

## WILLIAM Z. FOSTER

William Foster (February 25, 1881 – September 1, 1961) was a radical American labor organizer and Marxist politician, whose career included a lengthy stint as General Secretary of the Communist Party USA. He belonged to both the Socialist Party of America and the Industrial Workers of the World, and led the drive to organize the packinghouse industry during World War I and the steel workers in 1919. Foster also served as a member of the ACLU's National Committee in the 1920s and ran for president in 1932.

(1934)

*The New Deal not only offended political conservatives; it also angered many radicals. During the opening years of the Roosevelt administration, no organized group was as hostile to it as the Communist Party of the United States. The following selection is from a 1934 Communist Party pamphlet presenting "a program for U.S. labor" that interprets the New Deal as the enemy of the U.S. working class.*

*Why did the American Communists compare the New Deal with contemporary fascism? What aspects of the New Deal did they have in mind? What did they mean by fascism? Within a year or two the Communist Party of the United States would do a complete reversal on the Roosevelt administration. Can you guess why? What was the ultimate source of Communist attitudes toward American politics and politicians in these years?*

### The Communist Party: The New Deal Means Fascism and War

#### Mass Starvation and Misery

... Sixteen million workers stand idle outside closed factories, mines, suffering from the lack of the very things they could produce in these industries. The total income of the working class is less than 40 per cent of what it was four years ago. The oppressed Negro masses are suffering new economic attacks, and a rising wave of lynch terror. Large sections of poor and middle farmers are being crushed and driven off their land or reduced to the position of tenants and peons for the bankers and monopolists. Great numbers of the middle class intellectuals, professionals, teachers, white collar workers, have likewise been cast into poverty. Especially hard hit as a result of the crisis is the youth of the working class, farmer and middle class. Millions of working class children are suffering from undernourishment and actual starvation, unable to go to school because of lack of food, clothing and even school facilities, which are everywhere reduced.

*The Way Out: A Program for American Labor* (New York: Workers' Library Publishers, 1934), pp. 33-35.

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### New Deal—Program of Fascism and War

... The "New Deal" of Roosevelt is the aggressive effort of the bankers and trusts to find a way out of the crisis at the expense of the millions of toilers. Under cover of the most shameless demagoguery, Roosevelt and the capitalists carry through drastic attacks upon the living standards of the masses, increased terrorism against the Negro masses, increased political oppression and systematic denial of existing civil rights, and are strengthening the control of the big monopolists over the economic and political life of the country. The "New Deal" is a program of fascization and the most intense preparations for imperialist war. Its class character is especially seen in the policy of the subsidies to the railroads, banks, and insurance companies, accompanied by increased parasitism, corruption, and bureaucratism. The devaluation of the dollar has resulted in a rapid rise of prices of commodities, and the lowering of . . . real wages. The N.R.A. machinery, with its labor boards on the one hand, and the most brutal police and military force on the other, has been used for the purpose of breaking up the workers' struggles and their organizations. Strike struggles, not only those of the independent class unions, against whom the attack has been most vicious, but also the struggles of the workers in the A. F. of L.,<sup>1</sup> have been violently suppressed. Its farm policy has helped to enrich the big farmers and capitalists at the expense of the agricultural workers, the poor and middle farmers.

... The right of organization which was so loudly hailed by the social-fascists, which was to be guaranteed by section 7a of the N.R.A., has been used as a new instrument in the hands of the employers for the development of company unions, to block the desire of the workers to organize into real trade unions, independent of the bosses and government. It is an instrument to prop up the boss-controlled A. F. of L. bureaucracy, where the workers cannot be forced into company unions, and a means to divert the fight and organization of the working class away from militant trade unions. The system of codes has been a step in the direction of government control and fascization of the trade unions. The codes fixed minimum wages in the face of inflation and rising prices. The so-called Public Works Program has been used for the building up of the army and navy—an additional important weapon for the whole program of Roosevelt, which is one of preparation for war. All of this proves that the Roosevelt regime is not, as the liberals and Socialist Party leaders claim, a progressive regime, but is a government serving the interests of finance capital and moving toward the fascist suppression of the workers' movement.

### Threatening War Danger

... The capitalist class is feverishly preparing for war as a way out of the crisis. It has embarked on a naval race with its main imperialist rivals, Great Britain and Japan. The army has been further mechanized, and the world's largest air fleet has been provided for, coast defense has been strengthened, army cantonments throughout the country

<sup>1</sup>The American Federation of Labor, a conservative labor group—ED.

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have been provided; and the C.C.C.<sup>2</sup> has served as a trial mobilization and training ground for a great army, both for imperialist war and for civil war against the workers at home, as openly admitted by Roosevelt's assistant secretary of war, Woodring.

