SUPPLEMENT

TO THE

MESSAGES AND PAPERS OF THE PRESIDENTS

COVERING THE SECOND ADMINISTRATION OF

CALVIN COOLIDGE

MARCH 4, 1925, TO MARCH 4, 1929

WITH INDEX

(The pages start with 9481 for the reason that this volume is printed from the plates used in printing the regular up-to-date edition of Messages and Papers of the Presidents.)

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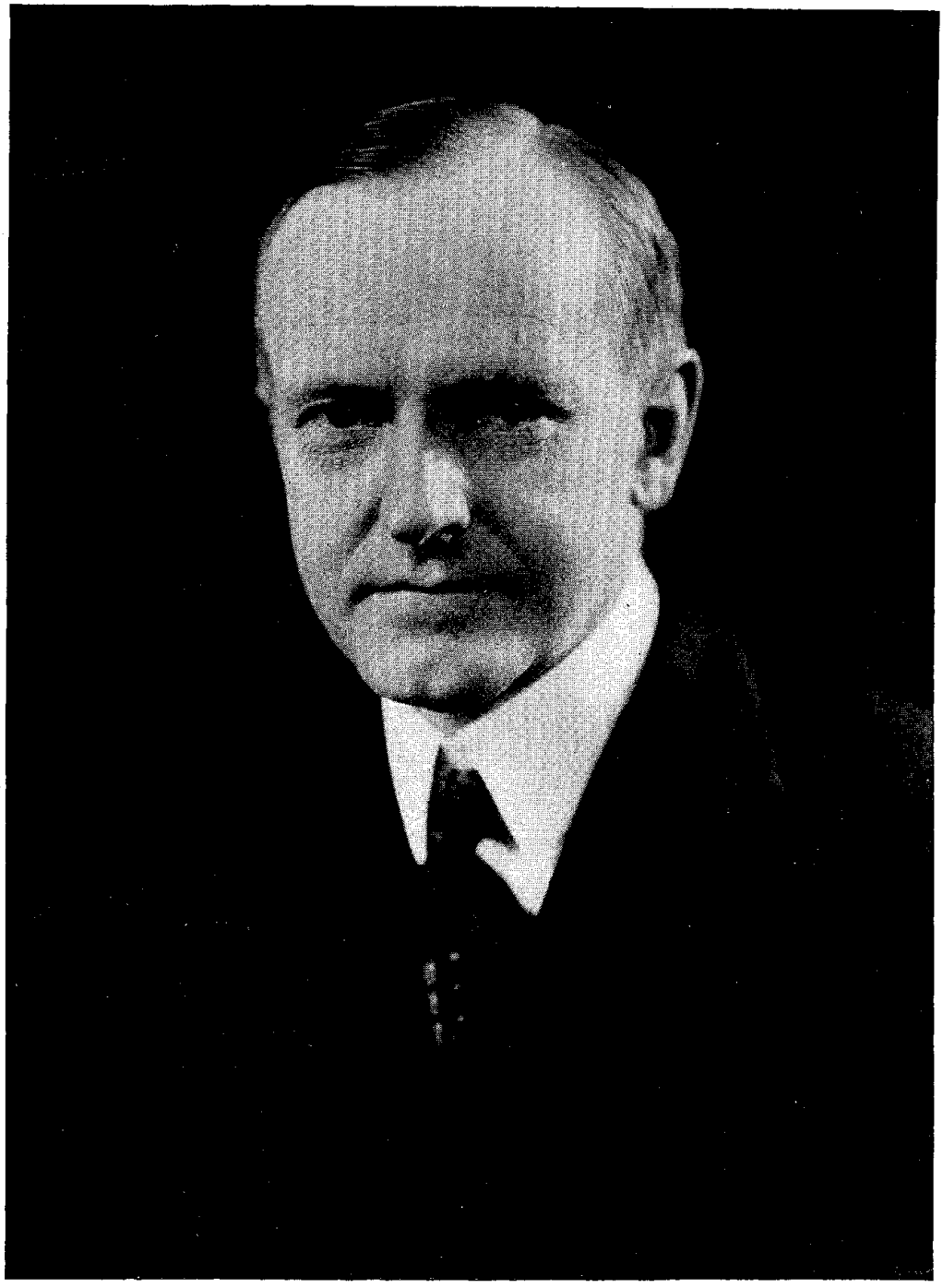


Calvin Coolidge

CALVIN COOLIDGE AND MRS. COOLIDGE
IN FRONT OF THE FORMER'S BIRTHPLACE

February 14, 1903, supra. The transfer above mentioned shall be effective from and including April 1, 1925.

CALVIN COOLIDGE.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

[Sesquicentennial Exhibition at Philadelphia, 1926.]

Whereas, by a Joint Resolution approved August 29, 1922, the President was requested to invite the participation and cooperation of the States of the Union and the nations of the world in an International Exhibition, to be held at Philadelphia, Pennsylvania, from June 1 to November 30, 1926, in celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence, and for the purpose of exhibiting the progress of the United States and other nations in art, science, and industry, in trade and commerce, and in the development of the products of the air, the soil, the mine, the forest, and the seas;

And, Whereas, a Joint Resolution of Congress, approved March 3, 1925, provides for the cooperation and participation of the United States in the said Exhibition;

Now, Therefore, I, Calvin Coolidge, President of the United States of America, by virtue of the legislation aforesaid, do hereby invite the States of the Union and all foreign countries to cooperate and participate in the Exhibition mentioned by appointing representatives and sending thereto such exhibits as will most fitly and fully illustrate their resources, their industries and their progress in civilization.

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this nineteenth day of March, in the year of Our Lord one thousand nine hundred and twenty-
[SEAL] five and of the Independence of the United States of America the one hundred and forty-ninth.

CALVIN COOLIDGE.

By the President:

FRANK B. KELLOGG, *Secretary of State.*

ADDRESS

[Laying of Cornerstone of Jewish Community Centre, Washington, D. C., May 3, 1925.]

We have gathered this afternoon to lay with appropriate ceremony and solemnity the cornerstone of a temple. The splendid structure

which is to rise here will be the home of the Jewish Community Centre of Washington. It will be at once a monument to the achievements of the past and a help in the expansion of these achievements into a wider field of usefulness in the future. About this institution will be organized, and from it will be radiated, the influences of those civic works in which the genius of the Jewish people has always found such eloquent expression. Such an establishment, so noble in its physical proportions, so generous in its social purposes, is truly a part of the civic endowment of the nation's capital. Beyond that, its existence here at the seat of the national Government makes it in a peculiar way a testimony and an example before the entire country.

This year 1925 is a year of national anniversaries. States, cities and towns throughout all the older part of the country will be celebrating their varied parts in the historic events which a century and a half ago marked the beginning of the American Revolution. It will be a year of dedications and rededications. It will recall the heroic events from which emerged a great modern nation consecrated to liberty, equality, and human rights. It will remind us, as a nation, of how a common spiritual inspiration was potent to bring and mold and weld together into a national unity the many and scattered colonial communities that had been planted along the Atlantic seaboard.

In a time when the need of that unification, understanding and tolerance which are necessary to a national spirit is so great, it will recall the fact that the fathers not only confronted these same problems in forms far more difficult than they are today but also solved them. Among the peoples of the thirteen colonies, there were few ties of acquaintance, of commercial or industrial interest. There were great differences in political sentiments, even within the local communities, while there were wide divergences among the several colonies, in origin, in religion, in social outlook.

If we would seek a fairly accurate impression of conditions at the beginning of the Revolution we must attempt a really continental view of North America as it was in 1775. The group of new-born commonwealths which we commonly refer to as "the original thirteen colonies," and which in our minds represent a considerable measure of nationality already achieved, did not in fact even know that they would be thirteen in number. No man, on the day of Lexington, could be altogether sure that the Revolution was more than a New England affair. It might or it might not draw the Middle and Southern colonies into its armed array of resistance. On the other hand, the thirteen might have been joined by Canada, which was British in sovereignty but chiefly French in population; by Florida and Louisiana, which were both mainly Spanish.

In short, there might have been fourteen or fifteen or sixteen original colonies participating in the North American Revolution against Europe, or there might have been less than a half-dozen of them. At that time France had no territory within continental North America. But this condition had existed for only a short time since the end of the Seven Years' War. France had by no means become reconciled to this exclusion from a part in the North American empire; and only a little later, in the year 1800, under a new treaty with Spain, resumed the sovereignty of the Mississippi Valley. Three years after this, benefiting by the fortunes of the Napoleonic wars, President Jefferson confronted and promptly seized the opportunity to buy Louisiana from Napoleon. Even then, many years were yet to pass before the last claims of Spain should be extinguished from this continent.

I have recounted these scraps of territorial history because unless we keep them in mind we shall not at all comprehend the task of unification, of nation building, that the Revolutionary Fathers undertook when they not only dared the power of Great Britain but set themselves against the tradition of the subordination to Europe of America. As we look back we realize that even among the colonies of England there were few and doubtful common concerns to bind them together. Their chief commercial interests were not among themselves but with the mother country across the Atlantic. New England was predominantly Puritan, the Southern colonies were basically Cavalier. New York was in the main Dutch. Pennsylvania had been founded by the Quakers, while New Jersey needed to go back but a short distance to find its beginnings in a migration from Sweden.

There were well-nigh as many divergencies of religious faiths as there were of origin, politics and geography. Yet, in the end, these religious differences proved rather unimportant. While the early dangers in some colonies made a unity in belief and all else a necessity to existence, at the bottom of the colonial character lay a stratum of religious liberalism which had animated most of the early comers. From its beginnings the new continent had seemed destined to be the home of religious tolerance. Those who claimed the right of individual choice for themselves finally had to grant it to others. Beyond that—and this was one of the factors which I think weighed heaviest on the side of unity—the Bible was the one work of literature that was common to all of them. The Scriptures were read and studied everywhere. There are many testimonies that their teachings became the most important intellectual and spiritual force for unification.

I remember to have read somewhere, I think in the writings of the historian Lecky, the observation that "Hebraic mortar cemented the foundations of American democracy." Lecky had in mind this very influence of the Bible in drawing together the feelings and sympathies

of the widely scattered communities. All the way from New Hampshire to Georgia they found a common ground of faith and reliance in scriptural writings. In those days books were few and even those of a secular character were largely the product of a scholarship which used the Scriptures as the model and standard of social interpretation. It was to this, of course, that Lecky referred. He gauged correctly a force too often underestimated and his observation was profoundly wise. It suggests, in a way which none of us can fail to understand, the debt which the young American nation owed to the sacred writing that the Hebrew people gave to the world.

This Biblical influence was strikingly impressive in all the New England colonies, and only less so in the others. In the Connecticut code of 1650 the Mosaic model is adopted. The magistrates were authorized to administer justice "according to the laws here established and, for want of them, according to the word of God." In the New Haven code of 1655 there were seventy-nine topical statutes for the Government, half of which contained references to the Old Testament. The founders of the New Haven colony, John Davenport and Theophilus Eaton, were expert Hebrew scholars. The extent to which they leaned upon the moral and administrative system laid down by the Hebrew lawgivers was responsible for their conviction that the Hebrew language and literature ought to be made as familiar as possible to all the people. So it was that John Davenport arranged that in the first public school in New Haven the Hebrew language should be taught.

The preachers of those days, saturated in the religion and literature of the Hebrew prophets, were leaders, teachers, moral mentors and even political philosophers for their flocks. A people raised under such leadership, given to much study and contemplation of the Scriptures, inevitably became more familiar with the great figures of Hebrew history—with Joshua, Samuel, Moses, Joseph, David, Solomon, Gideon, Elisha—than they were with the stories of their own ancestors as recorded in the pages of profane history. The sturdy old divines of those days found the Bible a chief source of illumination for their arguments in support of the patriot cause. They knew the Book. They were profoundly familiar with it, and eminently capable in the exposition of all its justifications for rebellion. To them, the record of the exodus from Egypt was indeed an inspired precedent. They knew what arguments from holy writ would most powerfully influence their people.

It required no great stretch of logical processes to demonstrate that the children of Israel, making bricks without straw in Egypt, had their modern counterpart in the people of the colonies, enduring the imposition of taxation without representation. And the Jews themselves, of whom a considerable number were already scattered throughout the

colonies, were true to the teachings of their own prophets. The Jewish faith is predominantly the faith of liberty. From the beginnings of the conflict between the colonies and the mother country, they were overwhelmingly on the side of the rising revolution. You will recognize them when I read the names of some among the merchants who unhesitatingly signed the non-importation resolution of 1765: Isaac Moses, Benjamin Levy, Samson Levy, David Franks, Joseph Jacobs, Hayman Levy, Jr., Matthias Bush, Michael Gratz, Bernard Gratz, Isaac Franks, Moses Mordecai, Benjamin Jacobs, Samuel Lyon and Manual Mordecai Noah.

Not only did the colonial Jews join early and enthusiastically in the non-intercourse program, but when the time came for raising and sustaining an army they were ready to serve wherever they could be most useful. There is a romance in the story of Haym Salomon, Polish Jew, financier of the Revolution. Born in Poland, he was made prisoner by the British forces in New York, and when he escaped set up in business in Philadelphia. He negotiated for Robert Morris all the loans raised in France and Holland, pledged his personal faith and fortune for enormous amounts, and personally advanced large sums to such men as James Madison, Thomas Jefferson, Baron Steuben, General St. Clair and many other patriot leaders, who testified that without his aid they could not have carried on in the cause.

A considerable number of Jews became officers in the Continental forces. The records show at least four Jews who served as Lieutenant Colonels, three as Majors and certainly six, probably more, as Captains. Major Benjamin Nones has been referred to as the Jewish Lafayette. He came from France in 1777, enlisted in the Continentals as a volunteer, served on the staffs of both Washington and Lafayette, and later was attached to the command of Baron de Kalb, in which were a number of Jews. When de Kalb was fatally wounded in the thickest of the fighting at the battle of Camden, the three officers who were at hand to bear him from the field were Major Nones, Captain de la Motta and Captain Jacob de Leon, all of them Jews. It is interesting to know that at the time of the Revolution there was a larger Jewish element in the Southern colonies than would have been found there at most later periods; and these Jews of the Carolinas and Georgia were ardent supporters of the Revolution. One corps of infantry raised in Charleston, S. C., was composed preponderantly of Jews, and they gave a splendid account of themselves in the fighting in that section.

It is easy to understand why a people with the historic background of the Jews should thus overwhelmingly have allied themselves with the cause of freedom. From earliest colonial times, America has been a new land of promise to this long-persecuted race. The Jewish community of the United States is not only the second most numerous in

the world, but in respect of its Old World origins it is probably the most cosmopolitan. But whatever their origin as a people, they have always come to us, eager to adapt themselves to our institutions, to thrive under the influence of liberty, to take their full part as citizens in building and sustaining the nation, and to bear their part in its defense, in order to make contribution to the national life fully worthy of the traditions they had inherited.

The institution for which we are today dedicating this splendid home is not a charity to minister to the body, but rather to the soul. The 14,000 Jews who live in this capital city have passed, under the favoring auspices of American institutions, beyond the need for any other benevolence. They are planting here a home for community service; fixing a centre from which shall go forth the radiations of united effort for advancement in culture, in education, in social opportunity. Here will be the seat of organized influence for the preservation and dissemination of all that is best and most useful, of all that is leading and enlightening, in the culture and philosophy of this "peculiar people" who have so greatly given to the advancement of humanity.

Our country has done much for the Jews who have come here to accept its citizenship and assume their share of its responsibilities in the world. But I think the greatest thing it has done for them has been to receive them and treat them precisely as it has received and treated all others who have come to it. If our experiment in free institutions has proved anything, it is that the greatest privilege that can be conferred upon people in the mass is to free them from the demoralizing influence of privilege enjoyed by the few. This is proved by the experience here, not alone of the Jews, but of all the other racial and national elements that have entered into the making of this nation. We have found that when men and women are left free to find the places for which they are best fitted, some few of them will indeed attain less exalted stations than under a régime of privilege; but the vast multitude will rise to a higher level, to wider horizons, to worthier attainments. To go forward on the same broadening lines that have marked the national development thus far must be our aim. It is an easy thing to say, but not so simple to do. There is no straight and smooth and posted highway into the vast, dim realm of the tomorrows. There are bogs and morasses, blind roads and bad detours.

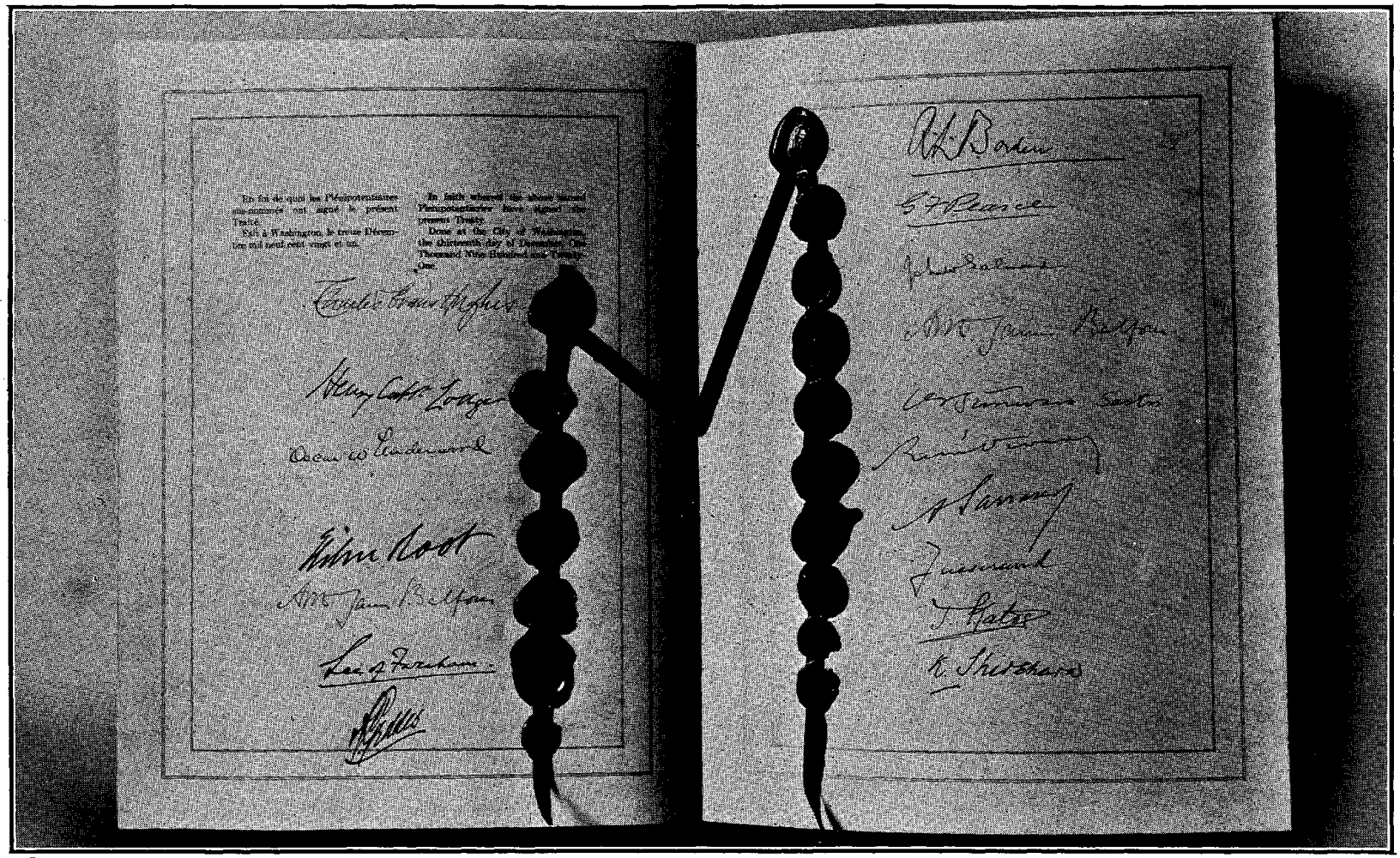
No philosophy of history has ever succeeded in charting accurately the day of the future. No science of social engineering has been able to build wide and easy roads by which to bring up the van of human progress in sure and easy marches. The race is always pioneering. It always has been and always must be. It dare not tire of unending effort and repeated disappointments. It must not in any moment of weariness or inertia cease from pressing on. Least of all can be indulge the

satisfactions of complacency, imagining that the sum of useful progress has been attained. The community or the civilization that ceases to progress begins that hour to recede. The work of spiritual unification is not completed. Factional, sectional, social and political lines of conflict yet persist. Despite all experience, society continues to engender the hatreds and jealousies whereof are born domestic strife and international conflicts. But education and enlightenment are breaking their force. Reason is emerging.

Every inheritance of the Jewish people, every teaching of their secular history and religious experience, draws them powerfully to the side of charity, liberty and progress. They have always been arrayed on this side, and we may be sure they will not desert it. Made up of so many diverse elements, our country must cling to those fundamentals that have been tried and proved as buttresses of national solidarity. It must be our untiring effort to maintain, to improve, and, so far as may be humanly possible, to perfect those institutions which have proved capable of guaranteeing our unity, and strengthening us in advancing the estate of the common man.

This edifice which you are rearing here is a fine example for other communities. It speaks a purpose to uphold an ancient and noble philosophy of life and living, and yet to assure that such philosophy shall always be adapted to the requirements of changing times, increasing knowledge and developing institutions. It is a guarantee that you will keep step with liberty. This capacity for adaptation in detail, without sacrifice of essentials, has been one of the special lessons which the marvelous history of the Jewish people has taught. It is a lesson which our country, and every country based on the principle of popular government, must learn and apply, generation by generation, year by year, yes, even day by day. You are raising here a testimonial to the capacity of the Jewish people to do this.

In the advancing years, as those who come and go shall gaze upon this civic and social landmark, may it be a constant reminder of the inspiring service that has been rendered to civilization by men and women of the Jewish faith. May they recall the long array of those who have been eminent in statecraft, in science, in literature, in art, in the professions, in business, in finance, in philanthropy and in the spiritual life of the world. May they pause long enough to contemplate that the patriots who laid the foundation of this Republic drew their faith from the Bible. May they give due credit to the people among whom the Holy Scriptures came into being. And as they ponder the assertion that "Hebraic mortar cemented the foundations of American democracy," they cannot escape the conclusion that if American democracy is to remain the greatest hope of humanity it must continue abundantly in the faith of the Bible.



FACSIMILE, SIGNATURES TO THE "FOUR POWER" TREATY

THE ARMAMENT LIMITATION CONFERENCE

The limit on competitive construction of large warships fixed upon the great naval Powers of the World by the Naval Limitation Treaty is explained on pages 9076 to 9087. The text of the so-called Four Power Treaty, the signatures to which are shown in the illustration, is on pages 9051 and 9052, and the reservation added by the United States Senate in ratifying, on page 9088. All the important treaties arising from the Conference will be found in the preceding and the following pages and an impartial estimate of the Conference's successes and failures will be found in the Encyclopedic Index under "Armament Limitation Conference." A view of the official opening of the Conference will be found opposite another page.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the City of Washington on this 18th day of September in the year of our Lord One Thousand Nine Hundred and Twenty-
[SEAL] five and of the Independence of the United States the One Hundred and Fiftieth. CALVIN COOLIDGE.

