

How America Can Be Adjusted

Speech Delivered

by

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of Louisiana

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Ladies and Gentlemen:

I have made it a custom to reintroduce myself, regardless of how well I am introduced, which, of course, I was tonight. This is Huey P. Long, United States Senator from Louisiana. I was once Governor of that State.

I am beginning my speech tonight by quoting a few lines from Oliver Goldsmith. They are as follows:

"Ill fares the land to hastening ills a prey,
Where wealth accumulates and men decay.
Princes and lords may flourish or may fade,
A breath can make them as a breath has made.
But a bold peasantry, their country's pride,
When once destroyed, can never be supplied."

I have prepared three bills which are before Congress. One is known as a capital tax levy bill. Under it, if a man has over a million dollars, he will be required to give 1% of all over one million dollars to the government. If he has over \$2,000,000, he will be required to give 2% of all over the two million dollars to the government. Then it will be stepped up to the point that if he has over \$10,000,000, he will be required to give 10% of all over ten million dollars to the government, and finally, when one has over \$100,000,000 he will be required to give all that he has over \$100,000,000 to the government. This means that when a man reaches the point that he has \$100,000,000, the government thinks he has enough. Then everybody else begins to share, rather than one man to have more than that.

My second bill takes the present income tax laws and extends their schedules to the point that, once a man makes the net sum of one million dollars in one year, that he gives the balance of what he makes that year to the government. This law means that the government thinks that when a man earns a net sum, exclusive of expenses and taxes, of one million dollars in one year, that he has earned enough, and that he ought to be willing to give the government the balance for the general welfare of all our people.

Then the third bill provides for inheritances, so that the present schedules are extended up in higher brackets to finally provide that, when one inherits five million dollars for which he has never hit a lick of work in his life, that he has inherited enough and

that the balance over five million dollars should go to the government.

Now, what is the purpose of such laws? They are two-fold:

First, it would give to the government all of the money that it may ever need for anything, without having to tax anybody else. The great run of our people would never have to pay a dime in taxes.

But secondly, these laws would prevent all of the wealth from being concentrated into the hands of a few people, and thereby, these laws would prevent the great mass of people from being impoverished and rendered practically penniless as a result of a few people owning everything, all by these monstrous fortunes being whittled down to frying size.

What is the true philosophy of government? It is to do the greatest good to the greatest number. That represents my view and theory of good government. We are not doing the greatest good to the greatest number when we allow, unchallenged, wealth to be concentrated and poverty to spread. We are not doing the greatest good to the greatest number when we let the few dominate us in government, finance and industry, and allow the great masses of our people to become the political serfs and industrial slaves of super-lords of finance.

The laws of all civilized countries are originally founded upon the common law propounded by the Lord.

Now, by turning to these laws, particularly the book of Leviticus, from the 24th to the 27th Chapters, inclusive, you will find it set forth in certain terms, that the nation must keep its people from being burdened with debt; that the nation must provide to distribute and redistribute its wealth among the people, and so that there might be no doubt about that, there was commanded a complete redistribution of property every fifty years and a general forgetting of debts every 7th year. That command, that every 7th year all of the people of the nation go forth free of debt, and that command that every 50th year a redistribution of the property take place, made it impossible for the wealth to be concentrated into the hands of the few. That was a very drastic provision, or rather there were two very drastic provisions, more drastic than anything I advocate. But it was commanded by the Lord as

a common law for a nation, to keep the wealth from being concentrated into a few hands. And so determined was He that it should not be concentrated that every seventh year all debts were forgiven and every fiftieth year all wealth was redistributed.

The Lord commanded this law as necessary for the existence of the race. And with His command, He uttered both a promise and a warning. The promise was that if the statutes were kept, the nation and race would live and thrive forever.

The warning was, however, that to the nation and to the people who did not keep the promise, the nation could not survive. Now it may be said that that was the Old Scripture, but when Christ was on earth, He asked about these laws propounded by Moses, and He said: "It is easier for the heavens and the earth to fail, than for one tittle of the law to fail."