In all the markets of the world, the struggle between Great Britain and the United States grows more acute. The Roosevelt regime, through its inflation, is engaged in a war on British goods and on British currency, in an effort to win world hegemony. The struggle for hegemony in the Pacific between the United States and Japan daily becomes more marked, with both nations building up their naval armaments in anticipation of war. All the chief imperialist powers are clashing for the lion's share in the dismemberment of China. The imperialist aggressiveness of Roosevelt's policies is shown most clearly in Cuba, in Latin America (Bolivia-Paraguay war), and in the Philippines. Roosevelt's policies are interlocked with the policies of world capitalism, characterized everywhere by the desperate attempt to get out of the crisis at the expense of the masses by means of fascism, war and intervention.

... The preparations for war are being carried through especially by Roosevelt under the cover of pacifist and "democratic" demagoguery. In this trickery of the masses, Roosevelt has the utmost support of the A. F. of L. bureaucrats, Socialists and liberals. The A. F. of L. bureaucrats carry on the most violent attacks against the Socialist fatherland. They support the preparations for an army and navy on the plea that it gives employment. The Socialists have invested the "New Deal" war and fascist program with the halo of Socialism. Now openly and now covertly, they continue their attacks against the Soviet Union. ...

### The Fascization of the American Government

... American capitalism is more and more fascizing its rule. This is particularly being performed by the Roosevelt administration under the cover of the "New Deal." Under the mask of saving the "democratic institutions of the United States, the Roosevelt government and the bourgeoisie are: (a) increasing the violence against the workers, particularly revolutionary workers and Negro masses, against whom they have unleashed a wave of lynch terror; (b) increasing tendencies to suppress and deny the right to strike; (c) establishing labor Arbitration Boards with direct participation of the employers and the bureaucrats, with the object of preventing, suppressing, and disorganizing the struggles of the workers; (d) directly concentrating into the hands of the President almost dictatorial powers, and vesting power, formerly executed by Congress, in direct appointees of the President over matters of most vital concern to millions of toilers; (e) developing a wave of chauvinism and carrying through the whole N.R.A. campaign with the greatest emphasis upon nationalism.

<sup>2</sup>The Civilian Conservation Corps, a New Deal program to employ city youths in National Parks and forests under semimilitary control—ED.

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**THE "SHARE OUR WEALTH" PLAN (1933)**

*Franklin Delano Roosevelt's first New Deal attempted to restore economic confidence in the American people, provide relief to the unemployed, revive the sagging agricultural and business enterprises, and put people to work. Uneven in its impact and often contradictory and improvised, the New Deal "experiment" enjoyed massive public support during its inception. The New Deal, however, brought only limited recovery, and, as the economic crisis waned, critics of the program emerged. Among the most prominent critics of Roosevelt and the New Deal was Louisiana Senator Huey P. Long. Nicknamed the "Kingfish," Long developed a fervent following from poor whites in Louisiana, was elected governor, and created a political machine that gave him almost dictatorial rule over the state. Elected senator in 1930, the demagogue used his popularity to spread his Share Our Wealth program, an implausibly simplistic plan that appealed to many Americans' resentment toward the wealthy. Long claimed membership in the Share Our Wealth clubs exceeded 7 million. The 1933 Huey P. Long autobiography, Everyman a King, excerpted below, promised economic security for all Americans with the proposed Share Our Wealth plan.*

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**T**he increasing fury with which I have been, and am to be, assailed by reason of the fight and growth of support for limiting the size of fortunes can only be explained by the madness which human nature attaches to the holders of accumulated wealth.

What I have proposed is: —

### THE LONG PLAN

1. A capital levy tax on the property owned by any one person of 1% of all over \$1,000,000; 2% of all over \$2,000,000 etc., until, when it reaches fortunes of over \$100,000,000, the government takes all above that figure; which means a limit on the size of any one man's fortune to something like \$50,000—the balance to go to the government to spread out in its work among the people.
2. An inheritance tax which does not allow any one person to receive more than \$5,000,000 in a lifetime without working for it, all over that amount to go to the government to be spread among the people for its work.
3. An income tax which does not allow any one man to make more than \$1,000,000 in one year, exclusive of taxes, the balance to go to the United States for general work among the people.

The foregoing program means all taxes paid by the fortune holders at the top and none at the bottom; the spreading of wealth among all the people and the breaking up of a system of Lords and Slaves in our economic life. It allows the millionaires to have, however, more than they can use for any luxury they can enjoy on earth. But, with such limits, all else can survive.

That the public press should regard my plan and effort as a calamity and me as a menace is no more than should be expected, gauged in the light of past events. According to Ridpath, the eminent historian:

The ruling classes always possess the means of information and the process by which it is distributed. The newspaper of modern times belongs to the upper man. The under man has no voice; or if, having a voice, he cries out, his cry is lost like a shout in the desert. Capital, in the places of power, seizes upon the organs of public utterance, and howls the humble down the wind. Lying and misrepresentation are the natural weapons of those who maintain an existing vice and gather the usufruct of crime.

