innumerable witnesses to testify to the fact that during my whole public life I put patriotism above partisanship. And when I see danger---I say "danger," that is, the "Stop, look and listen" to the fundamental principles upon which this government of ours was organized - it is difficult for me to refrain from speaking up.

NOW, what are these dangers that I see? The first is the arraignment of class against class. It has been freely predicted that if we were ever to have civil strife again in this country, it would come from the appeal to passion and prejudice that comes from the demagogue that would incite one class of our people against the other.

In my time I have met some good and bad industrialists; I have met some good and bad financiers, but I have also met some good and bad laborers. And this I know, that permanent prosperity is dependent upon both capital and labor alike.

I also know that there can be no permanent prosperity in this country until industry is able to employ labor, and there certainly can be no recovery upon any governmental theory of soak the rich or soak the poor.

Even the children in our high schools--and let it be said to the glory of our educational institutions that even the children in our high schools know that you can't soak capital without soaking labor at the same time.

THE next thing that I view as being dangerous to our national well-being is government by bureaucracy instead of what we have been taught to look for, government by law.

Just let me quote something from the President's message to Congress: "In thirty-four we have built up new instruments of public power. In the hands of a people's government this power is wholesome and proper. But in the hands of political puppets of an economic autocracy such power would provide shackles for the liberties of the people."

Now, I interpret that to mean: If you are going to be an autocrat, take me, but be very careful about the other fellow. There is a complete answer to that, and it rises in the minds of the great rank and file, and that answer is just this: We will never in this country tolerate any law that provides shackles for our people. We don't want any autocrats, either in or out of office; we wouldn't even take a good one.

The next danger that is apparent to me is the vast building up of new bureaus of government, draining the resources of our people into a common pool and redistributing them, not by any process of law, but by the whim of a bureaucratic autocracy.

WELL, now, what am I here for? I am here not to find fault. Anybody can do that. I am here to make suggestions. Now, what would I have my party do?

I would have them re-establish and redeclare the principles that they put forth in 1932 platform. Even our Republican friends -- and I know many of them, they talk to me freely, we have our little confidences among ourselves--they have all agreed that it is the most

compact, the most direct, and the most intelligent political platform that was ever put forth by any political party in this country.

The Republican platform was ten times as long; it was stuffy, it was unreadable, and in many points, not understandable, and no administration in the history of the country came into power with a more simple, a more clear or a more inescapable mandate than did the party that was inaugurated on the 4th of March in 1933.

And listen, no candidate in the history of the country ever pledged himself more unequivocally to his party platform than did the President that was inaugurated on that day.

WELL, here we are. Millions and millions of Democrats just like myself, all over the country, still believe in that platform, and what we want to know is why it wasn't carried out.

And listen, there is only one man in the United States of America that can answer question. It won't do to pass it down to an undersecretary. I won't even recognize him when I hear his name. I won't know where he came from. I will be sure that he never lived down in my district.

NOW, let us wander for a little while and let's take a look at that platform, and let's see what happened to it. Here is the way it started out:

"We believe that a party platform is a covenant with the people, to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe. The Democratic Party solemnly promises by appropriate action to put into effect the principles, policies and reforms herein advocated and to eradicate the political methods and practices herein condemned."

My friends, these are what we call fighting words. At the time that the platform went through the air and over the wire, the people of the United States were in the lowest possible depths of despair, and the Democratic platform looked to them like the star of hope; it looked like the rising sun in the East to the mariner on the bridge of a ship after a terrible night. But what happened to it?

FIRST plank: "We advocate the immediate and drastic reduction in governmental expenditure by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than twenty-five per cent in the cost of government."

Well, now, what is the fact? No offices were consolidated, no bureaus were eliminated but on the other hand the alphabet was exhausted in the creations of new departments. And - this is sad news for the taxpayer - the cost, the ordinary cost, what we refer to as housekeeping cost, over and above emergencies - that ordinary housekeeping cost of government is greater today than it has ever been in any time in the history of the republic.

ANOTHER plank: "We favor maintenance of the national credit by a Federal budget annually balanced on the basis of accurate Executive estimates within revenue."

How can you balance a budget if you insist upon spending more money than you take in?

Even the increased revenue won't go to balance the budget because it is "hocked" before you receive it. What is worse than that, we have borrowed, we owe something; we have borrowed so that we have reached a new high peak of Federal indebtedness for all time.

Well, that wouldn't annoy me so very much ordinarily. When I was Governor of New York they found a lot of fault with me because I borrowed a lot of money. That wouldn't worry me. If it solved our problem and we were out of trouble I would say "All right, let 'er go! But the sin of it is that we have the indebtedness and at the end of three years we are just where we started. Unemployment and the farm problem we still have with us.