By the President:

FRANK B. KELLOGG, *Secretary of State.*

[Thanksgiving—1925.]

The season approaches when, in accordance with a long established and respected custom, a day is set apart to give thanks to Almighty God for the manifold blessings which His gracious and benevolent providence has bestowed upon us as a nation and as individuals.

We have been brought with safety and honor through another year, and, through the generosity of nature, He has blessed us with resources whose potentiality in wealth is almost incalculable; we are at peace at home and abroad; the public health is good; we have been undisturbed by pestilences or great catastrophes; our harvests and our industries have been rich in productivity; our commerce spreads over the whole world, and Labor has been well rewarded for its remunerative service.

As we have grown and prospered in material things, so also should we progress in moral and spiritual things. We are a God-fearing people who should set ourselves against evil and strive for righteousness in living, and observing the Golden Rule we should from our abundance help and serve those less fortunately placed. We should bow in gratitude to God for His many favors.

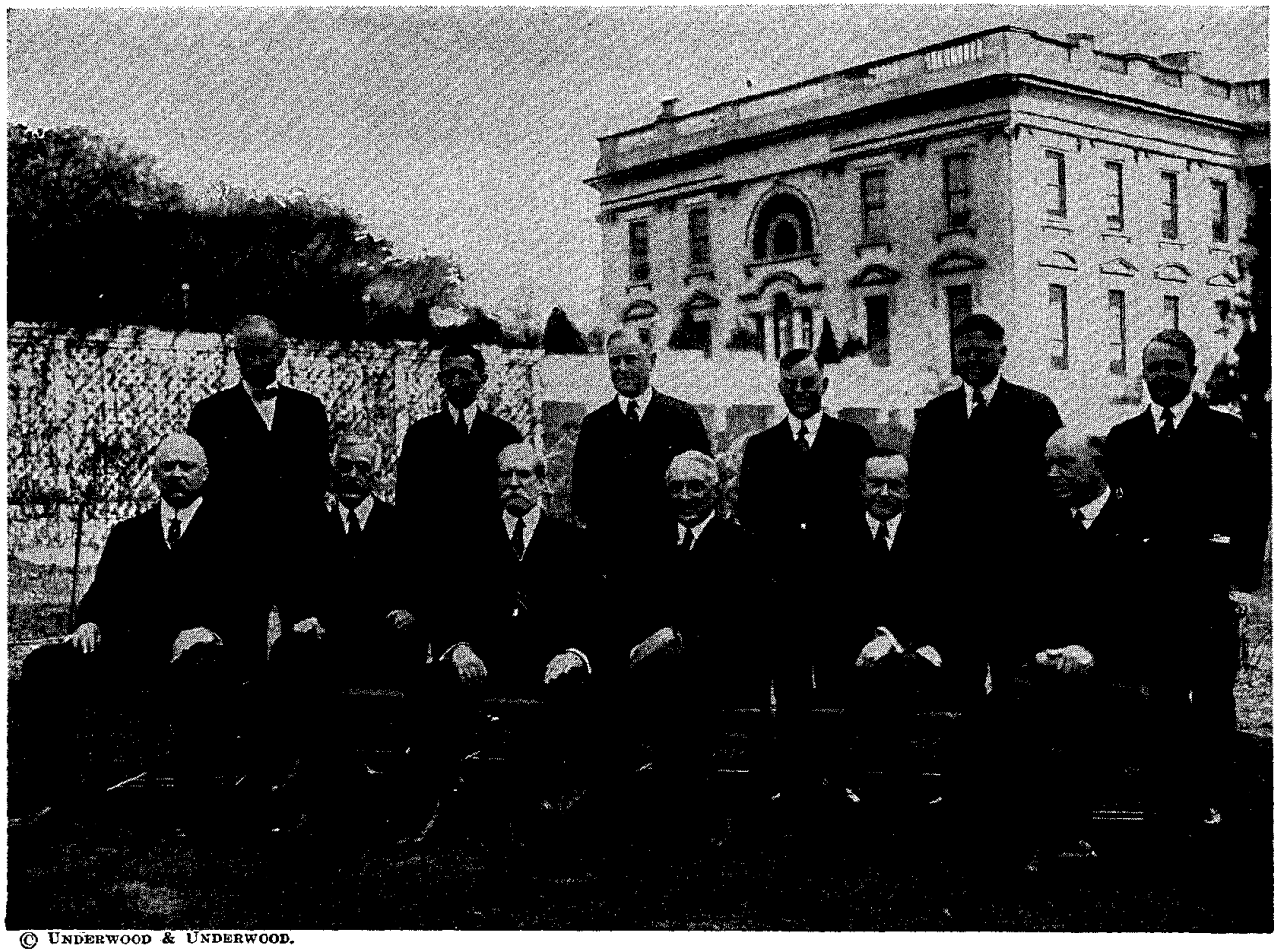
Now, therefore, I, Calvin Coolidge, President of the United States, do hereby set apart Thursday, the twenty-sixth day of November next as a day of general thanksgiving and prayer, and I recommend that on that day the people shall cease from their daily work, and in their homes or in their accustomed places of worship, devoutly give thanks to the Almighty for the many and great blessings they have received, and to seek His guidance that they may deserve a continuance of His favor.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 26th day of October, in the year of our Lord one thousand nine hundred and twenty-five, and
[SEAL] of the Independence of the United States of America the one hundred and fiftieth. CALVIN COOLIDGE.

By the President:

FRANK B. KELLOGG, *Secretary of State.*



THE FIRST CABINET OF PRESIDENT HARDING

Seated, Left to Right—Secretary of War Weeks, Secretary of the Treasury Mellon, Secretary of State Hughes, President Harding, Vice President Coolidge, Secretary of the Navy Denby.
Standing, Left to Right—Secretary of the Interior Fall, Postmaster General Hays, Attorney General Daugherty, Secretary of Agriculture Wallace, Secretary of Commerce Hoover, Secretary of Labor Davis.

THE FIRST CABINET OF PRESIDENT HARDING

President Harding's selection of his cabinet mirrored the political situation which confronted his administration. Public attention was focused upon his choice for Secretary of State, for the choice of an advocate of the unreserved entrance of the United States into the League of Nations would have aroused the immediate opposition of the "Irreconcilables" who had succeeded in defeating ratification of the Treaty of Versailles; whereas the choice of an advocate of complete world-isolation for the United States would have run counter to Harding's own promise to effect "an association of nations." Moreover, it was necessary that a man of supreme intellectual ability be chosen, for it was evident that President Harding was not going to dominate the foreign policy of the administration as had President Wilson. All these requirements were happily met in Charles Evans Hughes.

Next to Secretary Hughes, the most prominent man to enter the cabinet was Herbert Hoover, endeared to Americans by his work as head of the Belgian Relief Administration and of the United States Food Administration during the War. His appointment was a concession to the "liberals" within the Republican Party, and also to a certain type of progressive business man who admired Mr. Hoover's firm grasp upon economic facts, here and abroad.

Mr. Daugherty had been President Harding's manager for the Presidential nomination, as well as his tactician previously in Ohio politics. Other appointments evidently dictated by political exigencies were those of Mr. Weeks, for many years a powerful influence within the Republican Party, and of Mr. Hays, who had achieved great success in unifying the Party and had managed its 1920 Presidential campaign.

Mr. Fall had been a close personal friend of the President in the Senate, and his inclusion in the cabinet was probably due also to his knowledge of affairs in Mexico. Mr. Denby, a former member of the House of Representatives, had seen service in the Marine Corps during the War. In the choice of Mr. Mellon for the Treasury position, the abilities of one of the most successful bankers of the country were secured, who, however, was not under the political handicap of being known as a "Wall Street man," and who was a constituent of Senator Penrose, the leader of the Republican Party in the Senate.

Mr. Wallace was the owner and editor of an extremely successful and influential agricultural journal. Mr. Davis had once been an active trade union member, so that his appointment might serve to enlist the applause of organized labor, whereas his period of union activity had been sufficiently distant not to alienate the business interests of the country by the appointment.

On the whole, the cabinet was representative of the conservative rather than of the "Progressive" wing of the Republican Party, thus reflecting President Harding's own conservative views while a member of the United States Senate.

STATE DEPARTMENT STATEMENT

[Report of the Niagara Control Board.]

September 19, 1925.

1. The Niagara Control Board has the honour to submit herewith a report covering the work performed by the Board in connection with the diversion of water from the Niagara River for power purposes.

2. The work of the Board has been in conformity with views expressed in a despatch dated 8th February, 1923, from the Secretary of State of the United States to the Ambassador of Great Britain at Washington and concurred in by the Government of Canada under date of the 10th July, 1923, wherein reference was made to existing and projected hydraulic turbine installations at Niagara Falls, which if operated to capacity would be capable of diverting water for power purposes in excess of treaty limitations, and refers further to the desirability of appointing a joint Board to secure uniformity and closer cooperation in the method of measurement of the water diverted and proper observance of treaty provisions.

3. Under Article 5 of the Boundary Waters Treaty of 11th January, 1909, the diversion within the State of New York of waters of the Niagara River for power purposes is limited to an amount not exceeding in the aggregate a daily diversion at the rate of 20,000 cubic feet of water per second, and within the Province of Ontario, 36,000 cubic feet of water per second. Of the existing diversions for power purposes, all are returned to the lower Niagara River with the exception of 500 cubic feet per second, which has been reserved by the United States for diversion for power purposes through the New York State Barge Canal, and such portion of this 500 cubic feet as is actually used is returned to Lake Ontario east of the Niagara River.

4. The Board adopted a method of determining the amount of water diverted by the several power companies on the Canadian and American shores of the Niagara River at Niagara Falls, and directed that hourly records be kept of the diversions by these companies. The method of measurement adopted determines at hourly intervals the power output of the various plants by watt meter readings, and by computation therefrom the amount of water used by the various hydro electric units is obtained by means of curves showing the relation between water consumption and power output for the different units, as determined by efficiency tests.

5. The efficiency tests were made under the direction and in the presence of the Board or its representatives. They consisted of measuring the amount of water used and the amount of electrical energy delivered by a unit at various gate openings. The electrical measurements were made by carefully calibrated electrical instruments of standard type. The measurements of water consumption were made by the "Gibson" method. This is a fairly recent development in hydraulic art, by which the amount of water flowing in a penstock is computed from a pressure time diagram showing the changes in penstock pressure caused by a closure of the turbine gates. The Board investigated this method very carefully and secured such convincing evidence of its accuracy and convenience that it was adopted as a standard method for use throughout the operations of the Board. These measurements were made on each type of unit in each power house, and, where more than one unit of the same type and capacity was installed at least one unit from each five or less identical units in a plant was tested.

6. For many years the United States power companies at Niagara Falls have been required to submit reports of hourly measurements to the War Department indicating the amount of water diverted from the Niagara River. An inspection of these records from the time it was physically possible from the status of installation of machinery to have exceeded the treaty limitations definitely shows that the diversion of water by these companies has at no time exceeded in the aggregate a daily diversion at the rate of 19,500 cubic feet of water per second.

7. With respect to the remaining 500 cubic feet per second reserved by the United States for diversion for power purposes through the New York State Barge Canal, accurate measurement of this diversion has not yet been made by the Board, such action being delayed pending definition of water rights and allocation of water diversions by the Federal Power Commission. From inspection of the

waterway, information on hand, and reports of measurements submitted by the New York State Engineer, the Board believes that the 500 cubic feet per second reserved for this purpose has not been exceeded.

8. A careful inspection and investigation by this Board of records of the several power companies on the Canadian side of the Niagara River, from the time it was physically possible from the status of installation of machinery to have exceeded the treaty limitations, definitely shows that the diversion of water has at no time exceeded in the aggregate a daily diversion at the rate of 36,000 cubic feet of water per second.

9. It is pertinent to refer here to the fact that while hydraulic installation on both sides of the boundary is now such that it is physically possible to divert water in excess of the treaty limitations, the policy pursued in both countries has been that of partial closure of the older and more inefficient plants and the utilization of the water in the newer and highly efficient plants.

10. Since January 1, 1925, hourly measurements have been made at the power plants on both sides of the Niagara River at Niagara Falls, and show that all the power plants have been and are being operated in entire compliance with the provisions of the treaty.

11. Weekly inspections of the various power plants are made by the Board or its representatives, at irregular hours. It is believed that, under the method of supervision adopted, no violation of treaty limitations is possible without prompt detection by the Board.

12. Hourly records of diversions and frequent inspections by the Board will be continued and additional efficiency tests made from time to time as changes in conditions warrant or require.

THIRD ANNUAL MESSAGE

[Read to Congress on December 8, 1925.]

Members of the Congress:

In meeting the constitutional requirement of informing the Congress upon the state of the Union, it is exceedingly gratifying to report that the general condition is one of progress and prosperity. Here and there are comparatively small and apparently temporary difficulties needing adjustment and improved administrative methods, such as are always to be expected, but in the fundamentals of government and business the results demonstrate that we are going in the right direction. The country does not appear to require radical departures from the policies already adopted so much as it needs a further extention of these policies and the improvement of details. The age of perfection is still in the somewhat distant future, but it is more in danger of being retarded by mistaken Government activity than it is from lack of legislation. We are by far the most likely to accomplish permanent good if we proceed with moderation.

In our country the people are sovereign and independent, and must accept the resulting responsibilities. It is their duty to support themselves and support the Government. That is the business of the nation, whatever the charity of the nation may require. The functions which the Congress are to discharge are not those of local government but of national government. The greatest solicitude should be exercised to

prevent any encroachment upon the rights of the states or their various political subdivisions. Local self-government is one of our most precious possessions. It is the greatest contributing factor to the stability, strength, liberty, and progress of the nation. It ought not to be infringed by assault or undermined by purchase. It ought not to abdicate its power through weakness or resign its authority through favor. It does not at all follow that because abuses exist it is the concern of the federal Government to attempt their reform.

Society is in much more danger from encumbering the national Government beyond its wisdom to comprehend, or its ability to administer, than from leaving the local communities to bear their own burdens and remedy their own evils. Our local habit and custom is so strong, our variety of race and creed is so great, the federal authority is so tenuous, that the area within which it can function successfully is very limited. The wiser policy is to leave the localities, so far as we can, possessed of their own sources of revenue and charged with their own obligations.

GOVERNMENT ECONOMY

It is a fundamental principle of our country that the people are sovereign. While they recognize the undeniable authority of the state, they have established as its instrument a Government of limited powers. They hold inviolate in their own hands the jurisdiction over their own freedom and the ownership of their own property. Neither of these can be impaired except by due process of law. The wealth of our country is not public wealth, but private wealth. It does not belong to the Government, it belongs to the people. The Government has no justification in taking private property except for a public purpose. It is always necessary to keep these principles in mind in the laying of taxes and in the making of appropriations. No right exists to levy on a dollar, or to order the expenditure of a dollar, of the money of the people, except for a necessary public purpose duly authorized by the Constitution. The power over the purse is the power over liberty.

That is the legal limitation within which the Congress can act. How it will proceed within this limitation is always a question of policy. When the country is prosperous and free from debt, when the rate of taxation is low, opportunity exists for assuming new burdens and undertaking new enterprises. Such a condition now prevails only to a limited extent. All proposals for assuming new obligations ought to be postponed, unless they are reproductive capital investments or are such as are absolutely necessary at this time. We still have an enormous debt of over $20,000,000,000, on which the interest and sinking-fund requirements are $1,320,000,000. Our appropriations for the Pension Office and the Veterans' Bureau are $600,000,000. The War and Navy

Departments call for $642,000,000. Other requirements, exclusive of the Post Office, which is virtually self-sustaining, brought the appropriations for the current year up to almost $3,100,000,000. This shows an expenditure of close to $30 for every inhabitant of our country. For the average family of five it means a tax, directly or indirectly paid, of about $150 for national purposes alone. The local tax adds much more. These enormous expenditures ought not to be increased, but through every possible effort they ought to be reduced.

Only one of these great items can be ultimately extinguished. That is the item of our war debt. Already this has been reduced by about $6,000,000,000, which means an annual saving in interest of close to $250,000,000. The present interest charge is about $820,000,000 yearly. It would seem to be obvious that the sooner this debt can be retired the more the taxpayers will save in interest and the easier it will be to secure funds with which to prosecute needed running expenses, constructions, and improvements. This item of $820,000,000 for interest is a heavy charge on all the people of the country, and it seems to me that we might well consider whether it is not greatly worth while to dispense with it as early as possible by retiring the principal debt which it is required to serve.

It has always been our policy to retire our debts. That of the Revolutionary War period, notwithstanding the additions made in 1812, was paid by 1835, and the Civil War debt within 23 years. Of the amount already paid, over $1,000,000,000 is a reduction in cash balances. That source is exhausted. Over one and two-thirds billions of dollars was derived from excess receipts. Tax reduction eliminates that. The sale of surplus war materials has been another element of our income. That is practically finished. With these eliminated, the reduction of the debt has been only about $500,000,000 each year, not an excessive sum on so large a debt.

Proposals have been made to extend the payment over a period of 62 years. If $1,000,000,000 is paid at the end of 20 years, the cost to the taxpayers is the principal and, if the interest is 4¼ per cent, a total of $1,850,000,000. If the same sum is paid at the end of 62 years, the cost is $3,635,000,000, or almost double. Here is another consideration: Compared with its purchasing power in 1913, the dollar we borrowed represented but 52 cents. As the value of our dollar increases, due to the falling prices of commodities, the burden of our debt increases. It has now risen to 63½ cents. The taxpayer will be required to produce nearly twice the amount of commodities to pay his debt if the dollar returns to the 1913 value. The more we pay while prices are high, the easier it will be.

Deflation of government after a war period is slower than deflation of business, where curtailment is either prompt and effective or disaster

follows. There is room for further economy in the cost of the federal Government, but a comparison of current expenditures with pre-war expenditures is not unfavorable to the efficiency with which Government business is now being done. The expenditures of 1916, the last pre-war year, were $742,000,000, and in 1925 over $3,500,000,000, or nearly five times as great. If we subtract expenditures for debt retirements and interest, veterans' relief, increase of pensions, and other special outlays, consisting of refunds, trust investments, and like charges, we find that the general expenditures of the Government in 1925 were slightly more than twice as large as in 1916.

As prices in 1925 were approximately 40 per cent higher than in 1916, the cost of the same Government must also have increased. But the Government is not the same. It is more expensive to collect the much greater revenue necessary and to administer our great debt. We have given enlarged and improved services to agriculture and commerce. Above all, America has grown in population and wealth. Government expenditures must always share in this growth. Taking into account the factors I have mentioned, I believe that present federal expenses are not far out of line with pre-war expenses. We have nearly accomplished the deflation.

This does not mean that further economies will not come. As we reduce our debt our interest charges decline. There are many details yet to correct. The real improvement, however, must come not from additional curtailment of expenses, but by a more intelligent, more ordered spending. Our economy must be constructive. While we should avoid as far as possible increases in permanent current expenditures, oftentimes a capital outlay like internal improvements will result in actual constructive saving. That is economy in its best sense. It is an avoidance of waste that there may be the means for an outlay today which will bring larger returns tomorrow. We should constantly engage in scientific studies of our future requirements and adopt an orderly program for their service. Economy is the method by which we prepare today to afford the improvements of tomorrow.

BUDGET

A mere policy of economy without any instrumentalities for putting it into operation would be very ineffective. The Congress has wisely set up the Bureau of the Budget to investigate and inform the President what recommendations he ought to make for current appropriations. This gives a centralized authority where a general and comprehensive understanding can be reached of the sources of income and the most equitable distribution of expenditures. How well it has worked is indicated by the fact that the departmental estimates for 1922,

before the budget law, were $4,068,000,000 while the Budget estimates for 1927 are $3,156,000,000. This latter figure shows the reductions in departmental estimates for the coming year made possible by the operation of the Budget system that the Congress has provided.

But it is evidently not enough to have care in making appropriations without any restraint upon expenditure. The Congress has provided that check by establishing the office of Comptroller General.

The purpose of maintaining the Budget Director and the Comptroller General is to secure economy and efficiency in Government expenditure. No better method has been devised for the accomplishment of that end. These offices can not be administered in all the various details without making some errors both of fact and of judgment. But the important consideration remains that these are the instrumentalities of the Congress and that no other plan has ever been adopted which was so successful in promoting economy and efficiency. The Congress has absolute authority over the appropriations and is free to exercise its judgment, as the evidence may warrant, in increasing or decreasing budget recommendations. But it ought to resist every effort to weaken or break down this most beneficial system of supervising appropriations and expenditures. Without it all the claim of economy would be a mere pretense.

TAXATION

The purpose of reducing expenditures is to secure a reduction in taxes. That purpose is about to be realized. With commendable promptness the Ways and Means Committee of the House has undertaken in advance of the meeting of the Congress to frame a revenue act. As the bill has proceeded through the committee it has taken on a nonpartisan character, and both Republicans and Democrats have joined in a measure which embodies many sound principles of tax reform. The bill will correct substantially the economic defects injected into the revenue act of 1924, as well as many which have remained as war-time legacies. In its present form it should provide sufficient revenue for the Government.

The excessive surtaxes have been reduced, estate tax rates are restored to more reasonable figures, with every prospect of withdrawing from the field when the states have had the opportunity to correct the abuses in their own inheritance tax laws, the gift tax and publicity section are to be repealed, many miscellaneous taxes are lowered or abandoned, and the Board of Tax Appeals and the administrative features of the law are improved and strengthened. I approve of the bill in principle. In so far as income-tax exemptions are concerned, it seems to me the committee has gone as far as it is safe to go and some-

what further than I should have gone. Any further extension along these lines would, in my opinion, impair the integrity of our income-tax system.

I am advised that the bill will be through the House by Christmas. For this prompt action the country can thank the good sense of the Ways and Means Committee in framing an economic measure upon economic considerations. If this attitude continues to be reflected through the Congress, the taxpayer will have his relief by the time his March 15th installment of income taxes is due. Nonpartisan effort means certain, quick action. Determination of a revenue law definitely, promptly and solely as a revenue law, is one of the greatest gifts a legislature can bestow upon its constituents. I commend the example of the Ways and Means Committee. If followed, it will place sound legislation upon the books in time to give the taxpayers the full benefit of tax reduction next year. This means that the bill should reach me prior to March 15.