—Ridpath's *History of the World*, page 410

In 1932, the vote for my resolution showed possibly a half dozen other Senators back of it. It grew in the last Congress to nearly twenty Senators. Such growth through one other year will mean the success of a venture, the

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Huey P. Long, *Everyman a King: The Autobiography of Huey P. Long* (New Orleans, 1933), 338-340. Reprinted by permission of Senator Russell B. Long.

completion of everything I have undertaken, —the time when I can and will retire from the stress and fury of my public life, maybe as my forties begin, —a contemplation so serene as to appear impossible.

That day will reflect credit on the States whose Senators took the early lead to spread the wealth of the land among all the people.

Then no tear dimmed eyes of a small child will be lifted into the saddened face of a father or mother unable to give it the necessities required by its soul and body for life; then the powerful will be rebuked in the sight of man for holding that which they cannot consume, but which is craved to sustain humanity; the food of the land will feed, the raiment clothe, and the houses shelter all the people; the powerful will be elated by the well being of all, rather than through their greed.

Then, those of us who have pursued that phantom of Jefferson, Jackson, Webster, Theodore Roosevelt and Bryan may hear wafted from their lips in Valhalla:

EVERY MAN A KING

## Huey Long, "Share Our Wealth" (1935)

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Here is the whole sum and substance of the Share Our Wealth movement:

1. Every family to be furnished by the government a homestead allowance, free of debt, of not less than one-third the average family wealth of the country, which means, at the lowest, that every family shall have the reasonable comforts of life up to a value of from \$5,000 to \$6,000: No person to have a fortune of more than 100 to 300 times the average family fortune, which means that the limit to fortune is between \$1,500,000 and \$5,000,000, with annual capital levy taxes imposed on all above \$1,000,000.
2. The yearly income of every family shall be not less than one-third of the average family income, which means that, according to the estimates of the statisticians of the U.S. Government and Wall Street, no family's annual income would be less than from \$2,000 to \$2,500: No yearly income shall be allowed to any person larger than from 100 to 300 times the size of the average family income, which means that no person would be allowed to earn in any year more than \$600,000 to \$1,800,000, all to be subject to present income tax laws.
3. To limit or regulate the hours of work to such an extent as to prevent over-production; the most modern and efficient machinery would be encouraged so that as much would be produced as possible so as to satisfy all demands of the people, but also to allow the maximum time to the workers for recreation, convenience, education, and luxuries of life.
4. An old-age pension to the persons over 60.
5. To balance agricultural production with what can be consumed according to the laws of God, which includes the preserving and storing of surplus commodities to be paid for and held by the Government for emergencies when such are needed. Please bear in mind, however, that when the people of America have had money to buy things they needed, we have never had a surplus of any commodity. This plan of God does not call for destroying any of the things raised to eat or wear, nor does it countenance whole destruction of hogs, cattle or milk.
6. To pay the veterans of our wars what we owe them and to care for their disabled.
7. Education and training for all children to be equal in opportunity in all schools, colleges, universities, and other institutions for training in the professions and vocations of life; to be regulated on the capacity of children to learn, and not on the ability of parents to pay the costs. Training for life's work to be as much universal and thorough for all walks in life as has been the training in the arts of killing.
8. The raising of revenues and taxes for the support of this program to come from the reduction of swollen fortunes from the top, as well as for the support of public works to give employment whenever there may be any slackening necessary in private enterprise.

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### E. The Townsend Plan\*

In 1933 Dr. Francis E. Townsend, a California physician, presented a plan which provided for annuity payments to all persons over 60 years of age. He thought that the spending of this money for goods and services would restore prosperity. Two years later 4,552 Townsend Clubs had been created to promote the Plan. A national magazine, *The Townsend National Weekly*, was selling about 300,000 copies by this time. A bill to enact the plan was defeated in the House of Representatives on June 1, 1932, but 101 Representatives were announced in favor of it. In the following reading Dr. Townsend describes his plan.

As I look back upon it, I can see that the Townsend Plan was not born all in a lump, but took gradual shape. Certainly it has undergone evolutionary revision since it first saw the light of day in cold print back on September 30, 1933. . . . The first draft of the Plan . . . read:

If the human race is not to retrogress, two facts of essential importance must be recognized; the stimulus to individual effort must be maintained by the certainty of adequate monetary reward.

\* Francis E. Townsend, *New Horizons (An Autobiography)*, (Chicago: J. L. Stewart Publishing Company, 1943), pp. 137-140.