NOW, here is something that I want to say to the rank and file. There are three classes of people in this country; there is the poor and rich, and in between the two is what has often been referred to as the great backbone of America, that is, the plain fellow. That is the fellow that makes from one hundred dollars a month up to the man that draws down five or six thousand dollars a year. They are the great army. Forget the rich; they can't pay this debt. If you took everything they have away from them, they couldn't pay it; there ain't enough of them, and furthermore they ain't got enough.

There is no use talking about the poor; they will never pay it because they have got nothing. This debt is going to be paid by that great big middle class that we refer to as the backbone and the rank and file, and the sin of it is that they ain't going to know they are paying it. It is going to come to them in the form of indirect and hidden taxation. It will come to them in the cost of living, in the cost of clothing, in the cost of every activity that they enter into, and because it is not a direct tax, they won't think they're paying it. But, take it from me, they are going to pay it.

ANOTHER plank: "We advocate the extension of Federal credit to the states to provide unemployment relief where the diminishing resources of the states make it impossible for them to provide for their needs."

That was pretty plain. That was a recognition in the national convention of the rights of the states. But how is it interpreted? The Federal Government took over most of the relief problems, some of them useful and most of them useless. They started out to prime the pump for industry in order to absorb the ranks of the unemployed, and at the end of three years their affirmative policy is absolutely nothing better than the negative policy of the Administration that preceded them.

"WE favor unemployment and old-age insurance under state laws." Now, let me make myself perfectly clear, so that no demagogue or no crackpot in the next week or so will be able to say anything about my attitude on this kind of legislation. I am in favor of it, and I take my hat off to no man in the United States on the question of legislation beneficial to the poor, the weak, the sick or the afflicted, or men, women and children.

Because why? I started out a quarter of a century ago when I had very few followers in my state, and during that period I advocated, fought for, introduced as a legislator, and finally, as Governor for eight long years, signed more progressive legislation in the interest of men, women and children than any man in the State of New York. And the sin of this whole thing and the part of it that worries me and gives me concern is that this haphazard, hurry-up passage of legislation is never going to accomplish the purposes for which it was designed. And bear this in mind, follow the platform----"under state laws!"

HERE is another one: "We promise the enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost."

Well, what is the use of talking about that? "Promise every constitutional measure!" The Supreme Court disposed of that within the last couple of weeks, and, according to the papers the other day, some brilliant individual has conceived the idea of how to get around the Constitution. We are going to have forty-eight A.A.A.'s, one for each state.

The day that the United States Supreme Court decided that case I left my office to attend a meeting of a board of trustees of a hospital downtown that I am interested in, and as I stepped into the taxicab the driver was reading the extra, "Supreme Court Declares A.A.A. Unconstitutional."

We rode along for a few minutes and we got about three blocks from my office and we got caught in a red light and had to stand still, and the taxi driver turned around and looked at me and said, "Governor, ain't there any lawyers in Congress any more?" Just then the light changed, and I was afraid to answer him for fear I might disconcert him, but I was all ready to say, "Yes, son, but they don't function."

WE HAVE got another plank--"We advocate strengthening and impartial enforcement of the anti-trust laws."

What happened? Why, the NRA just put a gas bag on the anti-trust laws and put them fast asleep, and nobody said anything about it. I don't know whether they are good or whether they are bad, but I know they didn't work.

Another one: "We promise the removal of Government from all fields of private enterprise except where necessary to develop public works and national resources in the common interest."

NRA, a vast octopus set up by Government, that wound its arms around all the business of the country, paralyzing big business, and choked little business to death.

Did you read in the papers a short time ago where somebody said that business was going to get a breathing spell? What is the meaning of that? And where did that expression arise? I'll tell you where it comes from. It comes from the prize ring. When the aggressor is punching the head off the other fellow, he suddenly takes compassion on him and he gives him a breathing spell before he delivers the knockout wallop.

HERE is another one: "We condemn the open and covert resistance of administrative officials to every effort made by Congressional Committees to curtail the extravagant expenditures of governmental and improvident subsidies granted to private interests."

Now, just between ourselves, do you know any administrative officer that has tried to stop Congress from appropriating money? Do you think there has been any desire on the part of Congress to curtail appropriations? Why, not at all. The fact is that Congress approved them right and left - didn't even tell what they were for. And the truth further is that every administrative officer sought to get all that he possibly could in order to expand the activities of his own office and throw the money of the people right and left.

And, as to subsidies, why, never at any time in the history of this or any other country were there so many subsidies granted to private groups and on such a huge scale.

The fact of the matter is that most of the cases now pending before the United States Supreme Court revolve around the point of whether or not it is proper for Congress to tax all the people to pay subsidies to a particular group.

HERE is another one: "We condemn the extravagance of the Farm Board, its disastrous action which made the government a speculator in farm products, and the unsound policy restricting agricultural products to the demands of domestic markets."