All these economic results are being sought not to benefit the rich, but to benefit the people. They are for the purpose of encouraging industry in order that employment may be plentiful. They seek to make business good in order that wages may be good. They encourage prosperity in order that poverty may be banished from the home. They seek to lay the foundation which, through increased production, may give the people a more bountiful supply of the necessaries of life, afford more leisure for the improvement of the mind, the appreciation of the arts of music and literature, sculpture and painting, and the beneficial enjoyment of outdoor sports and recreation, enlarge the resources which minister to charity and by all these means attempting to strengthen the spiritual life of the nation.

FOREIGN RELATIONS

The policy of our foreign relations, casting aside any suggestion of force, rests solely on the foundation of peace, good will, and good works. We have sought, in our intercourse with other nations, better understandings through conference and exchange of views as befits beings endowed with reason. The results have been the gradual elimination of disputes, the settlement of controversies, and the establishment of a firmer friendship between America and the rest of the world than has ever existed at any previous time.

The example of this attitude has not been without its influence upon other countries. Acting upon it, an adjustment was made of the difficult problem of reparations. This was the second step toward peace in Europe. It paved the way for the agreements which were drawn up at the Locarno Conference. When ratified, these will represent the

third step toward peace. While they do not of themselves provide an economic rehabilitation, which is necessary for the progress of Europe, by strengthening the guaranties of peace they diminish the need for great armaments. If the energy which now goes into military effort is transferred to productive endeavor, it will greatly assist economic progress.

The Locarno agreements were made by the European countries directly interested without any formal intervention of America, although on July 3 I publicly advocated such agreements in an address made in Massachusetts. We have consistently refrained from intervening except when our help has been sought and we have felt it could be effectively given, as in the settlement of reparations and the London Conference. These recent Locarno agreements represent the success of this policy which we have been insisting ought to be adopted, of having European countries settle their own political problems without involving this country. This beginning seems to demonstrate that this policy is sound. It is exceedingly gratifying to observe this progress, which both in its method and in its result promises so much that is beneficial to the world.

When these agreements are finally adopted, they will provide guaranties of peace that make the present prime reliance upon force in some parts of Europe very much less necessary. The natural corollary to these treaties should be further international contracts for the limitation of armaments. This work was successfully begun at the Washington Conference. Nothing was done at that time concerning land forces because of European objection. Our standing army has been reduced to around 118,000, about the necessary police force for 115,000,000 people. We are not proposing to increase it, nor is it supposable that any foreign country looks with the slightest misapprehension upon our land forces. They do not menace anybody. They are rather a protection to everybody.

The question of disarming upon land is so peculiarly European in its practical aspects that our country would look with particular gratitude upon any action which those countries might take to reduce their own military forces. This is in accordance with our policy of not intervening unless the European powers are unable to agree and make request for our assistance. Whenever they are able to agree of their own accord it is especially gratifying to us, and such agreements may be sure of our sympathetic support.

It seems clear that it is the reduction of armies rather than of navies that is of the first importance to the world at the present time. We shall look with great satisfaction upon that effort and give it our approbation and encouragement. If that can be settled, we may more easily consider further reduction and limitation of naval armaments. For

that purpose our country has constantly through its Executive, and through repeated acts of Congress, indicated its willingness to call such a conference. Under congressional sanction it would seem to be wise to participate in any conference of the great powers for naval limitation of armament proposed upon such conditions that it would hold a fair promise of being effective. The general policy of our country is for disarmament, and it ought not to hesitate to adopt any practical plan that might reasonably be expected to succeed. But it would not care to attend a conference which from its location or constituency would in all probability prove futile.

In the further pursuit of strengthening the bonds of peace and good will we have joined with other nations in an international conference held at Geneva and signed an agreement which will be laid before the Senate for ratification providing suitable measures for control and for publicity in international trade in arms, ammunition, and implements of war, and also executed a protocol providing for a prohibition of the use of poison gas in war, in accordance with the principles of Article 5 of the treaty relating thereto signed at the Washington Conference. We are supporting the Pan American efforts that are being made toward the codification of international law, and looking with sympathy on the investigations being conducted under philanthropic auspices of the proposal to make agreements outlawing war. In accordance with promises made at the Washington Conference, we have urged the calling of and are now represented at the Chinese Customs Conference and on the Commission on Extraterritoriality, where it will be our policy so far as possible to meet the aspirations of China in all ways consistent with the interests of the countries involved.

COURT OF INTERNATIONAL JUSTICE

Pending before the Senate for nearly three years is the proposal to adhere to the protocol establishing the Permanent Court of International Justice. A well-established line of precedents mark America's effort to effect the establishment of a court of this nature. We took a leading part in laying the foundation on which it rests in the establishment of The Hague Court of Arbitration. It is that tribunal which nominates the judges who are elected by the Council and Assembly of the League of Nations.

The proposal submitted to the Senate was made dependent upon four conditions, the first of which is that by supporting the court we do not assume any obligations under the league; second, that we may participate upon an equality with other States in the election of judges; third, that the Congress shall determine what part of the expenses we shall bear; fourth, that the statute creating the court shall not be amended

without our consent; and to these I have proposed an additional condition to the effect that we are not to be bound by advisory opinions rendered without our consent.

The court appears to be independent of the league. It is true the judges are elected by the Assembly and Council, but they are nominated by the Court of Arbitration, which we assisted to create and of which we are a part. The court was created by a statute, so-called, which is really a treaty made among some forty-eight different countries, that might properly be called a constitution of the court. This statute provides a method by which the judges are chosen, so that when the Court of Arbitration nominates them and the Assembly and Council of the League elect them, they are not acting as instruments of the Court of Arbitration or instruments of the league, but as instruments of the statute.

This will be even more apparent if our representatives sit with the members of the council and assembly in electing the judges. It is true they are paid through the league though not by the league, but by the countries which are members of the league and by our country if we accept the protocol. The judges are paid by the league only in the same sense that it could be said United States judges are paid by the Congress. The court derives all its authority from the statute and is so completely independent of the league that it could go on functioning if the league were disbanded, at least until the terms of the judges expired.

The most careful provisions are made in the statute as to the qualifications of judges. Those who make the nominations are recommended to consult with their highest court of justice, their law schools and academies. The judges must be persons of high moral character, qualified to hold the highest judicial offices in that country, or be jurisconsults of recognized competence in international law. It must be assumed that these requirements will continue to be carefully met, and with America joining the countries already concerned it is difficult to comprehend how human ingenuity could better provide for the establishment of a court which would maintain its independence. It has to be recognized that independence is to a considerable extent a matter of ability, character, and personality. Some effort was made in the early beginnings to interfere with the independence of our Supreme Court. It did not succeed because of the quality of the men who made up that tribunal.

It does not seem that the authority to give advisory opinions interferes with the independence of the court. Advisory opinions in and of themselves are not harmful, but may be used in such a way as to be very beneficial because they undertake to prevent injury rather than merely afford a remedy after the injury has been done. As a principle

that only implies that the court shall function when proper application is made to it. Deciding the question involved upon issues submitted for an advisory opinion does not differ materially from deciding the question involved upon issues submitted by contending parties. Up to the present time the court has given an advisory opinion when it judged it had jurisdiction, and refused to give one when it judged it did not have jurisdiction. Nothing in the work of the court has yet been an indication that this is an impairment of its independence or that its practice differs materially from the giving of like opinions under the authority of the constitutions of several of our states.

No provision of the statute seems to me to give this court any authority to be a political rather than a judicial court. We have brought cases in this country before our courts which, when they have been adjudged to be political, have been thereby dismissed. It is not improbable that political questions will be submitted to this court, but again up to the present time the court has refused to pass on political questions and our support would undoutedly have a tendency to strengthen it in that refusal.

We are not proposing to subject ourselves to any compulsory jurisdiction. If we support the court, we can never be obliged to submit any case which involves our interests for its decision. Our appearance before it would always be voluntary, for the purpose of presenting a case which we had agreed might be presented. There is no more danger that others might bring cases before the court involving our interests which we did not wish to have brought, after we have adhered, and probably not so much, than there would be of bringing such cases if we do not adhere. I think that we would have the same legal or moral right to disregard such a finding in the one case that we would in the other.

If we are going to support any court, it will not be one that we have set up alone or which reflects only our ideals. Other nations have their customs and their institutions, their thoughts and their methods of life. If a court is going to be international, its composition will have to yield to what is good in all these various elements. Neither will it be possible to support a court which is exactly perfect, or under which we assume absolutely no obligations. If we are seeking that opportunity, we might as well declare that we are opposed to supporting any court. If any agreement is made, it will be because it undertakes to set up a tribunal which can do some of the things that other nations wish to have done. We shall not find ourselves bearing a disproportionate share of the world's burdens by our adherence, and we may as well remember that there is absolutely no escape for our country from bearing its share of the world's burdens in any case. We shall do far better service to ourselves and to others if we admit this and discharge

our duties voluntarily, than if we deny it and are forced to meet the same obligations unwillingly.

It is difficult to imagine anything that would be more helpful to the world than stability, tranquillity and international justice. We may say that we are contributing to these factors independently, but others less fortunately located do not and can not make a like contribution except through mutual cooperation. The old balance of power, mutual alliances, and great military forces were not brought about by any mutual dislike for independence, but resulted from the domination of circumstances. Ultimately they were forced on us. Like all others engaged in the war, whatever we said, as a matter of fact we joined an alliance, we became a military power, we impaired our independence. We have more at stake than any one else in avoiding a repetition of that calamity. Wars do not spring into existence. They arise from small incidents and trifling irritations which can be adjusted by an international court. We can contribute greatly to the advancement of our ideals by joining with other nations in maintaining such a tribunal.

FOREIGN DEBTS

Gradually, settlements have been made which provide for the liquidation of debts due to our Government from foreign governments. Those made with Great Britain, Finland, Hungary, Lithuania, and Poland have already been approved by the Congress. Since the adjournment, further agreements have been entered into with Belgium, Czechoslovakia, Latvia, Esthonia, Italy, and Roumania. These 11 nations, which have already made settlements, represent $6,419,528,641 of the original principal of the loans. The principal sums without interest, still pending, are the debt of France, of $3,340,000,000; Greece, $15,000,000; Jugoslavia, $51,000,000; Liberia, $26,000; Russia, $192,000,000, which those at present in control have undertaken openly to repudiate; Nicaragua, $84,000, which is being paid currently; and Austria, $24,000,000, on which by act of Congress a moratorium of 20 years has been granted. The only remaining sum is $12,000,000, due from Armenia, which has now ceased to exist as an independent nation.

In accordance with the settlements made, the amount of principal and interest which is to be paid to the United States under these agreements aggregates $15,200,688,253.93. It is obvious that the remaining settlements, which will undoubtedly be made, will bring this sum up to an amount which will more than equal the principal due on our present national debt. While these settlements are very large in the aggregate, it has been felt that the terms granted were in all cases very generous. They impose no undue burden and are mutually beneficial in the observance of international faith and the improvement of international credit.

Every reasonable effort will be made to secure agreements for liquidation with the remaining countries, whenever they are in such condition that they can be made. Those which have already been negotiated under the bipartisan commission established by the Congress have been made only after the most thoroughgoing and painstaking investigation, continued for a long time before meeting with the representatives of the countries concerned. It is believed that they represent in each instance the best that can be done and the wisest settlement that can be secured. One very important result is the stabilization of foreign currency, making exchange assist rather than embarrass our trade. Wherever sacrifices have been made of money, it will be more than amply returned in better understanding and friendship, while in so far as these adjustments will contribute to the financial stability of the debtor countries, to their good order, prosperity, and progress, they represent hope of improved trade relations and mutual contributions to the civilization of the world.

Negotiations are progressing among the interested parties in relation to the final distribution of the assets in the hands of the Alien Property Custodian. Our Government and people are interested as creditors; the German Government and people are interested as debtors and owners of the seized property. Pending the outcome of these negotiations, I do not recommend any affirmative legislation. For the present we should continue in possession of this property which we hold as security for the settlement of claims due to our people and our Government.

IMMIGRATION

While not enough time has elapsed to afford a conclusive demonstration, such results as have been secured indicate that our immigration law is on the whole beneficial. It is undoubtedly a protection to the wage earners of this country. The situation should, however, be carefully surveyed, in order to ascertain whether it is working a needless hardship upon our own inhabitants. If it deprives them of the comfort and society of those bound to them by close family ties, such modifications should be adopted as will afford relief, always in accordance with the principle that our Government owes its first duty to our own people and that no alien, inhabitant of another country, has any legal rights whatever under our Constitution and laws. It is only through treaty, or through residence here, that such rights accrue. But we should not, however, be forgetful of the obligations of a common humanity.

While our country numbers among its best citizens many of those of foreign birth, yet those who now enter in violation of our laws by that very act thereby place themselves in a class of undesirables. If investigation reveals that any considerable number are coming here in defiance

of our immigration restrictions, it will undoubtedly create the necessity for the registration of all aliens. We ought to have no prejudice against an alien because he is an alien. The standard which we apply to our inhabitants is that of manhood, not place of birth. Restrictive immigration is to a large degree for economic purposes. It is applied in order that we may not have a larger annual increment of good people within our borders than we can weave into our economic fabric in such a way as to supply their needs without undue injury to ourselves.

NATIONAL DEFENSE

Never before in time of peace has our country maintained so large and effective a military force as it now has. The Army, Navy, Marine Corps, National Guard, and Organized Reserves represent a strength of about 558,400 men. These forces are well trained, well equipped, and high in morale.

A sound selective service act giving broad authority for the mobilization in time of peril of all the resources of the country, both persons and materials, is needed to perfect our defensive policy in accordance with our ideals of equality. The provision for more suitable housing to be paid for out of funds derived from the sale of excess lands, pending before the last Congress, ought to be brought forward and passed. Reasonable replacements ought to be made to maintain a sufficient ammunition reserve.

The Navy has the full treaty tonnage of capital ships. Work is going forward in modernizing the older ones, building aircraft carriers, additional fleet submarines, and fast scout cruisers, but we are carefully avoiding anything that might be construed as a competition in armaments with other nations. The joint Army and Navy maneuvers at Hawaii, followed by the cruise of a full battle fleet to Australia and New Zealand, were successfully carried out. These demonstrations revealed a most satisfactory condition of the ships and the men engaged.

Last year at my suggestion the General Board of the Navy made an investigation and report on the relation of aircraft to warships. As a result authorizations and appropriations were made for more scout cruisers and fleet submarines and for completing aircraft carriers and equipping them with necessary planes. Additional training in aviation was begun at the Military and Naval Academies. A method of coordination and cooperation of the Army and Navy and the principal aircraft builders is being perfected. At the suggestion of the Secretaries of War and Navy I appointed a special board to make a further study of the problem of aircraft.

The report of the Air Board ought to be reassuring to the country, gratifying to the service and satisfactory to the Congress. It is thor-

oughly complete and represents the mature thought of the best talent in the country. No radical change in organization of the service seems necessary. The Departments of War, Navy, and Commerce should each be provided with an additional assistant secretary, not necessarily with statutory duties but who would be available under the direction of the Secretary to give especial attention to air navigation. We must have an air strength worthy of America. Provision should be made for two additional brigadier generals for the Army Air Service. Temporary rank corresponding to their duties should be awarded to active flying officers in both Army and Navy.

Aviation is of great importance both for national defense and commercial development. We ought to proceed in its improvement by the necessary experiment and investigation. Our country is not behind in this art. It has made records for speed and for the excellence of its planes. It ought to go on maintaining its manufacturing plants capable of rapid production, giving national assistance to the laying out of airways, equipping itself with a moderate number of planes, and keeping an air force trained to the highest efficiency.

While I am a thorough believer in national defense and entirely committed to the policy of adequate preparation, I am just as thoroughly opposed to instigating or participating in a policy of competitive armaments. Nor does preparation mean a policy of militarizing. Our people and industries are solicitous for the cause of our country, and have great respect for the Army and Navy and for the uniform worn by the men who stand ready at all times for our protection to encounter the dangers and perils necessary to military service, but all of these activities are to be taken not in behalf of aggression but in behalf of peace. They are the instruments by which we undertake to do our part to promote good will and support stability among all peoples.

VETERANS

If any one desires to estimate the esteem in which the veterans of America are held by their fellow citizens, it is but necessary to remember that the current budget calls for an expenditure of about $650,000,000 in their behalf. This is nearly the amount of the total cost of the National Government, exclusive of the post office, before we entered the last war.

At the two previous sessions of Congress legislation affecting veterans' relief was enacted and the law liberalized. This legislation brought into being a number of new provisions tending more nearly to meet the needs of our veterans, as well as afford the necessary authority to perfect the administration of these laws.

Experience with the new legislation so far has clearly demonstrated its constructive nature. It has increased the benefits received by many and has made eligible for benefits many others. Direct disbursements to the veteran or his dependents exceeding $21,000,000 have resulted, which otherwise would not have been made. The degree of utilization of our hospitals has increased through making facilities available to the incapacitated veteran regardless of service origin of the disability. This new legislation also has brought about a marked improvement of service to the veteran.

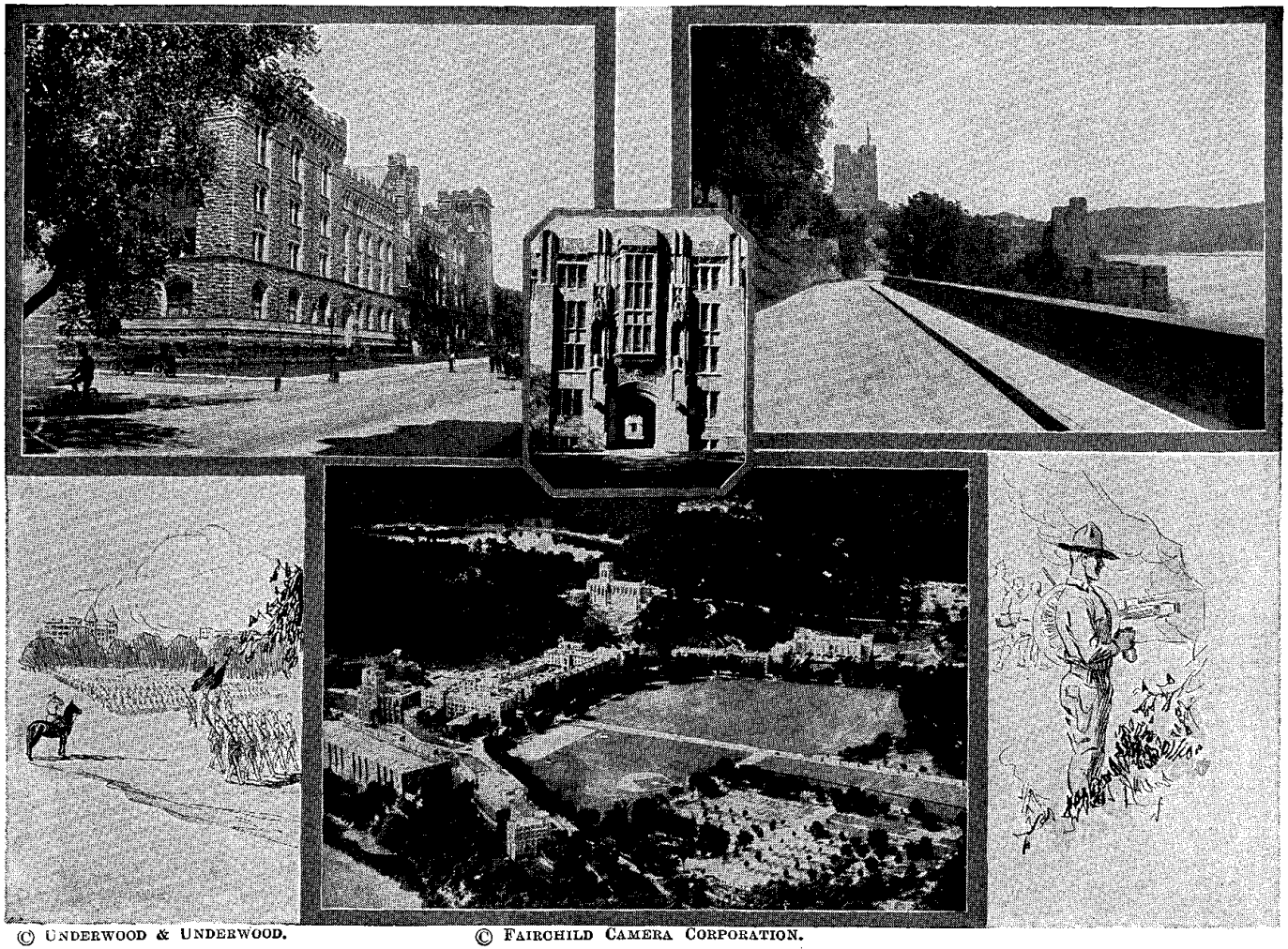
The organizations of ex-service men have proposed additional legislative changes which you will consider, but until the new law and the modifications made at the last session of Congress are given a more thorough test further changes in the basic law should be few and made only after careful though sympathetic consideration.

The principal work now before the Veterans' Bureau is the perfection of its organization and further improvements in service. Some minor legislative changes are deemed necessary to enable the bureau to retain that high grade of professional talent essential in handling the problems of the bureau. Such changes as tend toward the improvement of service and the carrying forward to completion of the hospital construction program are recommended for the consideration of the proper committees of Congress.

With the enormous outlay that is now being made in behalf of the veterans and their dependents, with a tremendous war debt still requiring great annual expenditure, with the still high rate of taxation, while every provision should be made for the relief of the disabled and the necessary care of dependents, the Congress may well consider whether the financial condition of the Government is not such that further bounty through the enlargement of general pensions and other emoluments ought not to be postponed.

AGRICULTURE

No doubt the position of agriculture as a whole has very much improved since the depression of three and four years ago. But there are many localities and many groups of individuals, apparently through no fault of their own, sometimes due to climatic conditions and sometimes to the prevailing price of a certain crop, still in a distressing condition. This is probably temporary, but it is none the less acute. National Government agencies, the Departments of Agriculture and Commerce, the Farm Loan Board, the intermediate credit banks, and the Federal Reserve Board are all cooperating to be of assistance and relief. On the other hand, there are localities and individuals who have had one of their most prosperous years. The general price level is



VIEWS OF THE UNITED STATES MILITARY ACADEMY AT WEST POINT

MILITARY ACADEMY, WEST POINT.

It is interesting to compare these recent views of the institution in which the United States trains young men to be officers in its army, especially the panorama taken from an airplane flying over the Hudson River, with the view of West Point in 1840, opposite page 1617.

The story of the founding and development of the United States Military Academy is outlined in the Encyclopedic Index, under Military Academy. The article describes also the requirements for entrance and the course of instruction, and is followed by a list of references to discussions concerning the Military Academy by our Presidents. George Washington's recommendation for its establishment is to be found on page 194, and the Senate's reception of the idea, on page 197. The need for enlargement soon after its founding is discussed by President Madison on pages 471 and 551.

One of the greatest military leaders of the nineteenth century was Ulysses S. Grant. He was trained for army service at West Point, and it is hence all the more interesting to read his recommendations concerning the institution after he had become President. See page 4149.

fair, but here again there are exceptions both ways, some items being poor while others are excellent. In spite of a lessened production the farm income for this year will be about the same as last year and much above the three preceding years.