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If business is good at all times, we need not worry about the reward of individual effort; and if money is plentiful we need have no fears that business will become bad.

Of late years, it has become an accepted fact that because of man's inventiveness less and less productive effort is going to be required to supply the needs of the race. This being the case, it is just as necessary to make some disposal of our surplus workers, as it is to dispose of our surplus wheat or corn or cotton. But we cannot kill off the surplus workers as we are doing with our hogs; nor sell them to the Chinese on time as we do our cotton. We must retire them from business activities and eliminate them from the field of competitive effort. . . .

It is estimated that the population of the age of 60 and above in the United States is somewhere between nine and twelve millions. I suggest that the national government retire all who reach that age on a monthly pension of \$200 a month or more, on condition that they spend the money as they get it. This will insure an even distribution throughout the nation of two or three billions of fresh money each month. Thereby assuring a healthy and brisk state of business, comparable to that we enjoyed during war times.

Where is the money to come from? More taxes? Certainly. We have nothing in this world we do not pay taxes to enjoy. . . . A sales tax sufficiently high to insure the pensions at a figure adequate to maintain the business of the country in a healthy condition would be the easiest tax in the world to collect, for all would realize that the tax was a provision for their own future as well as the assurance of good business now. . . .

Our attitude toward Government is wrong. We look upon Government as something entirely foreign to ourselves, as something over which we have no control, and which we cannot expect

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to do us a great deal of good. We do not realize that it can do us infinite harm, except when we pay our taxes. But the fact is, we must learn to expect and demand that the central Government assume the duty of regulating business activity. When business begins to slow down and capital shows signs of timidity, stimulus must be provided by the National Government in the form of additional capital. When times are good and begin to show signs of a speculative debauch such as we saw in 1929, the brakes must be applied through a reduction of the circulating medium. This function of the government could be easily established and maintained through the pension system for the aged:

Since that early draft of the Plan the sales tax provision has been dropped in favor of a fixed percentage levy upon the gross incomes of all individuals, businesses and corporations, exempting only the first \$100 a month of personal income. . . .

Since the first draft of the Plan was written, the provision for a fixed sum to pensioners monthly has been altered to provide that each annuitant shall receive his or her pro rata share of all revenue collected during the month through the gross income tax described.

And since that first bill, the class of annuitants who are to receive pensions has been broadened from merely the aged to include the physically handicapped, the chronically ill, mothers with dependent children and others who, through no fault of their own, are unable to work for a living.

Testifying before a Congressional committee, Dr. Townsend defended his Plan in these words:

My proposal has been mistakenly called a pension plan. It is a

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pension plan plus. The two principal objectives of my proposal are: to solve the unemployment problem and to bring back prosperity by restoring purchasing power to the people. The plan is only incidentally a pension plan. The old people are simply to be used as a means by which prosperity will be restored to all of us.

According to the U. S. census bureau, four million people over the age of 60 held jobs in the United States in 1930. In order to be eligible for the proposed pension of \$200 a month, these elderly people would be compelled to give up their jobs. This would mean that four million jobs would become available to middle-aged and younger people. This is simple mathematics which everyone should be able to understand.

It is incomprehensible to me why those whose duty it is to devise ways and means of solving our unemployment dilemma have not embraced this certain method of providing four million jobs. In addition to these four million jobs which would be made available through this plan, four million additional jobs would be created by reason of the demand occasioned by eight million old people buying \$200 worth of goods and services each month. Even if you become super-conservative and cut my figures in half, you will still have six million jobs available—more than enough to break the back of our unemployment problem.\*

\* Townsend, *op. cit.*; pp. 189-190.

## UPTON SINCLAIR

### F. End Poverty in California (EPIC)\*

In 1933 Upton Sinclair, a socialist, a famous muckraker, and the author of many books, registered as a Democrat in California. In the primary election he won the Democratic nomination for governor. He formulated a program which he called EPIC—End Poverty in California. He and his supporters founded the End Poverty League, incorporated, published a weekly paper, and organized hundreds of EPIC clubs throughout the state. He lost the election. The core of the EPIC plan follows:

If the people of all the forty-eight states of this Union sit down and wait for the Federal Government to save them, we shall have such a bureaucracy as the world has never seen. The EPIC plan proposes that the people of California shall have the enterprise and courage to do something for themselves. We have many millions of acres of the most fertile land, and the best climate in the world. We have skilled agricultural workers and machinery, and certainly we can grow our own food. Also we have the factories equipped with great machines. Many of these factories stand idle, or are running on half time. We have the men who know how to manage them and to work the machines. We can turn out practically all of our basic necessities, and make plenty and comfort for all.