In the Book of James, in the New Testament, Chapter 5 it is said:

"Go to now, ye rich men, weep and howl for your miseries that shall come upon you.

"Your riches are corrupted, and your garments are moth-eaten.

"Your gold and silver is cankered; and the rust of them shall be a witness against you, and shall eat your flesh as it were fire."

The Greek philosophers summed up their cry against wealth being possessed by the few, by saying that under such conditions even in the land of plenty, there was greater suffering than in the land of famine, because of a few desiring more than they needed.

And that is what has happened in America. With more than we can eat and more than we can wear and more houses than we can live in, there is greater distress among the people of America today to get something to eat and something to wear and a place to live than there was in times of famine. Simply because a few have desired to accumulate all the wealth, even though they impoverished all the balance of the people.

Our English speaking people found among the leading British statesmen, many expressions of the necessity of observing the fundamental laws of the Lord to keep wealth spread among all of the people. It was hundreds of years ago when Lord Bacon sounded his warning that there would be starvation in the land of the plenty, unless the wealth be spread among all of the people. Said he:

"Concerning the materials of sedition, it is a thing well to be considered—for the surest way to prevent seditions (if the times to bear it), is to take away the matter of them."

In other words, if you want to avoid revolutions, take away the cause of revolutions. Then I quote further:

"For if there be fuel prepared, it is hard to tell whence the spark shall come that shall set it on fire. The matter of sedition is of two kinds, much poverty and much discontentment. It is certain, so many overthrown estates, so many votes for trouble. . . . This same 'multis utile bellum' is an assured and infallible sign of a State disposed to seditions and troubles; and if this poverty and broken estate in the better sort be joined with a want and necessity in the mean people, the danger is imminent and great—for the rebellions of the belly are the worst.

"Above all things, good policy is to be used, that the treasures and monies in a State be not gathered into few hands, for otherwise, a State may have a great stock, and the people starve."

In our Declaration of Independence, our immortal forefathers declared it the right of man that all be

created equal, and declared it the inalienable right of everyone to share in a government guaranteeing the life, liberty and pursuit of happiness to all. We have forgotten all about that. We have forgotten those guarantees.

The doctrine of Jefferson and of Andrew Jackson was fundamentally that the greatness of the country could be found only by its fruits and blessings being spread among the people to be enjoyed by all, and in this connection they most severely condemned the pomp and splendor that might fall into a few hands and thereby aggravate misery and impoverish the masses. The immortal Abraham Lincoln said:

"Inasmuch as most good things are produced by labor, it follows that all such things of right belong to those whose labor has produced them. But it has so happened in all ages of the world that some have labored and others have without labor enjoyed a large proportion of the fruits. This is wrong and should not continue. To secure to each laborer the whole product of his labor, or as nearly as possible, is a worthy subject of any good Government."

On December 29th, 1820, in a speech delivered at Plymouth, on the commemoration of the first settlement of New England, Daniel Webster, the greatest American orator and statesman that ever lived, said this:

I am quoting from Daniel Webster:

"The freest government, if it could exist, would not be long acceptable if the tendencies of the law were to create a rapid accumulation of property in few hands and to render the great mass of the population dependent and penniless. In such a case the popular power would be likely to break in upon the right of property, or else the influence of property to limit and control the exercise of popular power. Universal suffrage, for example, could not long exist in a community where there was a great inequality of property.

"The holders of estates would be obliged in such case, either in some way to restrain the right of suffrage, or else such right of suffrage would soon divide the property. In the nature of things, those who have not property, and see their neighbors possess much more than they think them to need, can not be favorable to laws made for the protection of property. When this class becomes numerous it grows clamorous. It looks on property as its prey and plunder, and is naturally ready, at all times, for violence and revolution."

President Theodore Roosevelt said in one of his public addresses:

"I feel that we shall ultimately have to consider the adoption of some such scheme as that of a progressive tax on all fortunes beyond a certain amount, either given in life or devised or bequeathed upon death to any individual—a tax so framed as to put it out of the power of the owner of one of these enormous fortunes to hand down more than a certain amount to any one individual."