Agriculture is a very complex industry. It does not consist of one problem, but of several. They can not be solved at one stroke. They have to be met in different ways, and small gains are not to be despised.

It has appeared from all the investigations that I have been able to make that the farmers as a whole are determined to maintain the independence of their business. They do not wish to have meddling on the part of the Government or to be placed under the inevitable restrictions involved in any system of direct or indirect price-fixing, which would result from permitting the Government to operate in the agricultural markets. They are showing a very commendable skill in organizing themselves to transact their own business through cooperative marketing, which will this year turn over about $2,500,000,000, or nearly one-fifth of the total agricultural business. In this they are receiving help from the Government. The Department of Agriculture should be strengthened in this facility in order to be able to respond when these marketing associations want help. While it ought not to undertake undue regulation, it should be equipped to give prompt information on crop prospects, supply, demand, current receipts, imports, exports and prices.

A bill embodying these principles, which has been drafted under the advice and with the approval of substantially all the leaders and managers in the cooperative movement, will be presented to the Congress for its enactment. Legislation should also be considered to provide for leasing the unappropriated public domain for grazing purposes and adopting a uniform policy relative to grazing on the public lands and in the national forests.

A more intimate relation should be established between agriculture and the other business activities of the nation. They are mutually dependent and can each advance their own prosperity most by advancing the prosperity of the other. Meantime the Government will continue those activities which have resulted in an unprecedented amount of legislation and the pouring out of great sums of money during the last five years. The work for good roads, better land and water transportation, increased support for agricultural education, extension of credit facilities through the Farm Loan Boards and the intermediate credit banks, the encouragement of orderly marketing and a repression of wasteful speculation, will all be continued.

Following every other depression, after a short period the price of farm produce has taken and maintained the lead in the advance. This advance had reached a climax before the war. Everyone will recall the

discussion that went on for four or five years prior to 1914 concerning the high cost of living. This history is apparently beginning to repeat itself. While wholesale prices of other commodities have been declining, farm prices have been increasing. There is every reason to suppose that a new era in agricultural prosperity lies just before us, which will probably be unprecedented.

MUSCLE SHOALS

The problem of Muscle Shoals seems to me to have assumed a place all out of proportion with its real importance. It probably does not represent in market value much more than a first-class battleship, yet it has been discussed in the Congress over a period of years and for months at a time. It ought to be developed for the production of nitrates primarily, and incidentally for power purposes. This would serve defensive, agricultural, and industrial purposes. I am in favor of disposing of this property to meet these purposes. The findings of the special commission will be transmitted to the Congress for their information. I am convinced that the best possible disposition can be made by direct authorization of the Congress. As a means of negotiation I recommend the immediate appointment of a small joint special committee chosen from the appropriate general standing committees of the House and Senate to receive bids, which when made should be reported with recommendations as to acceptance, upon which a law should be enacted, effecting a sale to the highest bidder who will agree to carry out these purposes.

If anything were needed to demonstrate the almost utter incapacity of the national Government to deal directly with an industrial and commercial problem, it has been provided by our experience with this property. We have expended vast fortunes, we have taxed everybody, but we are unable to secure results which benefit anybody. This property ought to be transferred to private management under conditions which will dedicate it to the public purpose for which it was conceived.

RECLAMATION

The national Government is committed to a policy of reclamation and irrigation which it desires to establish on a sound basis and continue in the interest of the localities concerned. Exhaustive studies have recently been made of federal reclamation, which have resulted in improving the projects and adjusting many difficulties. About one third of the projects is in good financial condition, another third can probably be made profitable, while the other third is under unfavorable conditions.

The Congress has already provided for a survey which will soon be embodied in a report. That ought to suggest a method of relief which will make unnecessary further appeals to the Congress. Unless this can be done, federal reclamation will be considerably retarded. With the greatly increased cost of construction and operation, it has become necessary to plan in advance, by community organization and selective agriculture, methods sufficient to repay these increasing outlays.

The human and economic interests of the farmer citizens suggest that the states should be required to exert some effort and assume some responsibility, especially in the intimate, detailed, and difficult work of securing settlers and developing farms which directly profit them, but only indirectly and remotely can reimburse the nation. It is believed that the federal Government should continue to be the agency for planning and constructing the great undertakings needed to regulate and bring into use the rivers of the West, many of which are interstate in character, but the detailed work of creating agricultural communities and a rural civilization on the land made ready for reclamation ought to be either transferred to the state in its entirety or made a cooperative effort of the state and federal Government.

SHIPPING

The maintenance of a merchant marine is of the utmost importance for national defense and the service of our commerce. We have a large number of ships engaged in that service. We also have a surplus supply, costly to care for, which ought to be sold. All the investigations that have been made under my direction, and those which have been prosecuted independently, have reached the conclusion that the fleet should be under the direct control of a single executive head, while the Shipping Board should exercise its judicial and regulatory functions in accordance with its original conception. The report of Henry G. Dalton, a business man of broad experience, with a knowledge of shipping, made to me after careful investigation, will be transmitted for the information of the Congress, the studies pursued under the direction of the United States Chamber of Commerce will also be accessible, and added to these will be the report of the special committee of the House.

I do not advocate the elimination of regional considerations, but it has become apparent that without centralized executive action the management of this great business, like the management of any other great business, will flounder in incapacity and languish under a division of council. A plain and unmistakable reassertion of this principle of unified control, which I have always been advised was the intention of the Congress to apply, is necessary to increase the efficiency of our merchant fleet.

COAL

The perennial conflict in the coal industry is still going on to the great detriment of the wage earners, the owners, and especially to the public. With deposits of coal in this country capable of supplying its needs for hundreds of years, inability to manage and control this great resource for the benefit of all concerned is very close to a national economic failure. It has been the subject of repeated investigation and reiterated recommendation. Yet the industry seems never to have accepted modern methods of adjusting differences between employers and employees. The industry could serve the public much better and become subject to a much more effective method of control if regional consolidations and more freedom in the formation of marketing associations, under the supervision of the Department of Commerce, were permitted.

At the present time the national Government has little or no authority to deal with this vital necessity of the life of the country. It has permitted itself to remain so powerless that its only attitude must be humble supplication. Authority should be lodged with the President and the Departments of Commerce and Labor, giving them power to deal with an emergency. They should be able to appoint temporary boards with authority to call for witnesses and documents, conciliate differences, encourage arbitration, and in case of threatened scarcity exercise control over distribution. Making the facts public under these circumstances through a statement from an authoritative source would be of great public benefit. The report of the last coal commission should be brought forward, reconsidered, and acted upon.

PROHIBITION

Under the orderly processes of our fundamental institutions the Constitution was lately amended providing for national prohibition. The Congress passed an act for its enforcement, and similar acts have been provided by most of the states. It is the law of the land. It is the duty of all who come under its jurisdiction to observe the spirit of that law, and it is the duty of the Department of Justice and the Treasury Department to enforce it. Action to prevent smuggling, illegal transportation in interstate commerce, abuse in the use of permits, and existence of sources of supply for illegal traffic is almost entirely imposed upon the federal Government.

Through treaties with foreign governments and increased activities of the Coast Guard, revenue agents, district attorneys, and enforcement agents effort is being made to prevent these violations. But the Constitution also puts a concurrent duty on the states. We need their active and energetic cooperation, the vigilant action of their police, and the

jurisdiction of their courts to assist in enforcement. I request of the people observance, of the public officers continuing efforts for enforcement, and of the Congress favorable action on the budget recommendation for the prosecution of this work.

WATERWAY DEVELOPMENT

For many years our country has been employed in plans and operations for the development of our intracoastal and inland waterways. This work along our coast is an important adjunct to our commerce. It will be carried on, together with the further opening up of our harbors, as our resources permit. The Government made an agreement during the war to take over the Cape Cod Canal, under which the owners made valuable concessions. This pledged faith of the Government ought to be redeemed.

Two other main fields are under consideration. One is the Great Lakes and St. Lawrence, including the Erie Canal. This includes stabilizing the lake level, and is both a waterway and power project. A joint commission of the United States and Canada is working on plans and surveys which will not be completed until next April. No final determination can be made, apparently, except under treaty as to the participation of both countries. The other is the Mississippi River system. This is almost entirely devoted to navigation. Work on the Ohio River will be completed in about three years. A modern channel connecting Chicago, New Orleans, Kansas City, and Pittsburgh should be laid out and work on the tributaries prosecuted. Some work is being done of a preparatory nature along the Missouri, and large expenditures are being made yearly in the lower reaches of the Mississippi and its tributaries which contribute both to flood control and navigation. Preliminary measures are being taken on the Colorado River project, which is exceedingly important for flood control, irrigation, power development, and water supply to the area concerned. It would seem to be very doubtful, however, whether it is practical to secure affirmative action of the Congress, except under a joint agreement of the several states.

The Government has already expended large sums upon scientific research and engineering investigation in promotion of this Colorado River project. The actual progress has been retarded for many years by differences among the seven states in the basin over their relative water rights and among different groups as to methods. In an attempt to settle the primary difficulty of the water rights, Congress authorized the Colorado River Commission which agreed on November 24, 1922, upon an interstate compact to settle these rights, subject to the ratification of the state legislatures and Congress. All seven states except

Arizona at one time ratified, the Arizona Legislature making certain reservations which failed to meet the approval of the governor. Subsequently an attempt was made to establish the compact upon a six-state basis, but in this case California imposed reservations. There appears to be no division of opinion upon the major principles of the compact, but difficulty in separating contentions as to methods of development from the discussion of it. It is imperative that flood control be undertaken for California and Arizona, preparation made for irrigation, for power, and for domestic water.

Some or all of these questions are combined in every proposed development. The federal Government is interested in some of these phases, state governments and municipalities and irrigation districts in others, and private corporations in still others. Because of all this difference of view it is most desirable that Congress should consider the creation of some agency that will be able to determine methods of improvement solely upon economic and engineering facts, that would be authorized to negotiate and settle, subject to the approval of Congress, the participation, rights, and obligations of each group in any particular works. Only by some such method can early construction be secured.

Along with the development of navigation should go every possible encouragement for the development of our water power. While steam still plays a dominant part, this is more and more becoming an era of electricity. Once installed, the cost is moderate, has not tended greatly to increase, and is entirely free from the unavoidable dirt and disagreeable features attendant upon the burning of coal. Every facility should be extended for the connection of the various units into a superpower plant, capable at all times of a current increasing uniformity over the entire system.

RAILROADS

The railroads throughout the country are in a fair state of prosperity. Their service is good and their supply of cars is abundant. Their condition would be improved and the public better served by a system of consolidations. I recommend that the Congress authorize such consolidations under the supervision of the Interstate Commerce Commission, with power to approve or disapprove when proposed parts are excluded or new parts added. I am informed that the railroad managers and their employees have reached a substantial agreement as to what legislation is necessary to regulate and improve their relationship. Whenever they bring forward such proposals, which seem sufficient also to protect the interests of the public, they should be enacted into law.

It is gratifying to report that both the railroad managers and railroad employees are providing boards for the mutual adjustment of differences in harmony with the principles of conference, conciliation, and arbitra-

tion. The solution of their problems ought to be an example to all other industries. Those who ask the protections of civilization should be ready to use the methods of civilization.

A strike in modern industry has many of the aspects of war in the modern world. It injures labor and it injures capital. If the industry involved is a basic one, it reduces the necessary economic surplus and, increasing the cost of living, it injures the economic welfare and general comfort of the whole people. It also involves a deeper cost. It tends to embitter and divide the community into warring classes and thus weakens the unity and power of our national life.

Labor can make no permanent gains at the cost of the general welfare. All the victories won by organized labor in the past generation have been won through the support of public opinion. The manifest inclination of the managers and employees of the railroads to adopt a policy of action in harmony with these principles marks a new epoch in our industrial life.

MISCELLANEOUS

The time has come for careful investigation of the expenditures and success of the laws by which we have undertaken to administer our outlying possessions. A very large amount of money is being expended for administration in Alaska. It appears so far out of proportion to the number of inhabitants and the amount of production as to indicate cause for thorough investigation. Likewise consideration should be given to the experience under the law which governs the Philippines. From such reports as reach me there are indications that more authority should be given to the Governor General, so that he will not be so dependent upon the local legislative body to render effective our efforts to set an example of the sound administration and good government, which is so necessary for the preparation of the Philippine people for self-government under ultimate independence. If they are to be trained in these arts, it is our duty to provide for them the best that there is.

The act of March 3, 1911, ought to be amended so that the term of years of service of judges of any court of the United States requisite for retirement with pay shall be computed to include not only continuous but aggregate service.

The Government ought always to be alert on the side of the humanities. It ought to encourage provisions for economic justice for the defenseless. It ought to extend its relief through its national and local agencies, as may be appropriate in each case, to the suffering and the needy. It ought to be charitable.

Although more than forty of our states have enacted measures in aid of motherhood, the District of Columbia is still without such a law. A carefully considered bill will be presented, which ought to have most

thoughtful consideration in order that the Congress may adopt a measure which will be hereafter a model for all parts of the Union.

In 1883 the Congress passed the civil service act, which from a modest beginning of 14,000 employees has grown until there are now 425,000 in the classified service. This has removed the clerical force of the nation from the wasteful effects of the spoils system and made it more stable and efficient. The time has come to consider classifying all postmasters, collectors of customs, collectors of internal revenue, and prohibition agents, by an act covering in those at present in office, except when otherwise provided by Executive order.

The necessary statistics are now being gathered to form the basis of a valuation of the civil service retirement fund based on current conditions of the service. It is confidently expected that this valuation will be completed in time to be made available to the Congress during the present session. It will afford definite knowledge of existing and future liabilities under the present law and determination of liabilities under any proposed change in the present law. We should have this information before creating further obligations for retirement annuities which will become liabilities to be met in the future from the money of the taxpayer.

The classification act of 1923, with the subsequent legislative action providing for adjustment of the compensation of field service positions, has operated materially to improve employment conditions in the federal service. The administration of the act is in the hands of an impartial board, functioning without the necessity of a direct appropriation. It would be inadvisable at this time to place in other hands the administration of this act.

The proper function of the Federal Trade Commission is to supervise and correct those practices in commerce which are deterimental to fair competition. In this it performs a useful function and should be continued and supported. It was designed also to be a help to honest business. In my message to the Sixty-eighth Congress I recommended that changes in the procedure then existing be made. Since then the commission by its own action has reformed its rules, giving greater speed and economy in the disposal of its cases and full opportunity for those accused to be heard. These changes are improvements and, if necessary, provision should be made for their permanency.

No final action has yet been taken on the measure providing for the reorganization of the various departments. I therefore suggest that this measure, which will be of great benefit to the efficient and economical administration of the business of the Government, be brought forward and passed.

Nearly one-tenth of our population consists of the negro race. The progress which they have made in all the arts of civilization in the last

sixty years is almost beyond belief. Our country has no more loyal citizens. But they do still need sympathy, kindness, and helpfulness. They need reassurance that the requirements of the Government and society to deal out to them even-handed justice will be met. They should be protected from all violence and supported in the peaceable enjoyment of the fruits of their labor. Those who do violence to them should be punished for their crimes. No other course of action is worthy of the American people.

Our country has many elements in its population, many different modes of thinking and living, all of which are striving in their own way to be loyal to the high ideals worthy of the crown of American citizenship. It is fundamental of our institutions that they seek to guarantee to all our inhabitants the right to live their own lives under the protection of the public law. This does not include any license to injure others materially, physically, morally, to incite revolution, or to violate the established customs which have long had the sanction of enlightened society.

But it does mean the full right to liberty and equality before the law without distinction of race or creed. This condition can not be granted to others, or enjoyed by ourselves, except by the application of the principle of broadest tolerance. Bigotry is only another name for slavery. It reduces to serfdom not only those against whom it is directed, but also those who seek to apply it. An enlarged freedom can only be secured by the application of the golden rule. No other utterance ever presented such a practical rule of life.

It is apparent that we are reaching into an era of great general prosperity. It will continue only so long as we shall use it properly. After all, there is but a fixed quantity of wealth in this country at any fixed time. The only way that we can all secure more of it is to create more. The element of time enters into production. If the people have sufficient moderation and contentment to be willing to improve their condition by the process of enlarging production, eliminating waste, and distributing equitably, a prosperity almost without limit lies before us. If the people are to be dominated by selfishness, seeking immediate riches by nonproductive speculation and by wasteful quarreling over the returns from industry, they will be confronted by the inevitable results of depression and privation. If they will continue industrious and thrifty, contented with fair wages and moderate profits, and the returns which accrue from the development of our natural resources, our prosperity will extend itself indefinitely.

In all your deliberations you should remember that the purpose of legislation is to translate principles into action. It is an effort to have our country be better by doing better. Because the thoughts and ways of people are firmly fixed and not easily changed, the field within which

immediate improvement can be secured is very narrow. Legislation can provide opportunity. Whether it is taken advantage of or not depends upon the people themselves. The Government of the United States has been created by the people. It is solely responsible to them. It will be most successful if it is conducted solely for their benefit. All its efforts would be of little avail unless they brought more justice, more enlightenment, more happiness and prosperity into the home. This means an opportunity to observe religion, secure education, and earn a living under a reign of law and order. It is the growth and improvement of the material and spiritual life of the nation. We shall not be able to gain these ends merely by our own action. If they come at all, it will be because we have been willing to work in harmony with the abiding purpose of a Divine Providence.

CALVIN COOLIDGE.

1925 BUDGET MESSAGE

THE WHITE HOUSE, *December 7, 1925.*

To the Congress of the United States:

I transmit herewith the budget of the United States for the fiscal year ending June 30, 1927. The receipts and expenditures shown in detail in the budget are summarized in the following statement:

Summary (Exclusive of Postal Revenues and Postal Expenditures Paid From Postal Revenues)

	Estimated, 1927.	Estimated, 1926.	Actual, 1925.
Total receipts.....	$3,824,530,203	$3,880,716,942	$3,780,148,684
Total expenditures (including reduction of the public debt required by law to be made from ordinary receipts)	3,494,222,308	3,618,675,186	3,529,643,446
Excess of receipts..	$330,307,894	$262,041,756	$250,505,238

The budget for the fiscal year 1926, transmitted to the Congress December 1, 1924, indicated that for the fiscal year ended June 30, 1925, there would be a surplus of receipts over expenditures of $67,884,489. The actual surplus was $250,505,238. This gratifying difference between estimates and actual results was due mainly to unexpected increases in receipts, though a reduction in expenditures helped to swell the total.

In that budget it was estimated that receipts for the current fiscal

is dependent largely upon scientific research. I believe that the work of the committee is the most fundamental activity of the Government in connection with the development of aeronautics and that its continuance is essential if America is to maintain its present advanced position in aircraft development.

The condition of the aircraft industry and the prospects for the development of commercial aviation on a sound basis have materially improved during the past year. To encourage the development of commercial aviation I wish especially to indorse the recommendation of the committee for the creation of a bureau of air navigation in the Department of Commerce. CALVIN COOLIDGE.

CHRISTMAS MESSAGE TO BOYS

[To the Boy Scouts, the Lone Scouts and the 4-H Clubs.]

THE WHITE HOUSE, *December 21, 1925.*

As you are representative of the organizations of the boys and girls of America who live in or are interested in the open country, with which I come into an official relation, I want to extend to all of you a Christmas greeting. It seems a very short time ago that I was a boy and in the midst of farm life myself, helping to do the chores at the barn, working in the corn and potato fields, getting in the hay and in the springtime doing what most of you have never had an opportunity to see—making maple sugar.

I did not have any chance to profit by joining a Scout organization or a 4-H club. That chance ought to be a great help to the boys and girls of the present day. It brings them into association with each other in a way where they learn to think not only of themselves, but of other people. It teaches them to be unselfish. It trains them to obedience and gives them self-control.

A very wise man gave us this motto—"Do the duty that lies nearest you." It seems to me that this is the plan of all your organizations. We need never fear that we shall not be called on to do great things in the future if we do small things well at present. It is the boys and girls who work hard at home that are sure to make the best record when they go away from home. It is the boys and girls who stand well up toward the head of the class at school that will be called on to hold the important places in political and business life when they go out into the world.

There is a time for play as well as a time for work. But even in play it is possible to cultivate the art of well-doing. Games are useful to train the eye, the hand and the muscles, and bring the body more completely under the control of the mind. When this is done, instead of being a waste of time, play becomes a means of education.

It is in all these ways that boys and girls are learning to be men and women, to be respectful to their parents, to be patriotic to their country and to be reverent to God. It is because of the great chance that American boys and girls have in all these directions that to them, more than to the youth of any other country, there should be a merry Christmas.

CALVIN COOLIDGE.

SPECIAL MESSAGE

[Attendance on Preliminary Meeting to Discuss Disarmament Conference.]

THE WHITE HOUSE, *January 4, 1926.*

To the Congress of the United States:

In the message which I had occasion recently to submit to you I called attention to the agreements recently entered into by a number of European Governments under which guaranties of peace were provided, and I took occasion to point out that the natural corollary to these treaties should be further international agreements for the limitation of armaments, a work that was so successfully begun at the Washington Conference. The Government of the United States has now been invited by the Council of the League of Nations to send representatives to sit upon a "Preparatory Commission for the Disarmament Conference, being a commission to prepare for a conference on the reduction and limitation of armaments," which has been set up by the Council and which is to meet in Geneva, Switzerland, in February, 1926. The purpose of this commission, it is stated, is to make preparations for a conference for disarmament which it is the announced purpose of the Council to call at an early date.

It is proposed that the deliberations of the commission shall be directed to such matters as the several factors upon which the power of a country in time of war depends; whether limitation of the ultimate war strength of a country is practicable or whether disarmament should be confined to the peace strength alone; the relative advantages or disadvantages of each of the various forms which reduction or limitation of armament may take in the case of land, sea and air forces; the standard of measurement of the armament of one country against the armament of another; the possibility of ascertaining whether the armed force of a country is organized in a spirit of aggression or for purely defensive purposes; the consideration of the principles upon which a scale of armament for various countries can be drawn up and the factors which enter into the establishment of those principles, such as communication, resources, geographical situation, population, the vulnerability of frontiers, necessary delays in the transforming of peace armaments into war armaments; criteria, if any, by which it may be possible to distinguish between civil and military aircraft; the military

ADDRESS

[One Hundred and Fiftieth Anniversary of the Declaration of Independence.]

PHILADELPHIA, PA., *July 5, 1926.*

Fellow Countrymen:

We meet to celebrate the birthday of America. The coming of a new life always excites our interest. Although we know in the case of the individual that it has been an infinite repetition reaching back beyond our vision, that only makes it the more wonderful. But how our interest and wonder increase when we behold the miracle of the birth of a new nation. It is to pay our tribute of reverence and respect to those who participated in such a mighty event that we annually observe the fourth day of July. Whatever may have been the impression created by the news which went out from this city on that summer day in 1776, there can be no doubt as to the estimate which is now placed upon it. At the end of one hundred fifty years the four corners of the earth unite in coming to Philadelphia as to a holy shrine in grateful acknowledgment of a service so great, which a few inspired men here rendered to humanity, that it is still the preeminent support of free government throughout the world.