The destitute people cannot get land or factories or raw materials for themselves. This can only be done by the credit of the State. The EPIC plan proposes that the State shall purchase the idle land and factories at the present bankruptcy prices, and shall

\* Upton Sinclair, *The Epic Plan for California*, published by the author, 1934. (Includes four pamphlets: *Governor of California*, *EPIC Answers*, and *The Lie Factory Tells*. Excerpt from *EPIC Answers*, pp. 3-5.)

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immediately institute a State system of production and exchange, whereby the unemployed may produce what they consume.

The EPIC plan proposes that the State of California shall set up land colonies in which the unemployed farm workers shall live and produce the food required by the million destitute persons in our State. Operating thus upon a large scale, the farm workers can live in what will amount to new villages, with all the advantages of modern civilization; kitchens and cafeterias operated by the community, a social hall with opportunities for recreation, a church, a school-house, a store, a library, a motion picture theater, etc. Living thus the people will have the benefits of mass production by machinery; they will have the advantages of country life without its loneliness and backwardness.

The factories will be great productive units owned and managed by the State. There also will be social buildings with kitchens, cafeterias, lecture halls, libraries, etc. The State will maintain a system of distribution, whereby the food is brought into the cities and the manufactured products are taken out to the land colonies. . . . There can be no overproduction in such a system; when the system produces a surplus, the people will be on vacation instead of out of a job. They will own the surplus. . . .

In order to purchase the land and factories and start the system going, the State of California will have to issue bonds. . . . But since the EPIC plan was put out, the Federal Government has made plain its willingness to support productive enterprises undertaken by responsible groups, and we feel certain now that if the people vote to End Poverty in California, the Federal Government will help them by taking the bonds. . . .

When we once get our state production system going, and make our people comfortable and safe, we can set aside a part of our product, sell it outside and pay off our bonds. When this has been

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done the State factories and land colonies will become self-governing institutions, operating under charters from the state, as our cities and towns do at the present time. This is Democracy applied to industry. . . .

The rest of the program represents the resolve to correct the inequality of wealth which menaces the very life of our society. Our laws have caused the rich to get richer and the poor poorer. It is proposed to reverse this process.

People are now losing their homes and ranches because they can no longer pay their taxes. The tax system of the State is to be revised, and all homes occupied by the owners and ranches operated by the owners, which are assessed at less than \$3,000, are to be exempted from taxation. Taxes on the more valuable properties will be graduated, increasing at the rate of one-half of one per cent for each \$5,000 of additional valuation.

It is proposed to repeal the state sales tax, which is a tax on poverty, and to raise a portion of the money by means of a State tax upon stock exchange transactions. New York State imposes a tax of 4 cents per share on stock transfers, and there is no reason why California could not do the same. It is estimated that a million shares change hands in our State every gambling day. Let Wall Street pay the sales tax!

Next it is proposed to impose a State income tax. In the United States today an income of \$25,000 per year pays 10%. In England, France, and Germany such an income pays 30% to 40%. So there is ample margin for a graduated State income tax. It is also proposed to increase the State inheritance tax in the higher brackets, taxing 50% of those great fortunes which are unearned and which are a menace to our society.

Finally, it is proposed to impose a graduated tax upon idle and unimproved land. . . . If a person owns a lot assessed at not more than

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\$1,000, and wishes to build a home on that lot, there will be a State building loan fund to make this possible. But persons who are holding large tracts of land out of use will be taxed for it, the tax being graduated according to the valuation held by each individual.

It is also proposed to include a tax on privately owned public utility corporations and banks, which are shamefully undertaxed at present.

The remainder of the EPIC program has to do with those persons who are unable to work. It promises that needy persons over sixty years of age who have lived three years within the State, shall receive a pension of \$50 per month. It promises the same for the blind and disabled, and for widowed mothers of dependent children. If there are more than two children, it proposes to add \$25 per month for each additional child.

Such is the EPIC plan. . . .

## WILLIAM LLOYD GARRISON, JR.

### A BUSINESSMAN'S VIEW OF THE NEW DEAL (1934)

*The flood of legislation that produced the first New Deal sought to solve the economic problems created by the Great Depression. Although it enjoyed widespread public support, the program brought only modest economic recovery. The New Deal program, however, did change the role of government, especially the federal government. The National Recovery Administration, for example, had labor, business, and government officials draw up "codes of fair practices" to establish prices, wages, and hours in the workday. Participating businesses displayed the Blue Eagle crest to show "We Do Our Part." Congress also passed legislation and created bureaucracies to regulate the activities of banks and the stock exchange to prevent another economic collapse and to restore confidence in financial activities. In addition, Roosevelt dropped the gold standard and experimented with the value of the dollar to boost prices. Such activities enlarged the size of the federal government, broadened its scope, and greatly increased the debt. In 1934, The Nation magazine published a series of articles by businessmen discussing various issues of the New Deal. Recently retired Boston investment banker, William Lloyd Garrison, Jr., grandson of the famed abolitionist, offered the commentary, excerpted below, on the New Deal.*