I have not the time tonight in the thirty minutes allotted me, to read further statements along this line, but to similar effect were the philosophy and warnings of William Jennings Bryan, and, as much as it may surprise you, in a speech at Indianapolis while he was President, Mr. Herbert Hoover declared that the remedy for economic depression was the distribution of wealth, and in a speech at Madison Square Garden he squarely declared that his conception of America was for a land where wealth was not concentrated in the hands of a few, but diffused among the lives of all.

So with the further citations of well known citizens and statesmen of all times, founded upon the authority of our Creator, I hope I have proven to the satisfaction of all, that fundamentally no nation can survive where wealth is concentrated into a few hands, with the consequent poverty and misery.

And it is for that reason that I have prepared for Congress the bills allowing no one man to own more than \$100,000,000; allowing no one man to have an earned net income in excess of \$1,000,000 per year; and allowing no one child to inherit more than \$5,000,000 from the estate of a father or mother.

Now, let us review the conditions which brought about the distress in this country which we face today. In along about 1916 to 1918, complaints were made over the condition of America, over the fact that too much of the wealth was in the hands of a few people. Among those complaining were such publications as the Wall Street Journal and the Saturday Evening Post, two very conservative journals devoted to the interest of big business, even unto the present day.

The Saturday Evening Post said, in its editorial columns on September 23, 1916, under the heading of "ARE WE RICH OR POOR?"—the following:

"The man who studies wealth in the United States from statistics only will get nowhere with the subject because all the statistics afford only an inconclusive suggestion.

"Along one statistical line you can figure out a nation bustling with wealth; along another a bloated plutocracy comprising 1% of the population lording it over a starveling horde with only a thin margin of merely well to do in between."

That is not my language, my friends. I have been accused of being intemperate, and have been condemned therefor, but that is not *my* language. I am quoting from the Saturday Evening Post. I have never been guilty of such intemperate language as that regarding anything I have said, and I never will.

Again, in the year 1919, the Saturday Evening Post said:

"We want big rewards for men who do big constructive things, and jail sentences for the big fellows who steal the fruits of their work and savings of small investors.

"There have been altogether too many mavericks loose on the range, sucking cows on which they have no claim.

"There would be no real railroad mess, no necessity for trying to pare down wages in basic industries, if there had been no banker control and no flagrant watering of the stocks of these corporations."

I am almost tempted to say that we would not have had to cut the compensation of the veterans in Congress last week had the Saturday Evening Post had its way when it was undertaking to clamor against concentrated wealth.

Now I will read you what the Wall Street Journal had to say. It said this:

"Yet more menacing was the concentration of power proceeding in the banking world, which even the conservative capitalistic Wall Street Journal described in 1903 as 'not merely a normal growth, but concentration that comes from combination, consolidation, and other methods employed to secure monopolistic power.' Not only this, but this concentration has not been along the lines of commercial banking. The great banks of concentration are in close alliance with financial interests intimately connected with promotion of immense enterprises, many of them being largely speculative."

That was the Wall Street Journal. They won't say that right now! They have been told not to talk too much on certain lines, by some of their editors.

Therefore, in the midst of such feeling and understanding, the President of the United States, the late Woodrow Wilson, secured authority from Congress and appointed an Industrial Relations Commission to report upon conditions existing at the time, and

in the report supplied by that body, they listed as the first cause of distress among the people—

"Unjust distribution of wealth and income."

In the report of the Industrial Relations Committee, printed by the Government Printing Office in 1916, they said:

"The rich, 2% of the people, own 60% of the wealth; the middle class, 33% of the people, own 35% of the wealth. The poor, 65% of the people, own 5% of the wealth. This means in brief that a little less than 2,000,000 people, who would make up a city smaller than Chicago, own 20% more of the nation's wealth than all the other 90,000,000."