Although a century and a half measured in comparison with the length of human experience is but a short time, yet measured in the life of governments and nations it ranks as a very respectable period. Certainly enough time has elapsed to demonstrate with a great deal of thoroughness the value of our institutions and their dependability as rules for the regulation of human conduct and the advancement of civilization. They have been in existence long enough to become very well seasoned. They have met, and met successfully, the test of experience.

It is not so much then for the purpose of undertaking to proclaim new theories and principles that this annual celebration is maintained, but rather to reaffirm and reestablish those old theories and principles which time and the unerring logic of events have demonstrated to be sound. Amid all the clash of conflicting interests, amid all the welter of partisan politics, every American can turn for solace and consolation to the Declaration of Independence and the Constitution of the United States with the assurance and confidence that those two great charters of freedom and justice remain firm and unshaken. Whatever perils appear, whatever dangers threaten, the nation remains secure in the knowledge that the ultimate application of the law of the land will provide an adequate defense and protection.

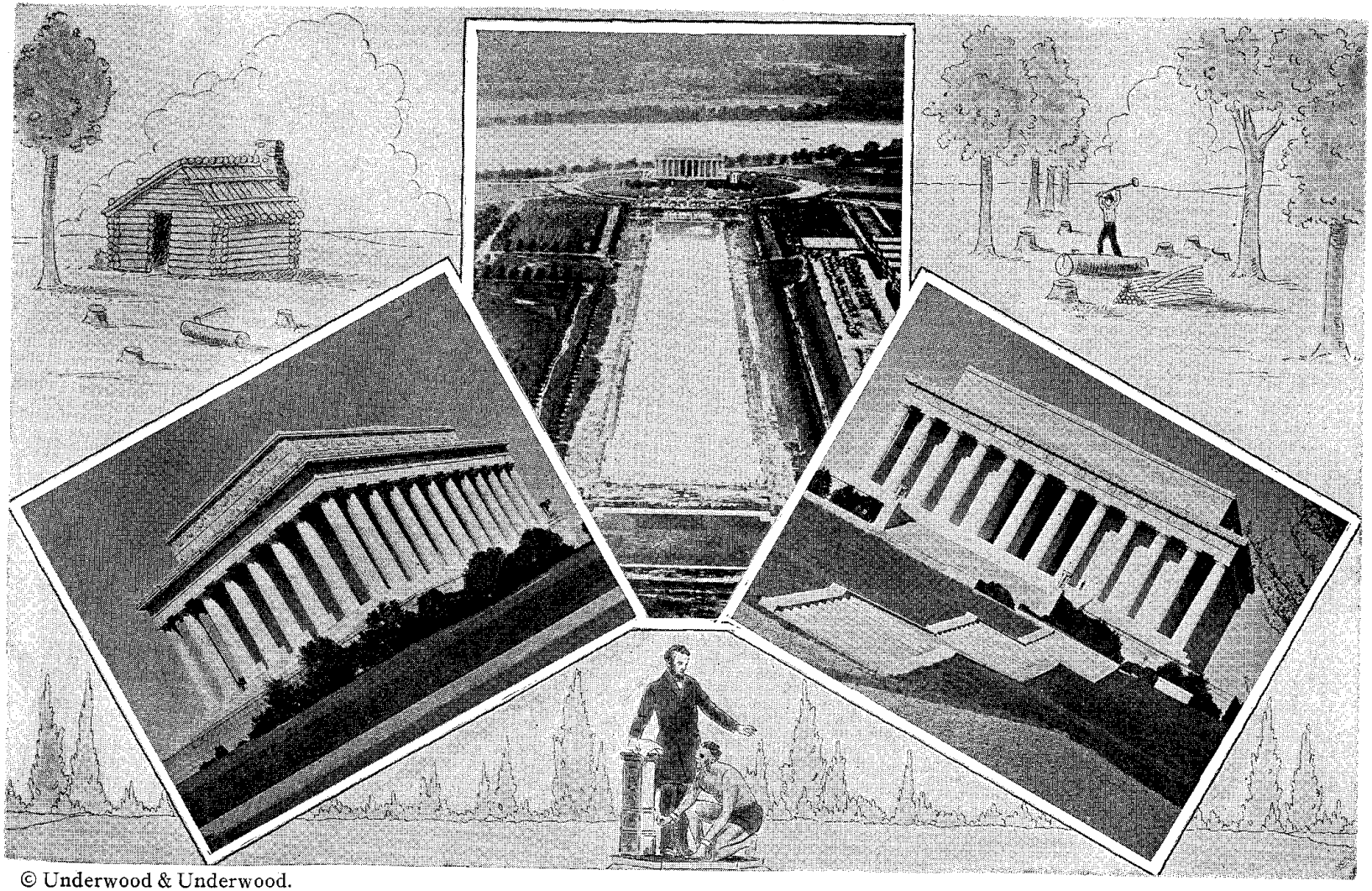
It is little wonder that people at home and abroad consider Independence Hall as hallowed ground and revere the Liberty Bell as a sacred relic. That pile of bricks and mortar, that mass of metal, might

appear to the uninstructed as only the outgrown meeting place and the shattered bell of a former time, useless now because of more modern conveniences, but to those who know they have become consecrated by the use which men have made of them. They have long been identified with a great cause. They are the framework of a spiritual event. The world looks upon them, because of their associations of one hundred and fifty years ago, as it looks upon the Holy Land because of what took place there nineteen hundred years ago. Through use for a righteous purpose they have become sanctified.

It is not here necessary to examine in detail the causes which led to the American Revolution. In their immediate occasion they were largely economic. The colonists objected to the navigation laws which interfered with their trade, they denied the power of Parliament to impose taxes which they were obliged to pay, and they therefore resisted the royal governors and the royal forces which were sent to secure obedience to these laws. But the conviction is inescapable that a new civilization had come, a new spirit had arisen on this side of the Atlantic more advanced and more developed in its regard for the rights of the individual than that which characterized the Old World. Life in a new and open country had aspirations which could not be realized in any subordinate position. A separate establishment was ultimately inevitable. It had been decreed by the very laws of human nature. Man everywhere has an unconquerable desire to be the master of his own destiny.

We are obliged to conclude that the Declaration of Independence represented the movement of a people. It was not, of course, a movement from the top. Revolutions do not come from that direction. It was not without the support of many of the most respectable people in the Colonies, who were entitled to all the consideration that is given to breeding, education, and possessions. It had the support of another element of great significance and importance to which I shall later refer. But the preponderance of all those who occupied a position which took on the aspect of aristocracy did not approve of the Revolution and held toward it an attitude either of neutrality or open hostility. It was in no sense a rising of the oppressed and downtrodden. It brought no scum to the surface, for the reason that colonial society had developed no scum. The great body of the people were accustomed to privations, but they were free from depravity. If they had poverty, it was not of the hopeless kind that afflicts great cities, but the inspiring kind that marks the spirit of the pioneer. The American Revolution represented the informed and mature convictions of a great mass of independent, liberty-loving, God-fearing people who knew their rights, and possessed the courage to dare to maintain them.

The Continental Congress was not only composed of great men, but it represented a great people. While its members did not fail to exercise



THE LINCOLN MEMORIAL AT WASHINGTON

THE LINCOLN MEMORIAL

The central panel on the preceding page shows the scene at the dedication of the memorial to Abraham Lincoln at the capital of the country which he held together. The view was taken from the top of the Washington Monument, which faces the Lincoln Memorial from the observer's end of the lagoon. In the background flow the placid waters of the Potomac. The panel to the right gives a closer view of the Memorial and that on the left gives a rear view taken from the Potomac. A view of the statue of Lincoln within the Memorial will be found opposite another page. See also the Encyclopedic Index, "Lincoln Memorial."

President Harding's address at the dedication exercises of the Lincoln Memorial begins on page 9127. It is interesting to compare his analysis of Lincoln's character with the analysis of President Wilson, on page 8160.

a remarkable leadership, they were equally observant of their representative capacity. They were industrious in encouraging their constituents to instruct them to support independence. But until such instructions were given they were inclined to withhold action.

While North Carolina has the honor of first authorizing its delegates to concur with other colonies in declaring independence, it was quickly followed by South Carolina and Georgia, which also gave general instructions broad enough to include such action. But the first instructions which unconditionally directed its delegates to declare for independence came from the great commonwealth of Virginia. These were immediately followed by Rhode Island and Massachusetts, while the other colonies, with the exception of New York, soon adopted a like course.

This obedience of the delegates to the wishes of their constituents, which in some cases caused them to modify their previous positions, is a matter of great significance. It reveals an orderly process of government in the first place; but more than that, it demonstrates that the Declaration of Independence was the result of the seasoned and deliberate thought of the dominant portion of the people of the colonies. Adopted after long discussion and as the result of the duly authorized expression of the preponderance of public opinion, it did not partake of dark intrigue or hidden conspiracy. It was well advised. It had about it nothing of the lawless and disordered nature of a riotous insurrection. It was maintained on a plane which rises above the ordinary conception of rebellion. It was in no sense a radical movement but took on the dignity of a resistance to illegal usurpations. It was conservative and represented the action of the colonists to maintain their constitutional rights which from time immemorial had been guaranteed to them under the law of the land.

When we come to examine the action of the Continental Congress in adopting the Declaration of Independence in the light of what was set out in that great document and in the light of succeeding events, we can not escape the conclusion that it had a much broader and deeper significance than a mere secession of territory and the establishment of a new nation. Events of that nature have been taking place since the dawn of history. One empire after another has arisen, only to crumble away as its constituent parts separated from each other and set up independent governments of their own. Such actions long ago became commonplace. They have occurred too often to hold the attention of the world and command the admiration and reverence of humanity. There is something beyond the establishment of a new nation, great as that event would be, in the Declaration of Independence which has ever since caused it to be regarded as one of the great charters that not only was to liberate America but was everywhere to ennoble humanity.

It was not because it was proposed to establish a new nation, but

because it was proposed to establish a nation on new principles, that July 4, 1776, has come to be regarded as one of the greatest days in history. Great ideas do not burst upon the world unannounced. They are reached by a gradual development over the length of time usually proportionate to their importance. This is especially true of the principles laid down in the Declaration of Independence. Three very definite propositions were set out in its preamble regarding the nature of mankind and therefore of government. These were the doctrine that all men are created equal, that they are endowed with certain inalienable rights, and that therefore the source of the just powers of government must be derived from the consent of the governed.

If no one is to be accounted as born into a superior station, if there is to be no ruling class, and if all possess rights which can neither be bartered away nor taken from them by any earthly power, it follows as a matter of course that the practical authority of the Government has to rest on the consent of the governed. While these principles were not altogether new in political action, and were very far from new in political speculation, they had never been assembled before and declared in such a combination. But remarkable as this may be, it is not the chief distinction of the Declaration of Independence. The importance of political speculation is not to be underestimated, as I shall presently disclose. Until the idea is developed and the plan made there can be no action.

It was the fact that our Declaration of Independence containing these immortal truths was the political action of a duly authorized and constituted representative public body in its sovereign capacity, supported by the force of general opinion and by the armies of Washington already in the field, which makes it the most important civil document in the world. It was not only the principles declared, but the fact that therewith a new nation was born which was to be founded upon those principles and which from that time forth in its development has actually maintained those principles, that makes this pronouncement an incomparable event in the history of government. It was an assertion that a people had arisen determined to make every necessary sacrifice for the support of these truths and by their practical application bring the War of Independence to a successful conclusion and adopt the Constitution of the United States with all that it has meant to civilization.

The idea that the people have a right to choose their own rulers was not new in political history. It was the foundation of every popular attempt to depose an undesirable king. This right was set out with a good deal of detail by the Dutch when as early as July 26, 1581, they declared their independence of Philip of Spain. In their long struggle with the Stuarts the British people asserted the same principles, which finally culminated in the Bill of Rights deposing the last of that house

and placing William and Mary on the throne. In each of these cases sovereignty through divine right was displaced by sovereignty through the consent of the people. Running through the same documents, though expressed in different terms, is the clear inference of inalienable rights. But we should search these charters in vain for an assertion of the doctrine of equality. This principle had not before appeared as an official political declaration of any nation. It was profoundly revolutionary. It is one of the corner stones of American institutions.

But if these truths to which the declaration refers have not before been adopted in their combined entirety by national authority, it is a fact that they had been long pondered and often expressed in political speculation. It is generally assumed that French thought had some effect upon our public mind during Revolutionary days. This may have been true. But the principles of our declaration had been under discussion in the Colonies for nearly two generations before the advent of the French political philosophy that characterized the middle of the eighteenth century. In fact, they come from an earlier date. A very positive echo of what the Dutch had done in 1581, and what the English were preparing to do, appears in the assertion of the Rev. Thomas Hooker of Connecticut as early as 1638, when he said in a sermon before the General Court that—

> The foundation of authority is laid in the free consent of the people.
> The choice of public magistrates belongs to the people by God's own allowance.

This doctrine found wide acceptance among the nonconformist clergy who later made up the Congregational Church. The great apostle of this movement was the Rev. John Wise, of Massachusetts. He was one of the leaders of the revolt against the royal governor Andros in 1687, for which he suffered imprisonment. He was a liberal in ecclesiastical controversies. He appears to have been familiar with the writings of the political scientist, Samuel Pufendorf, who was born in Saxony in 1632. Wise published a treatise, entitled "The Church's Quarrel Espoused," in 1710, which was amplified in another publication in 1717. In it he dealt with the principles of civil government. His works were reprinted in 1772 and have been declared to have been nothing less than a textbook of liberty for our Revolutionary fathers.

While the written word was the foundation, it is apparent that the spoken word was the vehicle for convincing the people. This came with great force and wide range from the successors of Hooker and Wise. It was carried on with a missionary spirit which did not fail to reach the Scotch-Irish of North Carolina, showing its influence by significantly making that Colony the first to give instructions to its delegates looking

to independence. This preaching reached the neighborhood of Thomas Jefferson, who acknowledged that his "best ideas of democracy" had been secured at church meetings.

That these ideas were prevalent in Virginia is further revealed by the Declaration of Rights, which was prepared by George Mason and presented to the general assembly on May 27, 1776. This document asserted popular sovereignty and inherent natural rights, but confined the doctrine of equality to the assertion that "All men are created equally free and independent." It can scarcely be imagined that Jefferson was unacquainted with what had been done in his own Commonwealth of Virginia when he took up the task of drafting the Declaration of Independence. But these thoughts can very largely be traced back to what John Wise was writing in 1710. He said, "Every man must be acknowledged equal to every man." Again, "The end of all good government is to cultivate humanity and promote the happiness of all and the good of every man in all his rights, his life, liberty, estate, honor and so forth * * *."

And again, "For as they have a power every man in his natural state, so upon combination they can and do bequeath this power to others and settle it according as their united discretion shall determine." And still again, "Democracy is Christ's government in church and state." Here was the doctrine of equality, popular sovereignty, and the substance of the theory of inalienable rights clearly asserted by Wise at the opening of the eighteenth century, just as we have the principle of the consent of the governed stated by Hooker as early as 1638.

When we take all these circumstances into consideration, it is but natural that the first paragraph of the Declaration of Independence should open with a reference to Nature's God and should close in the final paragraphs with an appeal to the Supreme Judge of the world and an assertion of a firm reliance on Divine Providence. Coming from these sources, having as it did this background, it is no wonder that Samuel Adams could say "The people seem to recognize this resolution as though it were a decree promulgated from heaven."

No one can examine this record and escape the conclusion that in the great outline of its principles the Declaration was the result of the religious teachings of the preceding period. The profound philosophy which Jonathan Edwards applied to theology, the popular preaching of George Whitefield, had aroused the thought and stirred the people of the colonies in preparation for this great event. No doubt the speculations which had been going on in England, and especially on the Continent, lent their influence to the general sentiment of the times. Of course, the world is always influenced by all the experience and all the thought of the past. But when we come to a contemplation of the immediate conception of

the principles of human relationship which went into the Declaration of Independence we are not required to extend our search beyond our own shores. They are found in the texts, the sermons, and the writings of the early colonial clergy who were earnestly undertaking to instruct their congregations in the great mystery of how to live. They preached equality because they believed in the fatherhood of God and the brotherhood of man. They justified freedom by the text that we are all created in the divine image, all partakers of the divine spirit.

Placing every man on a plane where he acknowledged no superiors, where no one possessed any right to rule over him, he must inevitably choose his own rulers through a system of self-government. This was their theory of democracy. In those days such doctrines would scarcely have been permitted to flourish and spread in any other country. This was the purpose which the fathers cherished. In order that they might have freedom to express these thoughts and opportunity to put them into action, whole congregations with their pastors had migrated to the colonies. These great truths were in the air that our people breathed. Whatever else we may say of it, the Declaration of Independence was profoundly American.

If this apprehension of the facts be correct, and the documentary evidence would appear to verify it, then certain conclusions are bound to follow. A spring will cease to flow if its source be dried up; a tree will wither if its roots be destroyed. In its main features the Declaration of Independence is a great spiritual document. It is a declaration not of material but of spiritual conceptions. Equality, liberty, popular sovereignty, the rights of man—these are not elements which we can see and touch. They are ideals. They have their source and their roots in the religious convictions. They belong to the unseen world. Unless the faith of the American people in these religious convictions is to endure, the principles of our Declaration will perish. We can not continue to enjoy the result if we neglect and abandon the cause.

We are too prone to overlook another conclusion. Governments do not make ideals, but ideals make governments. This is both historically and logically true. Of course the government can help to sustain ideals and can create institutions through which they can be the better observed, but their source by their very nature is in the people. The people have to bear their own responsibilities. There is no method by which that burden can be shifted to the government. It is not the enactment, but the observance of laws, that creates the character of a nation.

About the Declaration there is a finality that is exceedingly restful. It is often asserted that the world has made a great deal of progress since 1776, that we have had new thoughts and new experiences which have given us a great advantage over the people of that day, and that we may therefore very well discard their conclusions for something

more modern. But that reasoning can not be applied to this great charter. If all men are created equal, that is final. If they are endowed with inalienable rights, that is final. If governments derive their just powers from the consent of the governed, that is final. No advance, no progress can be made beyond these propositions. If anyone wishes to deny their truth or their soundness, the only direction in which he can proceed historically is not forward, but backward toward the time when there was no equality, no rights of the individual, no rule of the people. Those who wish to proceed in that direction can not lay claim to progress. They are reactionary. Their ideas are not more modern, but more ancient, than those of the Revolutionary fathers.

In the development of its institutions America can fairly claim that it has remained true to the principles which were declared one hundred and fifty years ago. In all the essentials we have achieved an equality which was never possessed by any other people. Even in the less important matter of material possessions we have secured a wider and wider distribution of wealth. The rights of the individual are held sacred and protected by constitutional guaranties which even the Government itself is bound not to violate. If there is any one thing among us that is established beyond question, it is self-government—the right of the people to rule. If there is any failure in respect to any of these principles, it is because there is a failure on the part of individuals to observe them. We hold that the duly authorized expression of the will of the people has a divine sanction. But even in that we come back to the theory of John Wise that "Democracy is Christ's government * * *."

The ultimate sanction of law rests on the righteous authority of the Almighty.

On an occasion like this a great temptation exists to present evidence of the practical success of our form of democratic republic at home and the ever-broadening acceptance it is securing abroad. Although these things are well known, their frequent consideration is an encouragement and an inspiration. But it is not results and effects so much as sources and causes that I believe it is even more necessary constantly to contemplate. Ours is a government of the people. It represents their will. Its officers may sometimes go astray, but that is not a reason for criticizing the principles of our institutions. The real heart of the American Government depends upon the heart of the people. It is from that source that we must look for all genuine reform. It is to that cause that we must ascribe all our results.

It was in the contemplation of these truths that the fathers made their declaration and adopted their Constitution. It was to establish a free government, which must not be permitted to degenerate into the unrestrained authority of a mere majority of the unbridled weight of a mere influential few. They undertook to balance these interests against each

other and provide the three separate independent branches, the executive, the legislative, and the judicial departments of the Government, with checks against each other in order that neither one might encroach upon the other. These are our guaranties of liberty. As a result of these methods enterprise has been duly protected from confiscation, the people have been free from oppression, and there has been an ever-broadening and deepening of the humanities of life.

Under a system of popular government there will always be those who will seek for political preferment by clamoring for reform. While there is very little of this which is not sincere, there is a large portion that is not well informed. In my opinion very little of just criticism can attach to the theories and principles of our institutions. There is far more danger of harm than there is hope of good in any radical changes. We do need a better understanding and comprehension of them and a better knowledge of the foundations of government in general. Our forefathers came to certain conclusions and decided upon certain courses of action which have been a great blessing to the world. Before we can understand their conclusions we must go back and review the course which they followed. We must think the thoughts which they thought. Their intellectual life centered around the meetinghouse. They were intent upon religious worship. While there were always among them men of deep learning, and later those who had comparatively large possessions, the mind of the people was not so much engrossed in how much they knew, or how much they had, as in how they were going to live. While scantily provided with other literature, there was a wide acquaintance with the Scriptures. Over a period as great as that which measures the existence of our independence they were subject to this discipline not only in their religious life and educational training, but also in their political thought. They were a people who came under the influence of a great spiritual development and acquired a great moral power.

No other theory is adequate to explain or comprehend the Declaration of Independence. It is the product of the spiritual insight of the people. We live in an age of science and of abounding accumulation of material things. These did not create our Declaration. Our Declaration created them. The things of the spirit come first. Unless we cling to that, all our material prosperity, overwhelming though it may appear, will turn to a barren scepter in our grasp. If we are to maintain the great heritage which has been bequeathed to us, we must be like-minded as the fathers who created it. We must not sink into a pagan materialism. We must cultivate the reverence which they had for the things that are holy. We must follow the spiritual and moral leadership which they showed. We must keep replenished, that they may glow with a more compelling flame, the altar fires before which they worshipped.

Done at the City of Washington this 21st day of September, in the year of our Lord one thousand nine hundred and twenty-six, [SEAL.] and of the Independence of the United States of America the one hundred and fifty-first.

CALVIN COOLIDGE.

By the President:

FRANK B. KELLOGG, *Secretary of State.*

ADDRESS

[Annual Meeting of American Red Cross, Washington, D. C. October 4, 1926.]

Members of the Convention:

The annual convention of the American Red Cross is an occasion for reemphasizing the fact that the world is not yet perfect, and rededicating ourselves to continuing sacrifices for its redemption. Such a conception in its entirety is not simple but very complex. It is not narrow and restricted, but very broad and comprehensive. It brings into consideration the whole field of human relationship. The main purpose of this organization is charity, but charity is not something that can exist of itself, apart from all else. It is a very complete demonstration of the fact that we live in a world that is interrelated and interdependent. Charity depends not only on a benevolent spirit but upon the material resources by means of which such a sentiment can manifest itself.