Listen, I'll let you in on something. This hasn't leaked out yet, so kind of keep it to yourself until you get the news. On the first of February we are going to own 4,005,000 bales of cotton. The cost is \$270,000,000. And we have been such brilliant speculators that we are paying thirteen cents a pound for it, when you add storage and carrying charges, and it can be bought at any one of the ten cotton markets of the South today for eleven and a half cents. Some speculators!

What about the restriction of our agricultural products to the demands of the domestic market? Why, the fact about that is that we shut out entirely the foreign market, and by plowing under corn and wheat and the destruction of foodstuffs, food from foreign countries has been pouring into our American markets--food that should have been purchased by us from our own farmers. In other words, while some of the countries of the Old World were attempting to drive the wolf of hunger from the doormat the United States of America flew in the face of God's bounty and destroyed its own food-stuffs. There can be no question about that.

Now, I could go on indefinitely with some of the other planks. They are unimportant, and the radio time will not permit it. But just let me sum up this way:

Regulation of the Stock Exchange and the repeal of the Eighteenth Amendment, plus one or two planks of the platform that in no way touch the daily life of our people, have been carried out, but the balance of the platform was thrown in the wastebasket. About that there can be no question.

LET'S see how it was carried out. Make a test for yourselves. Just get the platform of the Democratic Party, and get the platform of the Socialist Party, and lay them down on your dining room table, side by side, and get a heavy lead pencil and scratch out the word 'Democrat', and scratch out the word 'Socialist,' and let the two platforms lay there.

Then study the record of the present administration up to date. After you have done that, make your mind up to pick up the platform that more nearly squares with the record, and you will put your hand on the Socialist platform. You couldn't touch the Democratic. And, incidentally, let me say that is not the first time in recorded history that a group of men have stolen the livery of the church to do the work of the devil.

If you study this whole situation, you will find that that is at the bottom of all of our troubles. This country was organized on the principles of a representative democracy, and you can't mix socialism or communism with that. They are like oil and water. They refuse to mix. And, incidentally, let me say to you, that is the reason why the United States Supreme Court is working overtime throwing the alphabet out the window three letters at a time.

Now, I am going to let you in on something else. How do you suppose all this happened? Here is the way it happened: The young brain trusters caught the Socialists in swimming and they ran away with their clothes.

It is all right with me. It is all right with me if they want to disguise themselves as Norman Thomas or Karl Marx, or Lenin, or any of the rest of that bunch, but what I won't stand for is allowing them to march under the banner of Jefferson, Jackson or Cleveland.

What is worrying me is where does that leave us millions of Democrats? My mind is now fixed upon the convention in June in Philadelphia. The committee on resolutions is about to report, and the preamble to the platform is: "We the representatives of the Democratic Party, in convention assembled, heartily indorse the Democratic Administration."

What happens to the disciples of Jefferson and Jackson and Cleveland when that resolution is read out? Why, for us it is a washout. There is only one of two things we can do. We can either take on the mantle of hypocrisy or we can take a walk, and we will probably do the latter.

Now, leave the platform alone for a little while. What about this attack that has been made upon the fundamental institutions of this country? Who threatened them, and did we have any warning of this threat?

Why, you don't have to study party platforms. You don't have to read books. You don't have to listen to professors of economics. You will find the whole thing incorporated in the greatest declaration of political principles that came from the hands of man, the Declaration of Independence and the Constitution of United States.

Always have in your mind that the Constitution and the first ten amendments to it were drafted by refugees and by sons of refugees, men with bitter memories of European oppression and hardship, by men who brought to this country and handed down to their descendants an abiding fear of arbitrary centralized government and autocracy.

And, listen, all the bitterness and all hatred of the Old World was distilled in our Constitution into the purest democracy that the world has ever known.

THERE are just three principles, and in the interest of brevity I will read them. I can read them quicker than I can talk them.

"First, a Federal government strictly limited in its power, with all other powers except those expressly mentioned reserved to the states and to the people, so as to insure state's rights, guarantee home rule, and preserve freedom of individual initiative and local control." That is simple enough. The difference between the state constitutions and the Federal Constitution is that in the state you can do anything you want to do provided it is not prohibited by the Constitution. But in the Federal government, according to that document, you can do only that which that Constitution tells you that you can do.

What is the trouble? Congress has overstepped its powers. It went beyond that constitutional limitation, and it has enacted laws that not only violate that, but violate the home rule and the state's rights principle.

And who says that? Do I say it? Not at all. That was said by the United States Supreme Court in the last ten or twelve days.