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What he [Roosevelt] chose to call the New Deal was, in part, his concept for coping with an acute and threatening emergency. Without delay he displayed his courage and vigor of action by his affirmative handling of the demoralized banking situation, then on the verge of collapse. His steady and confident temper generated a new hope which was immediately reflected in national sentiment and duly recorded in the quotations of the market-place. But that episode was merely a beginning. The New Deal, being both a philosophy and a mode of action, began to find expression in diverse forms which were often contradictory. Some assisted and some retarded the recovery of industrial activity. Bold and novel experiments on the part of the New Dealers soon began to startle the conservative element. An enormous outpouring of federal money for human relief and immense sums for public-works projects started to flow to all points of the compass. The nation began to think in terms of nine ciphers. Six billion dollars was added to the national debt, thereby offsetting in an incredibly short time the farsighted post-war reduction of that debt by the Coolidge Administration in the years of plenty. A bureaucracy in Washington grew by leaps and bounds, led and manned by the faithful, eager to make history. And finally, to lend the picture the heightened academic touch, John Maynard Keynes, of Cambridge, England, appeared in Washington and again commended the plan of buying Utopia for cash.

Meanwhile the old freedoms, or, if you prefer, the old anarchies, of the business world are in process of restraint. New statutes hedge about the activities of bankers, brokers, industrialists, and all those who direct the use of capital. Even the rights of sovereign States and their individual citizens seem to be somewhat dimmed. The lines of separation of governmental functions have become decidedly hazy. The President is almost a legislator. A bureau chief becomes the judicial interpreter of administrative law. A Supreme Court justice lends his wisdom to the administrative arm. Controls, restrictions, prohibitions, and warning become the order of the day. The American business man, once the symbol of free initiative, awakens to find himself "cribbed, cabined, and confined," shorn of much of his former prestige. If he possesses a sense of humor he must recognize, of course, that the old hand of the old dealers was obviously overplayed. The aberrations of the war markets, the dizzy height of commodity prices just prior to Armistice Day, the fantastic and frantic happenings from 1922 to 1929 explain for him the political earthquake of 1932. He is busy adjusting himself to the new circumstances as he gazes upon a situation where a huge unemployment dominates the necessities of political action, as poverty and distress on the grand scale have to be dealt with daily by the masters of the state.

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William Lloyd Garrison, Jr., "The Hand of Improvidence," *The Nation* 139 (14 November 1934): 562-563. Reprinted with permission from the November 14, 1934 issue of *The Nation*.

Yet he finds the practical problem of producing profits at this juncture to be extremely difficult, save where government spending has happily flowed out in his direction. As matters stand today, an industrial or mercantile concern can only find its foreign markets sharply restricted but sees its home market adversely affected by serious drought and by widespread and militant strikes. It must reckon with higher taxes, higher material costs, and higher wages. It must carry on its business in terms of a dollar that is subject to further possible devaluation. It finds the government establishing or fostering competing agencies of business, and it fears further legislation hostile to its interests. On the other hand, the talons of the Blue Eagle look less terrifying since the bluff General Johnson relinquished his efforts to do the impossible. The voluntary cooperation of business developed under the NRA should stand as a permanent national benefit. The attempt at price-fixing will presumably go to the error side of the trial-and-error column. Likewise the attempt to advance wages ahead of the effective demand for goods has revealed its futility, to say nothing of its economic unorthodoxy.

The morale of the business man is, however, shaken as he observes increasingly in the government service, and in command of vastly powerful bureaus, men who are frankly Socialists in their economic faith. For the New Deal turned out to be a tripartite adventure which looked to results far beyond national recovery. It sought a recasting of our social scheme and embodied what is termed a "planned economy." . . .

What could be done to save us from such a calamity? The President alone has the power to give effective encouragement to business at this time. The business and banking community awaits some sincere assurance that there will be less interference by government agencies with the law of supply and demand. It wants to hear that an immediate effort will be made to check the flood of expenditures, thereby insuring an honest purpose to balance the budget.

A more hopeful and even more significant move would be the early inclusion among the President's advisers of more men of high reputation and long experience in the realm of practical affairs. The responsible man of affairs, with capital at risk in enterprise, who has known the alternations of hope and fear and has come to comprehend the significance of those consequences which tie together the periods of peak prosperity and panic decline, has procured an education through experience that has in it the beginnings of wisdom. To a man of such training, much of the hasty and emotional legislation of the New Deal is not only absurd but hopelessly obstructive to the government's own program of recovery. . . .