It is the realization of this principle that helps to sanctify the realm of business. The people of this country are engaged in their various daily occupations in order that they may meet their wide and comprehensive obligations. No doubt their first thought is to be self-supporting and independent, maintaining themselves and their families in comfort, supplying the needs of their declining years, and passing on to posterity the means of a broader existence and a more comprehensive life. It is with this in view that they have given heed to the scriptural injunction to be diligent in business, and under the inspiration of this motive America has become rich and prosperous. But our obligation does not end there. Although there is no doubt that we have surpassed every other people in that direction we have not yet attained, and perhaps it is not possible for finite beings to attain, to a complete economic justice. The limitations of humanity and the results of unforeseen and unforeseeable contingencies constantly leave some of our people, oftentimes without any fault on their part, in a condition of want and distress which they are unable of themselves to alleviate. Nothing is clearer than the requirement which is laid on society to use its resources for the relief and restoration of such conditions. The success and com-

pleteness with which these obligations are discharged measure the moral rank of a people.

In a country as extended and diversified as our own which recognizes its obligation not only to itself but to humanity at large, such charity can not be left to the chance impulse of the occasion. It requires trained skill and thorough organization for its effective operation. It is to meet this broad purpose that the American Red Cross has been organized and maintained.

More and more each year it has become a symbol and expression of the divine sympathy which exists in every human being. It takes the heart beats of humanity and transforms them into concrete acts for the alleviation of misery and suffering. Begun as an agency of mercy to relieve those stricken in battle, it soon developed into a service to heal the scars of those broken in body and spirit by such combats. This work is still vitally necessary. We can only hope that some day there will be found a way to prevent these appalling conflicts between nations, which bring such a harvest of physically maimed and mentally wrecked, with the resultant destruction of man power and material resources.

But to-day there is much more in our Red Cross. Wonderful advances have been made in developing and organizing its peace-time activities. One of the purposes written into its charter, granted by Congress in 1905, is "* * * to continue and carry on a system of national and international relief in time of peace, and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other great national calamities, and"—I desire to lay particular stress on this—"to devise and carry on measures for preventing the same."

This is a broad grant for service! In recent years we have come to realize more fully the great value of prevention. As this idea progresses and is carried out with increasing success, need for alleviation, for healing, and reconstruction inevitably will be lessened. This incalculable benefit to humanity is the goal to set for ourselves!

Never in the history of mankind have benevolence and beneficence been applied so widely and effectively. Modern business methods and the results of scientific research have been adopted and put into operation. A sympathetic disposition, a desire to be helpful—these may be the marks of a fine nature, but they can not be of maximum benefit to others without an organization such as the Red Cross. Not only has our work been developed to a high degree of efficiency, but in and by that development has been set an example of virtues worthy of emulation by individuals, groups, and nations.

One of our best-known services is that of disaster relief. It was first brought into large use under powers of the 1905 charter when the great emergency arose in San Francisco the following year. This agency has been perfected until now the supervision of relief in times of calamity,

without any question, and with the utmost confidence and by common consent, is placed in the hands of the Red Cross. Preparedness and promptness are among its cardinal principles. Its forces and resources are organized so there may be no delay in securing immediate action when catastrophe strikes with sudden and destructive hand. Relief quickly given is doubly beneficial. We have recently had an example of its swiftness and efficiency in the emergency caused by the Florida storm. The relief agencies were put in motion upon receipt of the first news. Within twenty-four hours of the issuance of my appeal for financial assistance subscriptions amounting to hundreds of thousands of dollars were reported to national headquarters in Washington. That was only the beginning.

The public has come to realize the superlative ability of this organization to cope with such situations. There is faith that all contributions will be wisely, economically, and honestly spent for the benefit of the sufferers—none being used for purposes of administration. Another virtue of this society is that it "follows through." Once having entered a devastated area, the Red Cross does not leave until there has been complete rehabilitation. It does not withdraw after the acute physical ills have been alleviated. Help is continued until every person affected has been restored to full powers of efficiency and the community has been reconstructed. Such work took a full year after the tri-state tornado in the mid-west in March, 1925; and a total of $3,000,000 was expended.

Aid is given freely, necessity being the only requirement, and in such a way that the benefactor does not feel himself an object of charity. He does not lose his self-respect. Rather is he inspired by a fine example to a better and more efficient life, that he in turn may render service to others.

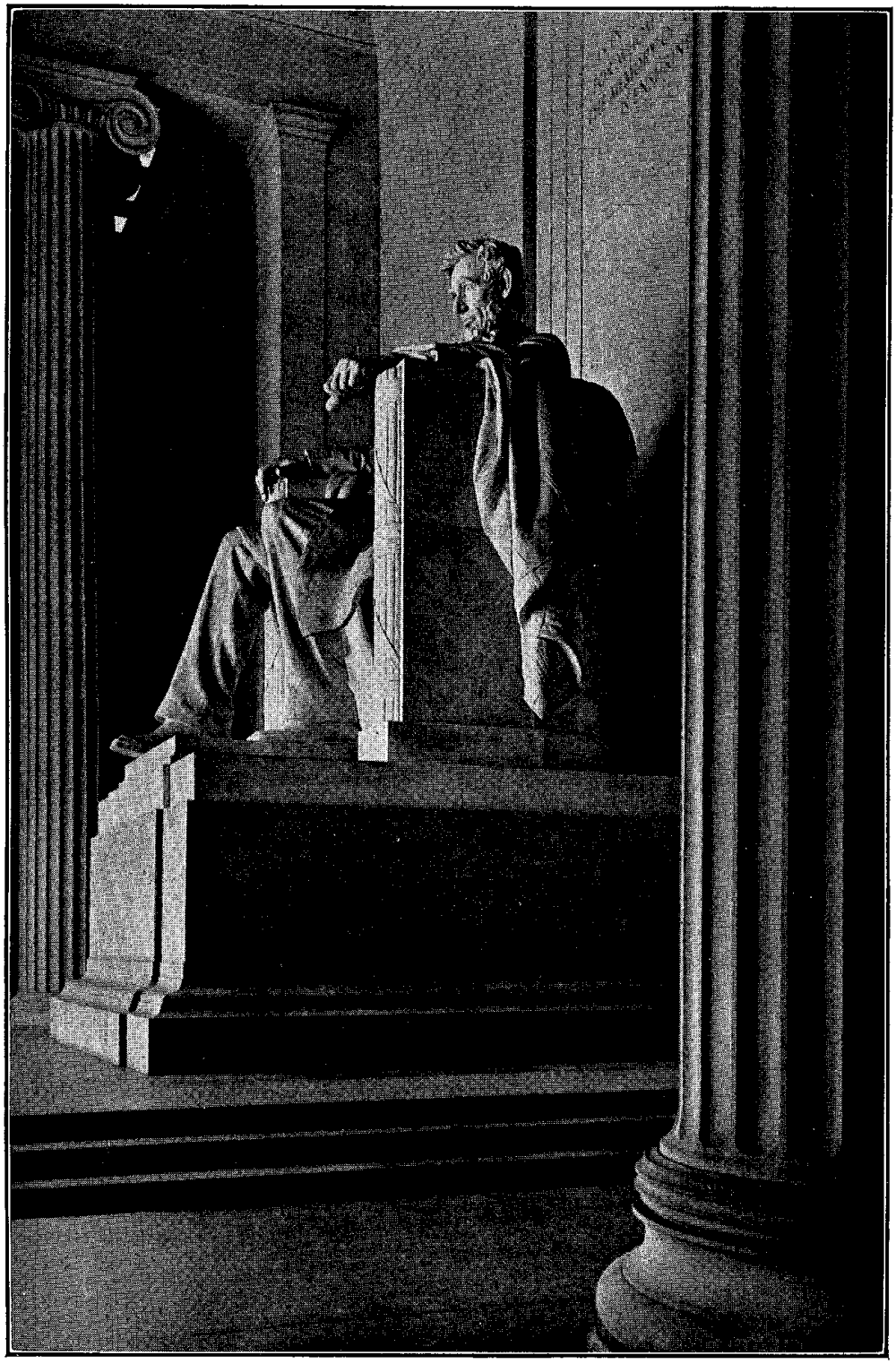
While the Red Cross comes strikingly before the public eye at times of great emergency, reported extensively in the newspapers, it is in the less well-known and unspectacular services where constant and most important benefits are rendered. Not only are our active soldiers and sailors ministered to, but encouragement and assistance are being given to our war veterans, wherever they may be. In the broad field of prevention, destined to play an increasingly valuable rôle in the progress of civilization, already an excellent start has been made. Among the services now being supported by the Red Cross are: Home hygiene and care of the sick, public health and nursing, nutrition, first aid, and life-saving. It is not intended that local committees shall be superseded in their privilege and duty to carry on health preservation and social service work. But we undertake to start such activities wherever needed and to arouse public sentiment to the necessity of maintenance by the local authorities.

One of the most promising of the recent developments is the Junior Red Cross, organized among the young of high-school age. The aim is to inspire in the youth the fine spirit of service and self-sacrifice which is so characteristic of the senior organization. These junior groups are kept in touch with similar groups in foreign lands, and evidences of good will are frequently exchanged. Who can doubt that this spirit of friendliness fostered among the young people of the different nations will bring a harvest of better international understanding and of mutual respect in the years to come? Among the choicest treasures of my bookshelves are thousands upon thousands of bound personal letters written by the school children of Japan expressing the gratitude of that exceedingly courteous nation for the millions of relief which was afforded them by the American Red Cross at the time of the devastating earthquake and flood which overwhelmed Tokyo and the surrounding territory in 1923. Out of the spirit of those who gave and the gratitude of those who received a better understanding and more enduring ties of friendship have certainly been wrought.

Suffering and sorrow are universal. Sympathy and a desire to help those in distress are characteristics not confined to any one nation. Already the American Red Cross has established a comprehensive sphere of influence throughout these United States. It has more than 3,000,000 senior and over 5,500,000 junior members. There are 3,537 chapters, nearly 500 in excess of the total number of counties in our States. We are cooperating with other countries through the Pan American Red Cross and through the League of Red Cross Societies, composed of 54 independent national organizations. We have time and again given freely in aid of stricken communities in foreign lands.

All of this represents a tremendous organizing ability, embracing vast resources, and including an enormous number of people. There was never any other like charity in the world. It represents idealism applied in a sensible, practical, sound way to the real problems of relief.

What the Red Cross is doing is only one example of the innumerable results of American idealism. While there is no more moving spectacle than that of the poor, out of their meager substance, extending relief to their fellow beings in time of distress, such relief would be entirely inadequate to meet the needs of modern society. To extend medical aid, to give the necessary food, clothing, and shelter to the victims of disaster in the crowded areas of the world, either in war or peace, require great outlays of money and large aggregates of personal service. This can only be furnished from the resources of wealth and prosperity. The fact that these charities are supplied not only for the Red Cross but in innumerable other directions is one of the most complete demonstrations that our people in their effort to accumulate property are moved by a righteous purpose. Their success has not been turned to greed, avarice,



INTERIOR, LINCOLN MEMORIAL

INTERIOR, LINCOLN MEMORIAL

The imposing statue of Abraham Lincoln within the memorial erected to him at Washington is by Daniel Chester French. On the walls are graven notable passages from Lincoln's messages and papers. Other views of the Lincoln Memorial will be found opposite another page. President Harding's address at the dedication of the Memorial begins on page 9127 and President Wilson's analysis of Lincoln's character, on page 8160.

or selfishness, but has been productive of generosity, benevolence, and charity.

In this country we have no permanent class requiring charity. We have been remarkably free from the havoc of war, with its accompanying results of the maimed and the dependent, but even only under the hazards of peace 115,000,000 people can not exist without temporary emergencies constantly arising which need charitable relief. When we consider the rest of the world the requirements are endless and stupendous.

While America has been and is surpassingly great in its charities, it looks upon those ministrations to our inhabitants as temporary and accidental. The normal state of the American people, the standard toward which all efforts are bent for attainment, usually with success, is that of a self-supporting, self-governing, independent people. That represents to us a condition of health and soundness which it is exceedingly desirable to maintain. After all the ideal charity is to place in the hands of the people the means of satisfying their own requirements through their own efforts.

It is for these reasons that it is necessary to rely so largely upon the economic condition of the country to minister to the idealism of the country. We may be moved ever so strongly with benevolent impulses; but if we are without means to afford relief, such sentiments are of little practical value. Even where generosity and wealth both exist we can not say that even these are sufficient. After all, human nature does not want permanent charity but permanent independence through the opportunity to work out its own destiny. It is at this point that the economic well-being and prosperity of a nation passes over into the ideal. Great wealth belonging to a few is not a condition that we seek in this country, but rather a system of production and distribution where the great mass of people shall be contributors to the process and shall share in the rewards. Under this system, toward which we are constantly advancing in America, prosperity and idealism merge, and the cause of economics serves the cause of humanity. The higher idealism, the true philanthropy, is not that which comes to the rescue after the catastrophe, but rather that which through obedience to sound economic laws creates a prosperity among the people that anticipates and prevents the the need of charity.

EXECUTIVE ORDER

[Political Activities of Alaska Railroad Employees.]

THE WHITE HOUSE, *October 22, 1926.*

In accordance with a recommendation of the Secretary of the Interior and the General Manager of The Alaska Railroad, employees of the

railroad permanently residing in municipalities on the line of the railroad are hereby permitted to become candidates for municipal office therein, or may hold such office, provided the attention required by such employment does not, in the judgment of the General Manager, interfere with the regular and efficient discharge of the duties of their positions under the railroad.

CALVIN COOLIDGE.

ADDRESS

[Before American Association of Advertising Agencies at Washington, Wednesday, October 27, 1926.]

MEMBERS OF THE ASSOCIATION:

Sometimes it seems as though our generation fails to give the proper estimate and importance to the values of life. Results appear to be secured so easily that we look upon them with indifference. We take too many things as a matter of course, when in fact they have been obtained for us only as the result of ages of effort and sacrifice. We look at our economic condition upon which we are absolutely dependent for the comforts and even the necessaries of life, and forgetting that it all rests on industry, thrift, and management, dismiss it lightly as a matter that does not concern us. Occasionally our attention is directed to our political institutions, which have been secured for us through the disinterested exertion of generations of patriotism, and, going along oblivious to the fact that they are the sole guarantees of our rights to life and liberty, we turn away with the comforting thought that we can let some party committee attend to getting out the vote and that probably the Government will run itself all right anyway. Then perhaps we are attracted by the buildings erected for education, or the temples dedicated to religious worship, and without stopping to realize that these are the main source of the culture of society and the moral and spiritual life of the people we pass them by as the concern very largely of schoolmasters and clergymen. We have become so accustomed to the character of our whole, vast, and intricate system of existence that we do not ordinarily realize its enormous importance.

It seems to me probable that of all our economic life the element on which we are inclined to place too low an estimate is advertising. When we come in contact with our great manufacturing plants, our extensive systems of transportation, our enormous breadth of agriculture, or the imposing structures of commerce and finance, we are forced to gain a certain impression by their very magnitude, even though we do not stop to consider all their implications. By the very size and nature of their material form they make an appeal to the senses, even though their import does not reach the understanding. But as we turn through the pages of

the press and the periodicals, as we catch the flash of billboards along the railroads and the highways, all of which have become enormous vehicles of the advertising art, I doubt if we realize at all the impressive part that these displays are coming more and more to play in modern life. Even the most casual observation, however, reveals to us that advertising has become a great business. It requires for its maintenance investments of great amounts of capital, the occupation of large areas of floor space, the employment of an enormous number of people, heavy shipments through the United States mails, wide service by telephone and telegraph, broad use of the printing and paper trades, and the utmost skill in direction and management. In its turnover it runs into hundreds of millions of dollars each year.

When we stop to consider the part which advertising plays in the modern life of production and trade we see that basically it is that of education. It informs its readers of the existence and nature of commodities by explaining the advantages to be derived from their use and creates for them a wider demand. It makes new thoughts, new desires, and new actions. By changing the attitude of mind it changes the material condition of the people. Somewhere I have seen ascribed to Abraham Lincoln the statement that "In this and like communities public sentiment is everything. With public sentiment nothing can fail; without it nothing can succeed; consequently he who molds public sentiment goes deeper than he who enacts statutes or pronounces decisions. He makes statutes and decisions possible or impossible to be executed." Advertising creates and changes this foundation of all popular action, public sentiment, or public opinion. It is the most potent influence in adopting and changing the habits and modes of life, affecting what we eat, what we wear, and the work and play of the whole nation. Formerly it was an axiom that competition was the life of trade. Under the methods of the present day it would seem to be more appropriate to say that advertising is the life of trade.

Two examples of this influence have come to me in a casual way. While I can not vouch for the details, I believe in their outline they are substantially correct. One relates to an American industry that had rather phenomenal growth and prosperity in the late eighties and early nineties, being the foundation of one or two large fortunes. In its development it had been a most generous advertiser. A time came when various concerns engaged in this line of manufacturing were merged and consolidated. There being no longer any keen competition, it was felt that it was now no longer necessary to explain to the public the value of this product or the superiority of one make over another. In order to save the large expense that had been made for that purpose, advertising was substantially abandoned. The inevitable result followed, which all well-informed trade quarters now know would follow. But the value

of advertising was not so well understood twenty-five or thirty years ago. This concern soon became almost a complete failure. As I recall, it had to be reorganized, entailing great losses. This line of trade was later revived under the direction and counsel of some of its old managers, and with the proper amount of publicity became a successful enterprise.

But let us turn from the unfortunate experience of the loss that occurred through lack of advertising to an example of gain that was made through the shrewd application of this principle. In a somewhat typical American community a concern was engaged in an industrial enterprise. Its employees were not required to be men of great skill. Oftentimes they were new arrivals in this country who had been brought up to be accustomed to the meager scale of living abroad. Their wants were not large, so that under the American rate of wages they found it possible to supply themselves and their families without working anywhere near full time. As a result, production was low compared with the number employed and was out of proportion to the overhead expense of management and capital costs. Some fertile mind conceived the idea of locating a good milliner in that community. The wares of this shop were generously advertised through window display, newspaper space, and circularization. I suppose that every head of a family knows that a new bonnet on the head of one of the women in the neighborhood is contagious. The result in that community almost at once was better wearing apparel for the women, which necessitated more steady employment for the men. The output of the plant was greatly increased, its cost units were reduced, its profits were enlarged, it could sell its product to its customers at a lower figure, and the whole industry was improved. More wealth was produced. But the reaction went even further. The whole standard of living in that locality was raised. All the people became better clothed, better fed, and better housed. They had aspirations, and the means to satisfy them, for the finer things of life. All of this came from the judicious application of the principle of advertising.

The system which brought about these results is well known to the members of this association. You have seen innumerable instances where concerns have failed through lack of advertising and innumerable others where they have made a success through the right kind and amount of publicity. Under its stimulation the country has gone from the old hand methods of production which were so slow and laborious with high unit costs and low wages to our present great factory system and its mass production with the astonishing result of low unit costs and high wages. The preeminence of America in industry, which has constantly brought about a reduction of costs, has come very largely through mass production. Mass production is only possible where there is mass demand. Mass demand has been created almost entirely through the development of advertising.

In former days goods were expected to sell themselves. Oftentimes they were carried about from door to door. Otherwise, they were displayed on the shelves and counters of the merchant. The public were supposed to know of these sources of supply and depend on themselves for their knowledge of what was to be sold. Modern business could neither have been created nor can it be maintained on any such system. It constantly requires publicity. It is not enough that goods are made, a demand for them must also be made. It is on this foundation of enlarging production through the demands created by advertising that very much of the success of the American industrial system rests.

It will at once occur to those who have given any thought to these subjects how important it is to the continuing success of the business which this gathering represents, and to the general welfare of the country, that the conditions under which these results have been secured should be maintained. It is our high rate of wages which brings about the greatest distribution of wealth that the world has ever seen and provides the enormous capacity for the consumption of all kinds of commodities which characterizes our country. With our improved machinery, with the great increase in power that has come from steam and electricity, with the application of engineering methods to production, the output of each individual engaged in our industrial and agricultural life is steadily increasing. The elimination of waste through standardization has been another most important factor in this direction. If we proceed under our present system, there would appear to be little reason to doubt that we can continue to maintain all of these high standards in wages, in output, and in consumption indefinitely, and with our home markets as a foundation increase our foreign commerce by a greater exchange of those commodities in which we are peculiarly favored for the commodities of other nations in which they have a special advantage. But nothing would appear to be plainer than that this all depends upon the maintenance of our American scale of wages, which is the main support of our home market.

It is to be seen that advertising is not an economic waste. It ministers to the true development of trade. It is no doubt possible to waste money through wrong methods of advertising, as it can be wasted through wrong methods in any department of industry. But rightfully applied, it is the method by which the desire is created for better things. When that once exists, new ambition is developed for the creation and use of wealth. The uncivilized make little progress because they have few desires. The inhabitants of our country are stimulated to new wants in all directions. In order to satisfy their constantly increasing desires they necessarily expand their productive power. They create more wealth because it is only by that method that they can satisfy their wants. It

is this constantly enlarging circle that represents the increasing progress of civilization.

A great power has been placed in the hands of those who direct the advertising policies of our country, and power is always coupled with responsibilities. No occupation is charged with greater obligations than that which partakes of the nature of education. Those engaged in that effort are changing the trend of human thought. They are molding the human mind. Those who write upon that tablet write for all eternity. There can be no permanent basis for advertising except a representation of the exact truth. Whenever deception, falsehood, and fraud creep in they undermine the whole structure. They damage the whole art. The efforts of the Government to secure correct labels, fair trade practices, and equal opportunity for all our inhabitants is fundamentally an effort to get the truth into business. The Government can do much in this direction by setting up correct standards, but all its efforts will fail unless it has the loyal support of the business men of the nation. If our commercial life is to be clean and wholesome and permanent in the last resort, it will be because those who are engaged in it are determined to make it so. The ultimate reformers of business must be the business men themselves. My conception of what advertising agencies want is a business world in which the standards are so high that it will only be necessary for them to tell the truth about it. It will never be possible to create a permanent desire for things which do not have a permanent worth. It is my belief that more and more the trade of our country is conforming to these principles.