SECONDLY, a government with three independent branches; Congress to make the laws, the Executive to execute them, the Supreme Court, and so forth. You know that. In the name of heaven, where is the independence of Congress? Why, they just laid right down. They are flatter on the Congressional floor than the rug on the table here. They

surrendered all of their powers to the Executive, and that is the reason why you read in the newspapers references to Congress as the rubber-stamp Congress.

We all know that the most important bills were drafted by the brain trusters and sent over to Congress and passed by Congress without consideration, without debate, and without meaning any offense at all to my Democratic brethren in Congress, I think I can safely say without ninety per cent of them knowing what was in the bills, what was the meaning of the list that came over. And beside certain bills was "must." What does that mean? Speaking for the rank and file of American people, we don't want any Executive to tell Congress what it must do, and we don't want any Congress to tell the Executive what he must do, and we don't want Congress or the Executive jointly or severally to tell the United States Supreme Court what it must do. And, on the other hand, we don't want the United States Supreme Court to tell either of them what they must do. What we want, and what we insist upon, and what we are going to have, is the absolute preservation of this balance of power which is the keystone, the arch upon which the whole theory of democratic government has got to rest, and when you rattle it, you rattle the whole structure.

THE third one is methods of amending the Constitution. Of course, when our forefathers wrote the Constitution of the United States it couldn't be possible that they had it in their minds that that was going to be all right for all time to come, so they said, "Now, we will provide a manner and method of amending it." That is set forth in the document itself, and during our national life we amended it many times. We amended it once by mistake, and we corrected the mistake. What did we do? We took the amendment out. Fine! That is the way we want to do it, by recourse to the people. But we don't want an Administration that takes a shot at it in the dark, and that ducks away from it and dodges away from it and tries to put something over in contradiction of it upon any theory that there is going to be a great public howl in favor of it, and it is possible that the United States Supreme Court may be intimidated into a friendly opinion with respect to it. But I have held all during my public life that Almighty God is with this country and He didn't give us that kind of Supreme Court.

NOW, this is pretty tough for me to have to go at my own party this way, but I submit that there is a limit to blind loyalty.

As a young man in the Democratic Party, I witnessed the rise and fall of Bryan and Bryanism, and I know exactly what Bryan did to our party. I knew how long it took to build it after he got finished with it. But let me say this to the everlasting credit of Bryan and the men that followed him, they had the nerve and the courage and the honesty to put into the platform just what their leaders stood for, and they further put the American people into a position of making an intelligent choice when they went to the polls.

Why, the fact of this whole thing is (I speak now not only of the Executive but of the Legislature at the same time) that they promised one set of things, they repudiated that promise, and they launched off on a program of action totally different. Well, in twenty-five years of experience, I have known both parties to fail to carry out some of the planks of their platform, but this is the first time that I have known a party, upon such a huge scale, to not only fail to carry out the planks, but to do the directly opposite the thing to what they promised.

NOW, suggestions---and I make these as a Democrat anxious for the success of my party, and I make them in good faith. Here are my suggestions:

Number 1: I suggest to the members of my party on Capitol Hill here in Washington that they take their mind off the Tuesday that follows the first Monday in November. Just take your mind off it to the end that you may do the right thing and not the expedient thing.

Next, I suggest to them that they dig up the 1932 platform from the grave that they buried it in, read it over, and study it, breathe life into it, and follow it in legislative and executive action, to the end that they make good their promises to the American people when they put forth that platform, and the candidate that stood upon it, one hundred per cent. In short, make good.

Third, I would suggest that they stop compromising with the fundamental principals laid down by Jackson, Jefferson and Cleveland.

Fourth, stop attempting to alter the form and structure of our government without recourse to the people themselves as provided in their own constitution. This country belongs to the people, and it doesn't belong to any administration.

Next, I suggest that they read their oath of office to support the Constitution of the United States. And I ask them to remember that they took the oath with their hands on the Holy Bible, thereby calling upon God Almighty Himself to witness their solemn promise. It is bad enough to disappoint us.

Sixth, I suggest that from this moment on they resolve to make the Constitution again the civil bible of the United States and pay it the same civil respect and reverence that they would religiously pay the Holy Scripture, and I ask them to read from Holy Scripture the parable of the prodigal son and to follow his example. "Stop! Stop wasting your substance in a foreign land and come back to your father's house."

NOW, in conclusion, let me give this solemn warning. **There can be only one Capital -- Washington or Moscow. There can be only one atmosphere of government, the clear, fresh air of free America or the foul breath of Communistic Russia.** There can be only one flag, the Stars and Stripes, or the red flag of the godless union of the Soviet. There can be only one national anthem, the Star Spangled Banner or the Internationale.

There can be only one victor. If the Constitution wins, we win, but if the Constitution--- Stop! Stop there! The Constitution can't lose. The fact is, it has already won, but the news has not reached certain ears.

Presented by Mark Willey
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