It will be noticed from the foregoing that at that date in 1916, 2% of the people owned 60% of the wealth, and that condition was at the time declared not only by the Commission, but the Saturday Evening Post and by the Wall Street Journal to be an intolerable concentration of wealth and power. But did we break up the condition which existed in 1916? On the contrary, it has become many times worse in the past 17 years. In 1916 it was 2% of the people who owned 60% of the wealth, but in 1928, the Federal Trade Commission said this:

"The foregoing table shows that about 1% of the estimated number of decedents owned about 59% of the estimated wealth, and that more than 90% was owned by about 13% of this number."

So that in 1928, 1% owned the same percentage of the wealth that 2% owned in 1916. But worse still, it will be observed that in 1916 there was a middle class of around 30% that owned about the same percentage of the wealth of the country. That class has disappeared. The rich became richer, and the poor became poorer, and the middle class dropped among the poor, and about 85% of the wealth is owned by 5% of the people. Is this condition one that will let a nation live?

Let us again see, and this time I quote from the pastor of the Baptist Church of which John D. Rockefeller, Sr. and Junior are both members; here are the words of this good man at whose feet sat and now sit the Rockefellers while he expounds the gospel of life. I quote from the Reverend Harry Emerson Fosdick in a speech on December 28, 1930:

"See the picture of the world today—communism rising as a prodigious world power and all the capitalistic nations arming themselves to the teeth to fly at each other's throats and tear each other to pieces. . . . Capitalism is on trial. . . . Our whole capitalistic society is on trial.

"First, within itself, for obviously there is something the matter with the operation of a system that over the western world leaves millions and millions of people out of work who want work, and millions more in the sinister shadow of poverty.

"Second, capitalism is on trial with communism for its world competitor.

"The verbal damning of communism now prevalently popular in the United States will get us nowhere. The decision between capitalism and communism hinges on one point: Can capitalism adjust itself to the new age?"

Therefore, I have not only presented to you the facts relating to this case, but I have presented to you the logic of the most conservative publications and authorities of all times, mythical, ancient, medieval, modern and present.

And who is it that now owns America? Ah, my friends, let me read you a few of the statistics:

I have here the facts showing the concentration of American industries.

Iron Ore: 50 to 75% monopoly.

Steel, 40% monopoly; nickel, 90% monopoly; Aluminum, 100% monopoly; telephone, 80%; telegraph, 75%; Pullman Company, 100%; agricultural

machinery, 50% monopoly; shoe machinery has a monopoly; sewing machine machinery is monopolized.

It was on May 22, 1932, in a speech in Atlanta, Georgia, when Mr. Roosevelt was quoted as saying the following, in the public press, which I offered in the Congressional Record:

"The country needs, and unless I mistake its temper, the country demands, bold, persistent, experimentation. It is common sense to take a method and try it; if it fails, admit it frankly and try another. But, above all, try something. The millions who are in want will not stand by silently forever while the things to satisfy their needs are within easy reach.

"Many of those whose primary solicitude is confined to the welfare of what they call capital have failed to read the lessons of the last few years and have been moved less by calm analysis of the needs of the nation as a whole than by a blind determination to preserve their own special stakes in the economic disorder.

"While capital will continue to be needed, it is probable that our physical plant will not expand in the future at the same rate at which it has expanded in the past.

"We may build more factories," he said, "but the fact remains that we have enough now to supply all our domestic needs and more, if they are needed. Now, our basic trouble was not an insufficiency of capital; it was an insufficient distribution of buying power coupled with an oversufficient speculation in production."

That is the statement of our great President, who has been elected and who is so ably serving us at the present time. With these kind of statements, Mr. Roosevelt loomed as a great hope.

But our main thing is our President has not only kept faith both before his nomination, but he kept faith after nomination. In his speech during the campaign to the Commonwealth Club in San Francisco, September 23, 1932, President Roosevelt said:

Just as freedom to farm has ceased, so also the opportunity in business has narrowed. It still is true that men can start small enterprises, trusting to native shrewdness and ability to keep abreast of competitors; but area after area has been preempted altogether by the great corporations, and even in the fields which still have no great concerns the small man starts under a handicap.

The unfeeling statistics of the past three decades shows that the independent business man is running a losing race. Perhaps he is forced to the wall; perhaps he can not command credit; perhaps he is "squeezed out," in Mr. Wilson's words, by highly organized corporate competitors, as your corner grocery man can tell you.