The democratic plan of government is not fool proof. It works very badly—panic succeeding prosperity. . . . But a mere transfer from individual monopoly to state monopoly, with its consequent regimentation and fettering of essential freedoms, can effect no cure of the malady. A democracy can be wrecked by bureaucrats, however high-sounding their ideals, who fail to conserve the nation's credit and thereby open wide the door, even if unintentionally, to the destructive forces of anarchy. When the history of our

times is written, it is probable that the demoralization of the voters of the country by the distribution of floods of money from the public treasury, coupled with a false philosophy which declares that every man is entitled to be maintained out of the public funds, will be regarded as the most glaring of the political errors of our generation.

Even so, is there not some effective and hopeful means for dealing with our immediate national problems? As affairs now stand, specific recommendations seem well-nigh futile. So general has been the flouting of economic law that "confusion now hath made its masterpiece." The false price and wages levels decreed by the NRA; the disruptive and punitive character of the Securities Act and the Stock Exchange Act, with the consequent starving of the heavy industries; the prentice work of the New Deal surgeons upon the corpus of the public utilities—all suggest that time and reflection must first be permitted to color the thought and action of the Congress, the Cabinet and the Chief Executive.

We may be grateful, however, that some measure of recovery from the depths of depression is evident throughout the world. This tendency should help to carry us gradually, if haltingly, forward.

## FATHER CHARLES COUGHLIN UNION PARTY PLATFORM

### I. Union Party Platform of 1936\*

2. Congress and Congress alone shall coin and issue the currency and regulate the value of all money and credit through a central bank of issue.

3. Immediately following the establishment of the central bank of issue Congress shall provide for the retirement of all tax-exempt, interest bearing bonds and certificates of indebtedness of the Federal Government and shall refinance all the

\* Porter, Kirk H. and Johnson, Donald Bruce, *National Party Platforms, 1840-1956* (Urbana: The University of Illinois Press, 1956), p. 375.

present agricultural mortgage indebtedness for the farmer and all the home mortgage indebtedness for the city owner by the use of its money and credit which it now gives to the private bankers.

4. Congress shall legislate that there will be an assurance of a living wage for all laborers capable of working and willing to work.

5. Congress shall legislate that there will be an assurance of production for a profit for the farmer.

6. Congress shall legislate that there will be assurance of reasonable and decent security for the aged, who, through no fault of their own, have been victimized and exploited by an unjust economic system which has so concentrated wealth in the hands of a few that it has impoverished great masses of our people.

7. Congress shall legislate that American agricultural, industrial, and commercial markets will be protected from manipulation of foreign moneys and from all raw material and processed goods produced abroad at less than a living wage.

8. Congress shall establish an adequate and perfect defense for our country from foreign aggression . . . but with the understanding that our . . . forces must not be used under any consideration in foreign fields or in foreign waters either alone or in conjunction with any foreign powers. If there must be conscription, there shall be a conscription of wealth as well as a conscription of men.

11. Congress shall organize and institute Federal works for the conservation of public lands, waters, and forests, thereby creating billions of dollars of wealth, millions of jobs at the prevailing wage, and thousands of homes.

12. Congress shall protect small industry and private enterprise by controlling and decentralizing the economic domination of monopolies to the end that these small industries and enter-

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prises may not only survive and prosper but that they may be multiplied.

13. Congress shall protect private property from confiscation through unnecessary taxation with the understanding that the human rights of the masses take precedence over the financial rights of the classes.

14. Congress shall set a limitation upon the net income of any individual in any one year and a limitation of the amount that such an individual may receive as a gift or as an inheritance, which limitation shall be executed through taxation.

15. Congress shall reestablish conditions so that the youths of the Nation, as they emerge from schools and colleges, will have the opportunity to earn a decent living while in the process of perfecting and establishing themselves in a trade or profession.

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### H. Excerpts from Radio Address of the Reverend Father Charles E. Coughlin on June 19, 1936\*

Father Charles E. Coughlin was a Roman Catholic priest who began in 1926 to broadcast talks on religion from Station WJR in Detroit, Michigan. With the coming of the depression, he began to talk on politics and economics. In 1934 he founded the National Union for Social Justice which published a newspaper entitled *Social Justice*. Father Coughlin at first supported President Roosevelt, but later turned against him. He was instrumental in founding the Union Party which nominated William Lemke for president in 1936. An address by Father Coughlin and excerpts from the platform of the Union Party follow.

\* *Vital Speeches*, Vol. II, No. 20, July 1, 1936. By permission of City News Publishing Company, New York, N. Y.

## FATHER CHARLES COUGHLIN

... In the Autumn of 1932 it was my privilege to address the American people on the causes of the so-called depression and upon the obvious remedies required to bring about a permanent recovery. . . .