The national Government has a large interest in all these problems, though many of them are confined in their jurisdiction to the states. The general welfare of the country, its progress and prosperity, are very intimately connected with the commerce that flows from agriculture and industry. Unless that be in a healthy condition, constantly expanding, securing reasonable profits, employment begins to fail, sooner or later wages begin to fall, markets are oversupplied, movements of freight decrease, factories are idle, and the results of all these are that want and distress creep into the home. You can easily draw the converse of this picture. It has been the almost universal experience in American life of late. Local conditions here and there have brought contrary results, probably unavoidable for a long time to come, but in the main the country has been and is prosperous. Perhaps the most creditable aspect of our present prosperity is that wages are high while profits have been moderate. That means that the results of prosperity are going more and more into the homes of the land and less into the enrichment of the few, more and more to the men and women and less and less to the capital which is engaged in our economic life. If this were not so, this country could not support 20,000,000 automobiles, purchase so many radios, and

install so many telephones. From a recent fear of being exploited by large aggregations of wealth, the people of America are learning to make such great concerns their most faithful servants. This problem is not entirely solved yet. Here and there abuses occur, but business is gradually being taught that the only method of permanent success lies in an honest, faithful, conscientious service to the public.

You are familiar with the efforts which the federal Government has been making to contribute to peace and prosperity during the recent reconstruction period. We are steadily reducing our national debt, cutting down the interest charges. We have released hundreds of thousands of people from the unproductive field of Government employment to the productive field of business life. The burdens of taxation have been so far removed that they are now for the most part lightly borne, and the disproportionate charges formerly made to supply the public revenues have been released to flow into the avenues of trade and investment. We have supplied large sums for the rehabilitation of Europe and the financing of South America to the advantage of our foreign commerce, which now stands at a peace-time record. Through international covenants limiting naval armaments we have reduced the cost of national defense and made large guarantees to the peace of the world. All of this has been a program of constructive economy, beneficial alike to ourselves and to other people. In making this economically possible, in spreading its benefits, in carrying its fruits into the homes of the land, advertising has supplied and will continue to supply a very important part. Without the advantages that accrue from that art these accomplishments would not have been possible.

But Americans are never satisfied with the past or present. They are always impatient of the future. Our history has been that of an increasing prosperity. There have always been fluctuations in trade, but with our present system of banking and our enormous capacity for consumption such fluctuations will apparently be much less violent and are unlikely to sink to the level of depression. We can not tell what a particular month or locality may develop, but over the broad face of our country seedtime will be followed by the harvest, the productive capacity will increase, and our people will become more prosperous.

These results, however, can not be considered as guaranteed by our material resources alone. They will accrue to us, not because of our fertile agricultural fields, our deposits of coal, iron, and precious metals, nor even from the present state of our development of trade with its accompanying supports of manufacturing, transportation, and finance. We can not rely on these alone. They could all be turned into instruments of destruction. Our chief warrant for faith in the future of America lies in the character of the American people. It is our belief in what they are going to do, rather than our knowledge of what they

are going to have, that causes us to face the coming years with hope and confidence. The future of our country is not to be determined by the material resources, but by the spiritual life of the people. So long as our economic activities can be maintained on the standard of competition in service, we are safe. If they ever degenerate into a mere selfish scramble for rewards, we are lost. Our economic well-being depends on our integrity, our honor, our conscience. It is through these qualities that your profession makes its especial appeal. Advertising ministers to the spiritual side of trade. It is a great power that has been intrusted to your keeping which charges you with the high responsibility of inspiring and ennobling the commercial world. It is all part of the greater work of the regeneration and redemption of mankind.

PROCLAMATIONS

By the President of the United States of America.

[Thanksgiving 1926.]

As a nation and as individuals we have passed another twelve months in the favor of the Almighty. He has smiled upon our fields and they have brought forth plentifully; business has prospered; industries have flourished, and labor has been well employed. While sections of our country have been visited by disaster, we have been spared any great national calamity or pestilential visitation. We are blessed among the nations of the earth.

Our moral and spiritual life has kept measure with our material prosperity. We are not unmindful of the gratitude we owe to God for His watchful care which has pointed out to us the ways of peace and happiness; we should not fail in our acknowledgment of His divine favor which has bestowed upon us so many blessings. Neither should we be forgetful of those among us who, through stress of circumstances, are less fortunately placed, but by deeds of charity make our acknowledgment more acceptable in His sight.

Wherefore, I, Calvin Coolidge, President of the United States, do hereby set apart Thursday, the twenty-fifth day of November next as a day of general thanksgiving and prayer, and I recommend that on that day the people shall cease from their daily work, and in their homes or in their accustomed places of worship, devoutly give thanks to the Almighty for the many and great blessings they have received, and seek His guidance that through good deeds and brotherly love they may deserve a continuance of His favor.

In witness whereof, I have hereunto set my hand and caused to be affixed the great seal of the United States.

Done at the City of Washington, this thirtieth day of October, in the year of Our Lord One Thousand Nine Hundred and Twenty-six, and of the Independence of the United States, the One Hundred and Fifty-first.

[SEAL]

CALVIN COOLIDGE.

By the President:

JOSEPH C. GREW, *Acting Secretary of State*

[Armistice Day, 1926.]

Whereas the 11th of November, 1918, marked the cessation of the most destructive, sanguinary, and far-reaching war in human annals; and

Whereas it is fitting that the recurring anniversary of this date should be commemorated with thanksgiving and prayer and exercises designed to perpetuate peace through good will and mutual understanding between nations; and

Whereas, by a concurrent resolution, passed by the Senate on May 25, 1926, and by the House of Representatives on June 4, 1926, the President was requested to issue a proclamation "calling upon the officials to display the flag of the United States on all Government buildings on November 11th, and inviting the people of the United States to observe the day in schools and churches or other places, with appropriate ceremonies expressive of our gratitude for peace and our desire for the continuance of friendly relations with all other peoples":

Now, therefore, I, Calvin Coolidge, President of the United States of America, in pursuance of the said concurrent resolution, do hereby order that the flag of the United States be displayed on all Government buildings on November 11, 1926, and do invite the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies expressive of our gratitude for peace and our desire for the continuance of friendly relations with all other peoples.

In witness whereof, I have hereunto set my hand and caused to be affixed the great seal of the United States.

Done at the city of Washington this 3d day of November, in the year of our Lord one thousand nine hundred and twenty-six, and of the Independence of the United States, the one hundred and fifty-first.

[SEAL]

CALVIN COOLIDGE.

By the President:

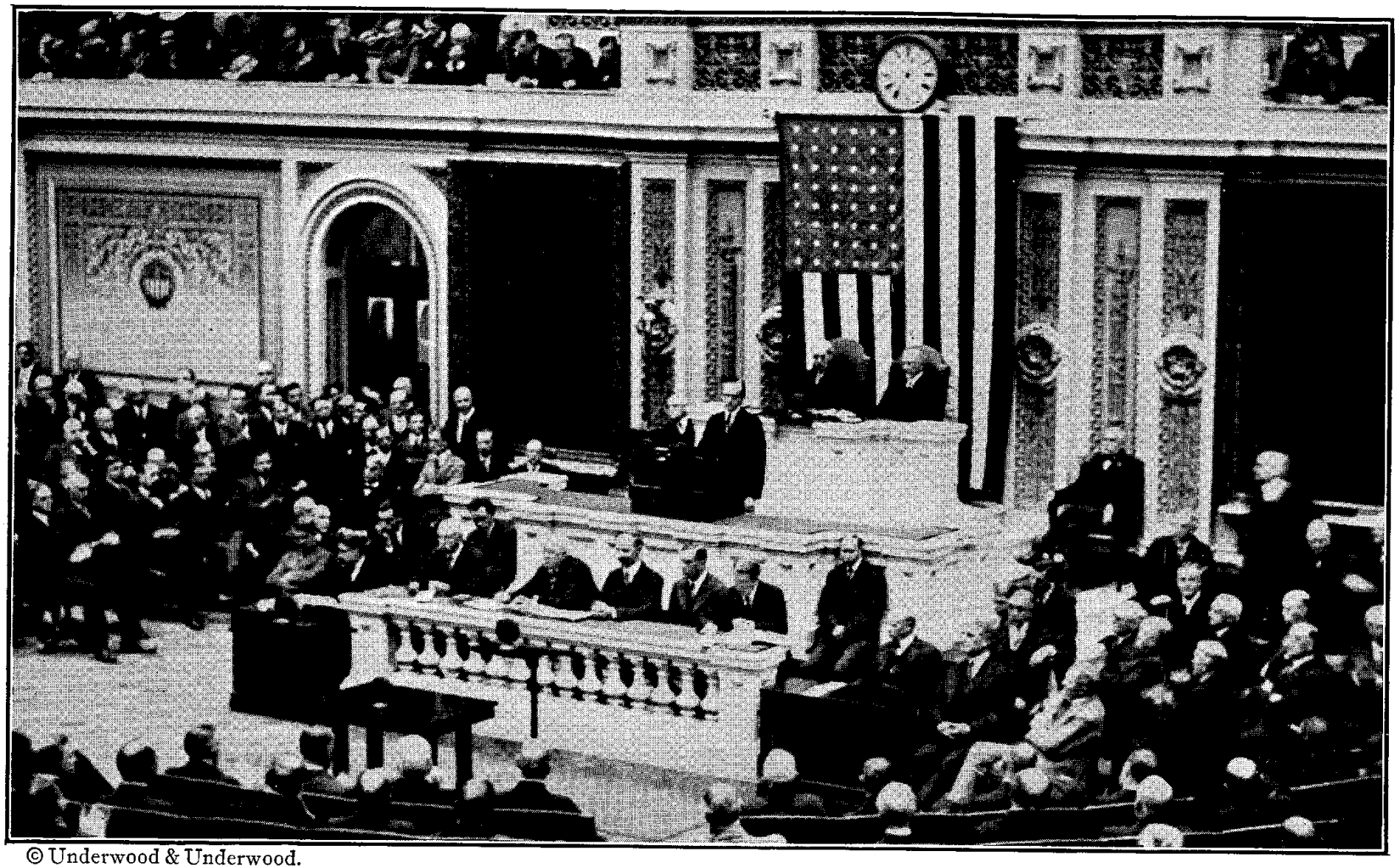
FRANK B. KELLOGG, *Secretary of State.*

EXECUTIVE ORDER

[Presidential Postmasterships.]

THE WHITE HOUSE, *November 5, 1926.*

When a vacancy exists or hereafter occurs in the position of postmaster at an office of the first, second, or third class, if such vacancy is not filled



PRESIDENT COOLIDGE ADDRESSING CONGRESS

PRESIDENT COOLIDGE ADDRESSING CONGRESS

Calvin Coolidge continued the practise, originated by Washington and John Adams, discontinued by Jefferson, resurrected by Wilson and followed by Harding, of addressing the Senate and the House of Representatives in person. The illustration shows him delivering his first annual address to a joint session of the Senate and the House, meeting in the latter's chamber. Behind the President sit (right) Speaker Gillette, of the House, and President pro tem. of the Senate Cummins, the latter in the place where Coolidge, himself, had sat as Vice-President while his predecessor addressed Congress.

in dealing with the particularly complex problems of land and air armament, perhaps capable of solution for the present only by regional limitation agreements.

It seems probable that under any circumstances the final conference will not be able to meet during this calendar year. The coming into effect of agreements reached by it might be delayed for a considerable period for a multitude of causes. Therefore the American Government believes that those powers which may be able to arrive at an agreement for further naval limitation at an earlier date would not be justified in consciously postponing that agreement and thereby opening the way for a recrudescence of a spirit of competetive naval building—a development greatly to be deplored by all governments and peoples.

The American Government feels that the general principles of the Washington Treaty offer a suitable basis for further discussion among its signatories.

Although hesitating at this time to put forward rigid proposals as regards the ratios of naval strength to be maintained by the different powers, the American Government, for its part, is disposed to accept, in regard to those classes of vessels not covered by the Washington Treaty, an extension of the 5—5—3 ratio as regards the United States, Great Britain, and Japan, and to leave to discussion at Geneva the ratios of France and Italy, taking into full account their special conditions and requirements in regard to the types of vessels in question. Ratios for capital ships and aircraft carriers were established by that treaty which would not be affected in any way by an agreement covering other classes of ships.

The American representatives at the forthcoming meeting at Geneva will, of course, participate fully in the discussions looking to the preparation of an agenda for a final general conference for the limitation of armament. In addition, they will have full powers to negotiate definitely regarding measures for further naval limitation, and, if they are able to reach agreement with the representatives of the other signatories of the Washington treaty, to conclude a convention embodying such agreement, in tentative or final form, as may be found practicable.

The American Government earnestly hopes that the institution of such negotiations at Geneva may be agreeable to the Governments of the British Empire, France, Italy, and Japan, and that comprehensive limitation of all types of naval armament may be brought into effect among the principal naval Powers without delay.

ADDRESS TO CONGRESS

[In Joint Session, Washington's Birthday, 1927, in Anticipation of Celebration of Two Hundredth Anniversary, in 1932, of the Birth of George Washington.]

My fellow Americans:

On the twenty-second day of February, 1932, America will celebrate the two hundredth anniversary of the birth of George Washington. Wherever there are those who love ordered liberty, they may well join in the observance of that event. Although he belongs to us, yet by being a great American he became a great world figure. It is but natural that here under the shadow of the stately monument rising to his memory, in the Capital City bearing his name, the country made independent by his military genius, and the republic established by his statesmanship, should already begin preparations to proclaim the immortal honor in which we hold the Father of Our Country.

In recognition of the importance of this coming anniversary, more than two years ago the Congress passed a joint resolution establishing a commission, which was directed to have this address made to the American people reminding them of the reason and purpose for holding the coming celebration. It was also considered that now would be an appropriate time to inform the public that this commission desires to receive suggestions concerning plans for the proposed celebration and to express the hope that the states and their political subdivisions under the direction of their governors and local authorities would soon arrange for appointing commissions and committees to formulate programs for cooperation with the federal Gvernment. When the plans begin to be matured they should embrace the active support of educational and religious institutions, of the many civic, social, and fraternal organizations, agricultural and trade associations, and of other numerous activities which characterize our national life.

It is greatly to be hoped that out of the studies pursued and the investigations made a more broad and comprehensive understanding and a more complete conception of Washington, the man, and his relation to all that is characteristic of American life may be secured. It was to be expected that he would be idealized by his countrymen. His living at a time when there were scanty reports in the public press, coupled with the inclination of early biographers, resulted in a rather imaginary character being created in response to the universal desire to worship his memory. The facts of his life were of record, but were not easily accessible. While many excellent books, often scholarly and eloquent, have been written about him, the temptation has been so strong to represent him as an heroic figure composed of superlatives that the real man among men, the human being subjected to the trials and temptations common to all mortals, has been too much obscured and forgotten. When we regard him in this character and have revealed to us the judgment with which he met his problems, we shall all the more understand and revere his true greatness. No great mystery surrounds him; he never relied on miracles. But he was a man endowed with what has been called uncommon common sense, with tireless industry, with a talent for taking infinite pains, and with a mind able to understand the universal and eternal problems of mankind.

Washington has come to be known to the public almost exclusively as the Virginia colonel who accompanied the unfortunate expedition of General Braddock as the commander in chief of the Continental Army during the Revolutionary War, as the first President of the United States, and as the master of the beautiful estate at Mount Vernon. This general estimate is based to a large extent on the command he held in time of war and the public office he held in time of peace. A recital of his courage and patriotism, his loyalty and devotion, his self-sacrifice,

his refusal to be king, will always arouse the imagination and inspire the soul of everyone who loves his country. Nothing can detract from the exalted place which this record entitles him to hold. But he has an appeal even broader than this, which to-day is equally valuable to the people of the United States. Not many of our citizens are to be called on to take high commands or to hold high public office. We are all necessarily engaged in the ordinary affairs of life. As a valuable example to youth and to maturity, the experience of Washington in these directions is worthy of much more attention than it has received.

We all share in the benefits which accrued from the independence he won and the free republic he did so much to establish. We need a diligent comprehension and understanding of the great principles of government which he wrought out, but we shall also secure a wide practical advantage if we go beyond this record, already so eloquently expounded, and consider him also as a man of affairs. It was in this field that he developed that executive ability which he later displayed in the camp and in the council chamber.

It ought always to be an inspiration to the young people of the country to know that from earliest youth Washington showed a disposition to make the most of his opportunities. He was diligently industrious—a most admirable and desirable, if seemingly uninteresting, trait. His father, who had been educated in England, died when his son was eleven years old. His mother had but moderate educational advantages. There were no great incentives to learning in Virgnia in 1732, and the facilities for acquiring knowledge were still meager. The boy might well have grown up with very little education, but his eager mind and indomitable will led him to acquire learning and information despite the handicaps surrounding him.

His formal schooling, which was of a rather primitive character, ended at the age of thirteen. His copy and exercise books, still in existence, contain forms of bills, receipts, and like documents, showing he had devoted considerable time to that branch of his studies. He was preparing himself to be a practical business man. When his regular instruction ended, his education was just beginning. It continued up to his death, December 14, 1799. If ever there was a self-made man, it was George Washington. Through all his later years he was constantly absorbing knowledge from contact with men, from reading whenever time and facilities permitted, and from a wide correspondence.

When sixteen he became a surveyor and for four years earned a living and much experience in that calling. Although considerable has been written about it, not many people think of our first President as an agriculturist. He prepared a treatise on this subject. Those who have studied this phase of his life tell us he was probably the most successful owner and director of an agricultural estate in his day. A visitor in 1785

declared "Washington's greatest pride was to be thought the first farmer in America." Toward the end of his life he wrote:

> I am led to reflect how much more delightful to an undebauched mind is the task of making improvements on the earth than all the vain glory which can be acquired from ravaging it by the most uninterrupted career of conquests.

He always had a great affection for Mount Vernon. He increased his land holdings from 2500 to over 8000 acres, 3200 of which he had under cultivation at one time.

His estate was managed in a thoroughly businesslike fashion. He kept a very careful set of account books for it, as he did for his other enterprises. Overseers made weekly statements showing just how each laborer had been employed, what crops had been planted or gathered. While he was absent reports were sent to him, and he replied in long letters of instruction, displaying wonderful familiarity with details. He was one of the first converts to the benefits of scientific fertilization and to the rotation of crops, for that purpose making elaborate tables covering five-year periods. He overlooked no detail in carrying on his farm according to the practice of those days, producing on the premises most of the things needed there, even to shoes and textiles. He began the daily round of his fields at sunrise, and often removed his coat and helped his men in the work of the day.

He also showed his business ability by the skillful way in which he managed the considerable estates left to his two stepchildren by their father. So successfully was this done that John Parke Custis became, at the age of 21, the richest young man in the Old Dominion. Prussing tells us that Martha Custis was advised to get the ablest man in the colony to manage her estate and to pay him any salary within reason. And he adds: "That she chose wisely in marrying the young colonel, and got the best of a good bargain, is the opinion of many."

He was engaged in many business enterprises. That of the Dismal Swamp, comprising drainage and lumber operations south of Norfolk, was handled efficiently by Washington for five years subsequent to 1763. In addition to his land holdings, wisely chosen, the rise in value of which accounted in no small degree for his fortune, Washington participated in a number of real estate and transportation companies. As a private citizen he was constantly on the outlook for sound investments and for ways to increase his capital. In the purchase of frontier lands and in the promotion of plans for the building up and development of new parts of the country he was performing important public service.

Dr. Albert Bushnell Hart, distinguished historian, and a member of our commission, says:

> Washington has been criticized for buying up land warrants and holding on to his title in the face of squatters. Actually no American has ever done so much to open

up vast tracts of land, first under the British and then under the American flag, fitted to become the home of millions of American farmers.

After thirteen years of effort Washington forced the British Government to give to the Virginia veterans of the French and Indian Wars the 200,000 acres of western lands promised by the Governor of that colony. His management and distribution of these bounties were carried out in an eminently efficient and satisfactory manner. He acquired two large farms in Maryland. During a trip in New York State in 1783 he saw the possibilities of a waterway from the sea to the Great Lakes by way of the Hudson River and the Mohawk Valley—the present route of a great barge canal. Because of his business vision he joined with General Clinton in the purchase of 6000 acres near Utica.

To Washington, the man of affairs, we owe our national banks, for had he followed the advice of other leaders, great but less enlightened on matters of finance, the plans of Alexander Hamilton would not have been realized. As a result of the war the country was deeply in debt, and had no credit; but the solution of our financial difficulties suggested by the first Secretary of the Treasury was opposed by those from rural communities. They argued that the large commercial cities would dominate to the detriment of other parts of the country. Both Jefferson, Secretary of State, and Randolph, Attorney General, in writing opposed the incorporation by Congress of a national bank. They were joined by Madison and Monroe. All argued against the constitutionality of this proposition. Hamilton answered their arguments fully in his famous opinion. But, had the President not been a man of affairs, had he not been for many years a large holder of stock in the Bank of England, coming from the estate of Daniel Parke Custis, he might have yielded to the opposition. Because he knew something about bank accounts and bank credits the bill was signed and the foundation of our financial system laid.

Washington was also a stockholder in the Bank of Alexandria and in the Bank of Columbia at Georgetown. In his last will and testament he directed that such moneys as should be derived from the sale of his estate during the lifetime of Mrs. Washington should be invested for her in good bank stocks.

After his retirement from the Presidency in March, 1797, Washington spent more than two and a half happy years at Mount Vernon. In his last summer he made a will, one of the most remarkable documents of its kind of which we have record. Again he showed his versatility, in disposing of his many properties under a variety of bequests and conditions without legal advice. It has been called an autobiographic will—it shows in its manifold provisions his charitable thoughtfulness for his dependents and his solicitude for the future welfare of his country.

As President he was always an exponent of sound and honest public finance. He advocated the payment of our debts in full to holders of record, and the assumption by the nation of the debts incurred by the various states to carry on the Revolution. His support of financial integrity, because it was morally right, strengthened the Union.

This practical business ability and interest in broad and general affairs made him one of the first to realize that the future of the American Empire lay in the regions beyond the Alleghenies in the territory of the Ohio and the Mississippi. Because of this belief, he is said to have been the moving spirit in the first plans for the organization of our public lands. His association with the West may have started in the period 1749-1751, when he assisted his brother, Lawrence, in his various business enterprises, among them the Ohio Company, which had a grant of 500,000 acres of land on the east side of the Ohio River. The French having driven out the early British settlers who had started a fort where Pittsburgh now stands, Washington, at the age of 21, volunteered to head an expedition for its recovery. The comprehensive report of this young man was considered of enough importance to be sent from London to all the European capitals, by way of justifying Great Britain in making war upon France. In 1763 he organized the Mississippi Company to take the place of the Ohio Company, which was one of the casualties of the war. He applied for a grant of 1,000,000 acres of land, though he did not receive it. But he made his own investments so that in the schedule of his property attached to his will we find western lands appraised at over $400,000—along the Ohio, the Great Kanawha, in western Pennsylvania, in Kentucky, and in the Northwest Territory.