Recently a careful study was made of the concentration of business in the United States.

It showed that our economic life was dominated by some six hundred and odd corporations, who controlled two-thirds of American industry. Ten million small business men divided the other third.

More striking still, it appeared that, if the process of concentration goes on at the same rate, at the end of another century we shall have all American industry controlled by a dozen corporations and run by perhaps a hundred men.

Put plainly, we are steering a steady course toward economic oligarchy, if we are not there already.

The day of the great promoter or the financial titan, to whom we granted anything if only he would build or develop, is over. Our task now is not discovery or exploitation of natural resources or necessarily producing more goods.

It is the soberer, less dramatic business of administering resources and plants already in hand, of seeking to reestablish foreign markets for our surplus production, of meeting the problem of underconsumption, of adjusting production to consumption, of distributing wealth and products more equitably, of adapting existing economic organizations to the service of the people.

The day of enlightened administration has come.

Just as in olden times the central government was first a haven of refuge and then a threat, so now in a closer economic system the central and ambitious financial unit is no longer a servant of national desire but a danger. I would draw the parallel one step farther. We did not think because national government had become a threat in the eighteenth century that therefore we should abandon the principle of national government.

They must, where necessary, sacrifice this or that private advantage, and in reciprocal self-denial must seek a general

advantage. It is here that formal government—political government, if you choose—comes in.

As yet there has been no final failure, because there has been no attempt; and I decline to assume that this Nation is unable to meet the situation.

The final term of the high contract was for liberty and the pursuit of happiness.

We have learned a great deal of both in the past century. We know that individual liberty and individual happiness mean nothing unless both are ordered in the sense that one man's meat is not another man's poison.

In another speech delivered on the 8th day of November, 1932, President Roosevelt said this:

We find fewer than 3 dozen private banking houses, and stock-selling adjuncts in the commercial banks, directing the flow of American capital within the country and to those "backward or crippled nations" on which the President built so heavily.

In other words, we find concentrated economic power in a few hands, the precise opposite of the individualism of which the President speaks.

We find a great part of our working population with no chance of earning a living except by grace of this concentrated industrial machinery; and we find that millions and millions of Americans are out of work, throwing upon the already burdened Government the necessity of relief.

And at Columbus, on the 20th day of August, 1932 Governor Roosevelt said:

I, too, believe in individualism; but I mean it in every-thing that the word implies. I believe that our industrial and economic system is made for individual men and women; and not individual men and women for the benefit of the system. I believe that the individual should have full liberty of action to make the most of himself; but I do not believe that in the name of that sacred word a few powerful interests should be permitted to make industrial cannon fodder of the lives of half of the population of the United States.

And so there has been nominated to the American people a President who, as I say, before and after his nomination, has declared to help decentralize the wealth of the country, as reaffirmed in his inaugural address and our President will need much help to carry it out. He has a hard task ahead. We must be patient and not expect too much too quickly. It depends upon the people to help out in these kind of undertakings, because he will confront the most masterful problem when he undertakes to carry out this platform pledge that he reaffirmed in his inaugural address.

Why should there be calamity in this land? There is too much to eat among us, so why should anyone starve? There is too much to wear; why should anyone go naked? There are too many houses, why should anyone go homeless?

Blessed as we are with everything that the Creator can give us, why should we allow the greed of the few to spread poverty and misery to the many? Should we not follow along the lines that are safe, fair and secure?

If we will allow \$100,000,000 to any one man, if we will allow him a net earning of \$1,000,000 in one year; if we will allow one child to inherit \$5,000,000 without hitting a lick to earn it, is that not enough?

After that, is it not fair that the government should have the balance so that the mass can be relieved of the taxes, so the government can spread work and find employment and so that the wealth may eventually be filtered and diffused into the lives of all, even as Mr. Hoover expressed himself in his last election, and as our President is desirous of accomplishing?

These are the bills which I have introduced in Congress, my friends; and I conclude my remarks hoping that they may have ready help from the American people.

I thank you.