Millions of citizens began asking the obvious question: "Why should the farmer be forced to follow his plow at a loss?" "Why should the citizens — at least 90 per cent of them — be imprisoned behind the cruel bars of want when, within their grasp, there are plenty of shoes, of clothing, of motor cars, of refrigerators, to which they are entitled?"

As a result of these and similar questions, my friends, an intellectual revolution was generated in America. The moral problems of foods, of clothing, of shelter demanded a solution. The solution in democratic America must come from democratic legislation under the leadership of a sympathetic President who will initiate, in part, legislation and append his signature to just laws.

At last, when the most brilliant minds amongst the industrialists, bankers and their kept politicians had failed to solve the cause of the needless depression, there appeared upon the scene of our national life a new champion of the people, Franklin Delano Roosevelt! He spoke golden words of hope. He intimated to the American people that the system of permitting a group of private citizens to create money, then to issue it to the government as if it were real money, then to exact payment from the entire nation through a system of taxation earned by real labor and service, was immoral. With the whip of his scorn he castigated these usurers who exploited the poor. With his eloquent tongue he lashed their financial system which devoured the homes of widows and orphans.

No man in modern times received such plaudits from the poor as did Franklin Roosevelt when he promised to drive the money

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changers from the temple — the money changers who had clipped the coins of wages, who had manufactured spurious money and who had brought proud America to her knees.

March 4, 1933! I shall never forget the inaugural address, which seemed to re-echo the very words employed by Christ Himself as He actually drove the money changers from the temple.

The thrill that was mine was yours. Through dim clouds of the depression this man Roosevelt was, as it were, a new savior of his people.

Oh, just a little longer shall there be needless poverty! Just another year shall there be naked backs! Just another moment shall there be dark thoughts of revolution! Never again will the chains of economic poverty bite into the hearts of simple folks, as they did in the past days of the Old Deal!

Such were our hopes in the springtime of 1933.

My friends, what have we witnessed as the finger of time turned the pages of the calendar? Nineteen hundred and thirty-three and the National Recovery Act which multiplied profits for the monopolists; 1934 and the AAA which raised the price of food-stuffs by throwing back God's best gifts into His face; 1935 and the Banking Act which rewarded the exploiters of the poor, the Federal Reserve bankers and their associates, by handing over to them the temple from which they were to have been cast!

In 1936, when our disillusionment is complete, we pause to take inventory of our predicament. You citizens have shackled about your limbs a tax bill of \$35,000,000,000, most of which, I repeat, was created by a flourish of a fountain pen. Your erstwhile savior, whose golden promises ring upon the counter of performance with the cheapness of tin, bargained with the money changers that, with seventy billion laboring hours in the ditch,



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or in the factory, or behind the plow, you and your children shall repay the debt which was created with a drop of ink in less than ten seconds.

Is that driving the money changers out of the temple?

Every crumb you eat, every stitch of clothing you wear, every menial purchase which you make is weighted down with an unseen tax as you work and slave for the debt merchants of America. But the \$55,000,000,000 of debt bonds, held mostly by the debt merchants and the well circumstanced of this country, have been ably safeguarded from taxation by this peerless leader who sham battles his way along the avenue of popularity with his smile for the poor and his blindness for their plight. Is that driving the money changers from the temple?

You laborers of America who work no more than an average of 200 days a year at \$5 a day are forced to contribute at least fifty days of your labor — to steal it from your wives and your children, to deprive them of the conveniences and the luxuries advertised in every paper and magazine — as tribute for the benefit of the sacrosanct bondholders.

Is that driving the money changers from the temple?

You farmers of America, of whom 3,000 every week are driven over the hill to the poorhouse through the ruthless confiscation which is still protected under the guise of friendship, are forced to bear the burden of \$8,000,000,000 of mortgage debt on farms at 6 per cent — farms which have depreciated 50 per cent during these last five years, farms which cannot be operated at a profit except temporarily through the immoral Tugwellism of destruction.

Is that driving the money changers from the temple, or is it driving Americans from their homes?

For God's command of "increase and multiply," spoken to our

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type, Lincoln, who waged war for physical freedom.

I refer to Congressman William Lemke of North Dakota, who has thrown his "cap" into the Presidential ring at the request of thousands of independent friends. Now that he has taken the step and has officially asked the National Union for its support, we declare him, on the strength of his platform and of his splendid record, eligible for indorsation [sic].

He has chosen as a running mate for the Vice-Presidency Thomas Charles O'Brien, eminent former District Attorney of Boston, counsel for the Brotherhood of Railroad Trainmen and firm exponent of social justice. For ten years before graduating from Harvard University Mr. O'Brien labored as a baggageman.

Lemke and Yale, Agriculture and Republican! O'Brien and Harvard, Labor and Democrat!

East and West!

Protestant and Catholic, possessing one program of driving the money changers from the temple, of permitting the wealth of America to flow freely into every home! . . .