Having a vision of what the West meant in the future prosperity of the new Republic, Washington in 1784 journeyed out into the wilds. His diary of the trip is filled with interest and enthusiasm over the possibilities of that region. Hulbert, who has made a study of it, calls him our first expansionist, the originator of the idea of possessing the West through commercial relations. "It was a pioneer idea, instinct with genius," this author writes, "and Washington's advocacy of it marks him as the first commercial American, the first man typical of the America that was to be." Due to his investments, he became the president of the James River Company and of the Potomac River Company, organized in 1785 to look into the possibility of opening navigation through to the West. To the Potomac Company, which involved the first interstate commerce negotiations in this country, he devoted four years of service. It has been thought that these negotiations entered into by Washington led up almost directly to the calling of the Constitutional Convention. They revealed clearly the difficulty under the Articles of Confederation of accomplishing anything involving the welfare of all the states, and showed the need of a more strongly centralized national

government. His ability as a business man was the strong support of his statesmanship. It made his political ideas intensely practical.

Washington's Atlantic-Mississippi waterway plan was never carried out. But the advocacy of it without doubt had much to do with preventing a break in the Union, which threatened serious consequences. The people of western North Carolina, now Tennessee, shut off from the east by mountains, had no outlet to the sea other than the Mississippi, and Spain, controlling the mouth of this river, levied heavy tribute on all commerce passing through it. Disappointed at the inability of the national Government to get concessions from Spain, they, in 1784, established a separate state and started negotiations for an association with that foreign country. This action was rescinded after Washington put forth his waterway plan.

That he should have been responsible in large measure for the opening of the West and for calling attention to the commercial advantages the country might derive therefrom is by no means the least of his benefactions to the nation. He demonstrated that those who develop our resources, whether along agricultural, commercial, and industrial lines or in any other field of endeavor, are entitled to the approval, rather than the censure, of their countrymen.

Washington was a builder—a creator. He had a national mind. He was constantly warning his countrymen of the danger of settling problems in accordance with sectional interests. His ideas in regard to the opening of our western territory were thought out primarily for the benefit of the nation. It has been said that he would have been "the greatest man in America had there been no Revolutionary War."

He was largely instrumental in selecting the site for our national Capital, influenced in no small degree by his vision of the commercial possibilities of this locality. It included his plan of the waterway to the West, through the Potomac, the Monongahela, and the Ohio Rivers, which he used to speak of as "the channel of commerce to the extensive and valuable trade of a rising empire." He, of course, could not foresee the development of railway transportation and the great ocean-going vessels, because of which the seat of our Government became separated from active contact with commerce and was left to develop as the cultural and intellectual center of the nation. Due to the genius of L'Enfant, the great engineer, this city from the first has had a magnificent plan of development. Its adoption was due in no small degree to the engineering foresight and executive ability of Washington. By 1932 we shall have made much progress toward perfecting the ideal city planned by him in the closing days of the eighteenth century.

Washington had the ability to translate ideals into the practical affairs of life. He was interested in what he believed contributed to

the betterment of every-day existence. Perhaps because he realized the deficiency of his own early education, he was solicitous to provide liberal facilities for the youth of the future. Because as a man of affairs he knew the every-day uses of learning, in an early message to the Congress and in his will he sought methods for the establishment of a national university. Even in his Farewell Address we find this exhortation:

> Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it is essential that public opinion should be enlightened.

He desired his system of education to be thoroughly American and thoroughly national. It was to support the people in a knowledge of their rights, in the creation of a republican spirit, and in the maintenance of the Union.

It was with the same clear vision that he looked upon religion. For him there was little in it of emotionalism. He placed it on a firmer, more secure foundation, and stated the benefits which would accrue to his country as the results of faith in spiritual things. He recognized that religion was the main support of free institutions. In his Farewell Address he said:

> Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness—these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion.
>
> Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle. It is substantially true that virtue or morality is a necessary spring of popular government. The rule indeed extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Without bigotry, without intolerance, he appeals to the highest spiritual nature of mankind. His genius has filled the earth. He has been recognized abroad as "the greatest man of our own or any age." He loved his fellow men. He loved his country. That he intrusted their keeping to a Divine Providence is revealed in the following prayer which he made in 1794:

> Let us unite, in imploring the Supreme Ruler of Nations, to spread His holy protection over these United States; to turn the machinations of the wicked, to the

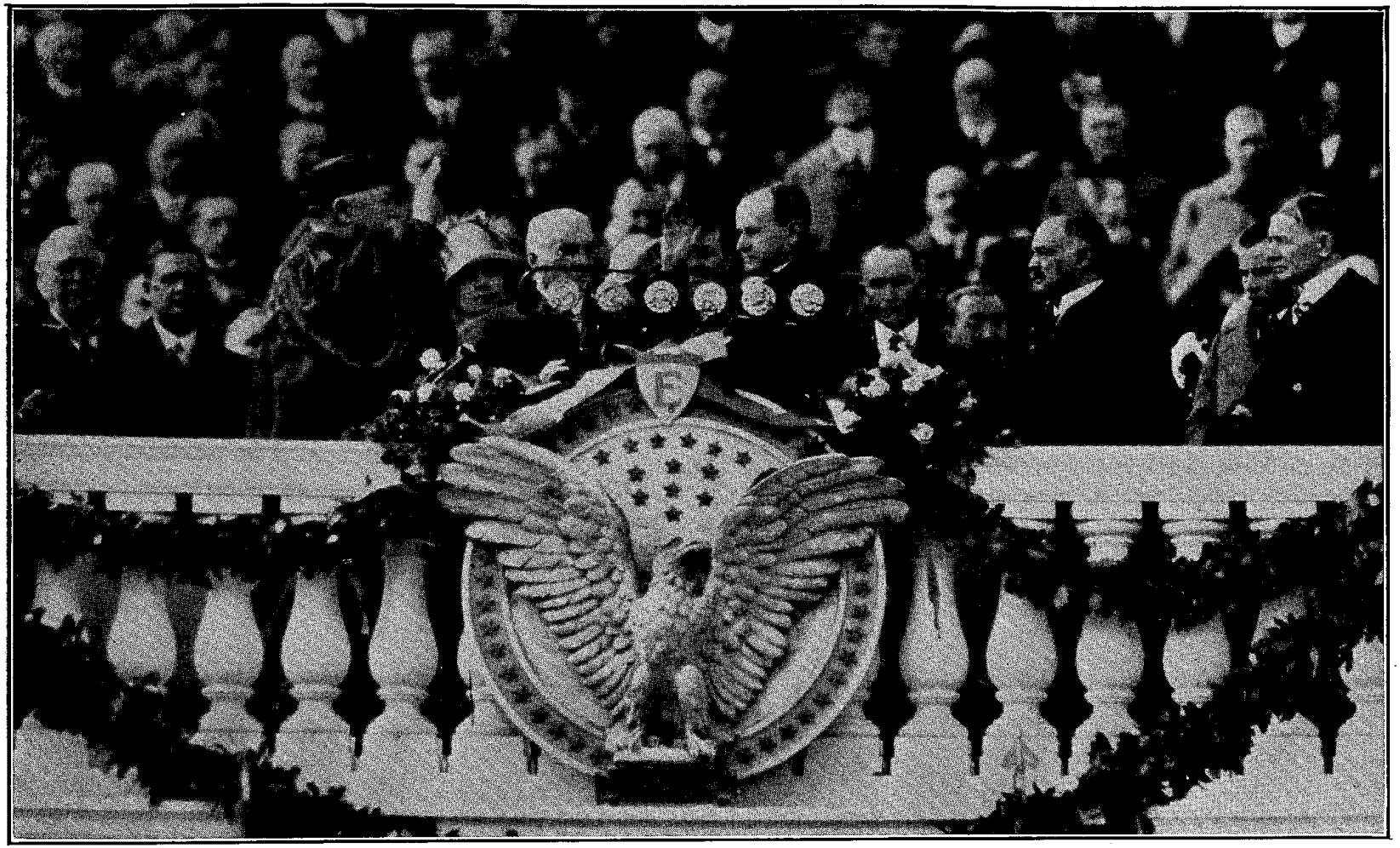
confirming of our Constitution; to enable us, at all times, to root out internal sedition and put invasion to flight; to perpetuate to our country that prosperity which His goodness has already conferred; and to verify the anticipations of this Government being a safeguard of human rights.

He was an idealist in the sense that he had a very high standard of private and public honor. He was a prophet to the extent of being able to forecast with remarkable vision the growth of the nation he founded and the changing conditions which it would meet. But, essentially, he was a very practical man. He analyzed the problems before him with a clear intellect. Having a thorough understanding, he attacked them with courage and energy, with patience and persistence. He brought things to pass. When Patrick Henry was asked in 1774 whom he thought was the greatest man in the Continental Congress, he replied:

If you speak of eloquence, Mr. Rutledge, of South Carolina, is by far the greatest orator; but if you speak of solid information and sound judgment, Colonel Washington is unquestionably the greatest man on that floor.

His accomplishments were great because of an efficiency which marked his every act and a sublime, compelling faith in the ultimate triumph of the right. As we study his daily life, as we read his letters, his diaries, his state papers, we come to realize more and more his wisdom, his energy, and his efficiency. He had the moral efficiency of an abiding religious faith, emphasizing the importance of the spiritual side of man, the social efficiency shown by his interest in his fellow men, and in his realization of the inherent strength of a people united by a sense of equality and freedom, the business efficiency of a man of affairs, of the owner and manager of large properties, the governmental efficiency of the head of a new nation, who taking an untried political system made it operate successfully, of a leader able to adapt the relations of the government to the people. He understood how to translate political theory into a workable scheme of government. He knew that we can accomplish no permanent good by going to extremes. The law of reason must always be applied. He followed Milton, who declared "* * * law in a free nation hath ever been public reason," and he agreed with Burke that "Men have no right to what is not reasonable."

It is a mark of a great man that he surrounds himself by great men. Washington placed in the most important positions in his Cabinet, Jefferson, with his advocacy of the utmost degree of local self-government and of states' rights, and Hamilton, whose theories of a strong national government led him to advocate the appointment of state governors by the President. Either theory carried to the extreme soon would have brought disaster to what has proved the



THE THIRTIETH PRESIDENT TAKES THE OATH OF OFFICE FROM THE TWENTY-SEVENTH

THE INAUGURATION OF CALVIN COOLIDGE

The scene when Calvin Coolidge took the Presidential oath of office for the second time was in marked contrast to the scene when he took it for the first time. In 1925, all was festivity, pomp and gayety. In 1923, the surroundings were the simple room of a remote Vermont farm, with grief at the death of President Harding uppermost in the country's mind. In 1923, the oath was administered by the President's father; in 1925, by Chief Justice of the Supreme Court William Howard Taft, the first occasion when an ex-President of the United States administered the oath of office to one of his successors.

most successful experiment in liberty under proper governmental restraint in the history of the world.

It is due to his memory that we guard the sovereign rights of the individual states under our Constitution with the same solicitude that we maintain the authority of the federal Government in all matters vital to our continued national existence.

Such is the background of a man performing the ordinary duties of life. As it was George Washington, of course he performed them extraordinarily well. The principles which he adopted in his early youth and maintained throughout his years are the source of all true greatness. Unless we understand this side of him, we shall fail in our comprehension of his true character. It was because of this training that he was able to assume the leadership of an almost impossible cause, carry it on through a long period of discouragement and defeat, and bring it to a successful conclusion. In advance of all others he saw that war was coming. With an army that was never large and constantly shifting, poorly supported by a confederation inexperienced, inefficient and lacking in almost all the essential elements of a government, he was victorious over the armies of seasoned troops commanded by Howe, Burgoyne, Clinton, and Cornwallis, supported by one of the most stable and solid of governments, possessed of enormous revenues and ample credit, representing the first military power of the world.

As an example of generalship, extending over a series of years from the siege of Boston to the fall of Yorktown, the Commander in Chief of the Continental Armies holds a position that is unrivaled in the history of warfare. He never wavered, he never faltered from the day he modestly undertook the tremendous task of leading a revolution to the day when with equal modesty he surrendered his commission to the representatives of the independent Colonies. He triumphed over a people in the height of their glory who had acknowledged no victor for seven hundred years.

Washington has come to personify the American Republic. He presided over the convention that framed our Constitution. The weight of his great name was the deciding factor in securing its adoption by the states. These results could never have been secured had it not been recognized that he would be the first President. When we realize what it meant to take thirteen distracted colonies, impoverished, envious, and hostile, and weld them into an orderly federation under the authority of a central government, we can form some estimate of the influence of this great man. But when we go further and remember that the Government which he did so much to bring into being not only did not falter when he retired from its administration, but, withstanding every assault, has constantly grown stronger with the passage of time and

been found adequate to meet the needs of nearly 120,000,000 people occupying half a continent and constituting the greatest power the world has ever known, we can judge something of the breadth and soundness of his statesmanship.

We have seen many soldiers who have left behind them little but the memory of their conflicts, but among all the victors the power to establish among a great people a form of self-government which the test of experience has shown will endure was bestowed upon Washington, and Washington alone. Many others have been able to destroy. He was able to construct. That he had around him many great minds does not detract from his glory. His was the directing spirit without which there would have been no independence, no Union, no Constitution, and no Republic. His ways were the ways of truth. He built for eternity. His influence grows. His stature increases with the increasing years. In wisdom of action, in purity of character, he stands alone. We can not yet estimate him. We can only indicate our reverence for him and thank the Divine Providence which sent him to serve and inspire his fellow men.

VETO MESSAGE

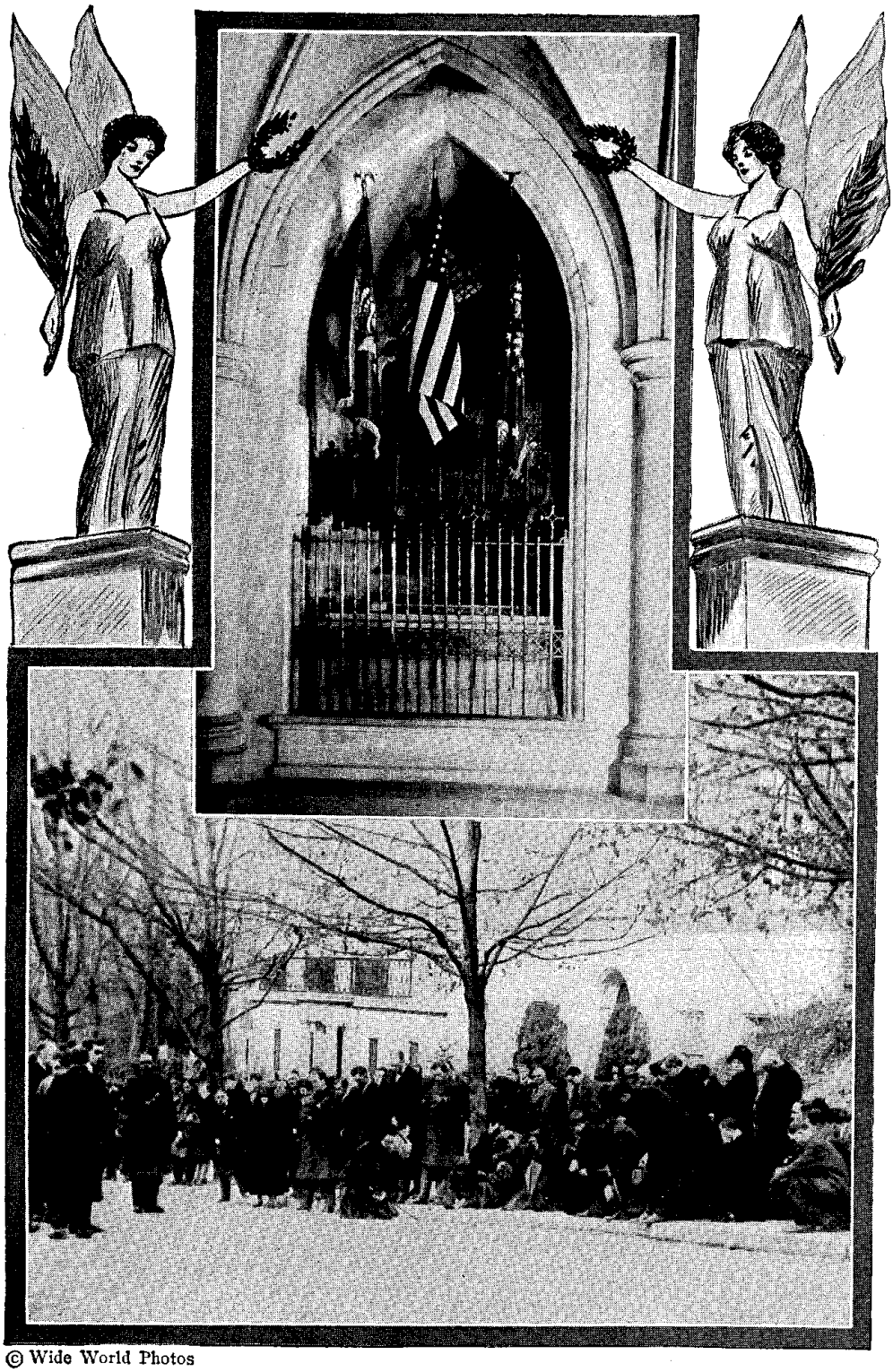
[McNary-Haugen Farm Relief Bill.]

THE WHITE HOUSE, *February 25, 1927.*

To the Senate:

The conditions which Senate Bill 4808 is designed to remedy have been, and still are, unsatisfactory in many cases. No one can deny that the prices of many farm products have been out of line with the general price level for several years. No one could fail to want every proper step taken to assure to Agriculture a just and secure place in our economic scheme. Reasonable and constructive legislation to that end would be thoroughly justified and would have the hearty support of all who have the interests of the nation at heart. The difficulty with this particular measure is that it is not framed to aid farmers as a whole, and it is, furthermore, calculated to injure rather than promote the general public welfare.

It is axiomatic that progress is made through building on the good foundations that already exist. For many years—indeed, from before the day of modern agricultural science—balanced and diversified farming has been regarded by thoughtful farmers and scientists as the safeguard of our agriculture. The bill under consideration throws this aside as of no consequence. It says in effect that all the agricultural scientists and all the thinking farmers of the last fifty years are wrong, that what we ought to do is not to encourage diversified agriculture



THE DEATH AND FINAL RESTING PLACE OF WOODROW WILSON

THE DEATH AND TOMB OF WOODROW WILSON

Like his Democratic predecessor in the Presidency, Grover Cleveland, by the time of his death Woodrow Wilson had risen above most of the unpopularity which had ushered him out of office. The illustration shows that fact graphically, for men and women sank to their knees before the ex-President's home on S Street, Washington, D. C., and prayed for his soul as his personal physician, Cary T. Grayson, broke the news that the end had come at last. Woodrow Wilson was buried in the Protestant Episcopal Cathedral outside of Washington, overlooking the heights of the Potomac and the Virginia hills, first in a temporary vault, then in the permanent abiding place shown on the opposite page.

the senior officer, shall rank with respect to the Foreign Service Officers in the Consular District other than the senior officer as follows:

(1) Foreign Commerce Officers of Class I, with but after Foreign Service Officers of Classes I and II;

(2) Foreign Commerce Officers of Class II, with but after Foreign Service Officers of Classes III and IV;

(3) Foreign Commerce Officers of Class III, with but after Foreign Service Officers of Classes V, VI and VII;

(4) Foreign Commerce Officers of Class IV, with but after Foreign Service Officers of Classes VIII and IX, and unclassified Officers of the first grade;

(5) Foreign Commerce Officers of Class V, with but after unclassified Foreign Service Officers of the second and third grades.

(c In the absence of the Foreign Service Officer in charge of a consular district, the Foreign Service Officer acting shall enjoy the precedence regularly accorded the former, and in the absence of the ranking Foreign Commerce Officer, the Officer acting shall enjoy the precedence of the ranking Foreign Commerce Officer.

5. In the districts to which they are assigned, Foreign Service officers in charge of Consulates General take place and precedence immediately after Brigadier Generals in the Army or Marine Corps, and hold rank intermediate between Rear Admirals and Captains in the Navy.

In the Districts to which they are assigned Foreign Service officers in charge of Consulates take place and precedence immediately after Colonels in the Army or Marine Corps and Captains in the Navy.

CALVIN COOLIDGE.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

PROCLAMATIONS

[National Fire Prevention Week—1927]

For a number of years it has been our custom as a nation to observe as National Fire Prevention Week the week in which the anniversary of the great Chicago fire of 1871 occurs. During those periods public attention has been concentrated upon the seriousness of America's fire waste problem through the press, schools, civic organizations and numerous other groups. The results last year were particularly gratifying for in eighty cities of more than 20,000 population no fire loss was sustained during the Week and in many others the destruction by fire was considerably less than their weekly average for the year.

Reports for the current year indicate that some progress is being made toward checking this tremendous source of waste. It is probable that

more attention is being directed to this problem by public spirited officials and citizens than ever before. Numerous organizations, national and local, are devoting much study and effort to it with gratifying results. However, the situation still remains so acute that there should be no diminution in our effort to rid the country of the menace of fire.

Therefore, I, Calvin Coolidge, President of the United States of America, do hereby designate the week of October 9 to 15, 1927, as National Fire Prevention Week. Each community throughout the land should lay plans for an appropriate observance of Fire Prevention Week and make it the starting point for a program to continue throughout the year. Special attention should be devoted to the prevention of fires in rural districts and in our forests. Because of their limited protective facilities they are often at the mercy of the flames when fire originates. I recommend to all of our citizens that they lay particular emphasis upon the elimination of fire hazards in their homes and places of business and I urge that state and local officials take steps to discover and remedy any defects which may exist in buildings frequented by the public.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this 20th day of September in the year of our Lord one thousand nine hundred and twenty-seven [SEAL] and of the Independence of the United States of America the one hundred and fifty-second.

By the President: CALVIN COOLIDGE.

WILBUR J. CARR, *Acting Secretary of State.*

[Thanksgiving, 1927.]

Under the guidance and watchful care of a Divine and beneficent Providence this country has been carried safely through another year. Almighty God has continued to bestow upon us the light of His countenance, and we have prospered. Not alone have we enjoyed material success, but we have advanced in wisdom and in spiritual understanding. The products of our fields and our factories and of our manifold activities have been maintained on a high level. We have gained in knowledge of the higher values of life. There has been advancement in our physical well-being. We have increased our desire for the things that minister to the mind and to the soul. We have raised the mental and moral standards of life.

We have had the blessings of peace and of honorable and friendly relations with our sister nations throughout the world. Disasters visiting certain of our States have touched the heart of a sympathetic nation, which has responded generously out of its abundance. In continuing

to remember those in affliction we should rejoice in our ability to give them relief.

Now that these twelve months are drawing to a close, it is fitting that, as a nation, and as individuals, in accordance with time-honored and sacred custom, we should consider the manifold blessings granted to us. While in gratitude we rejoice, we should humbly pray that we may be worthy of a continuation of Divine favor.

Wherefore, I, Calvin Coolidge, President of the United States, do hereby set apart and designate Thursday, the twenty-fourth day of November, next, as a day of thanksgiving and prayer, and recommend and urge that on that day our people lay aside their usual tasks, and by the family fireside and in their accustomed places of public worship give thanks to Him who holds us all in the hollow of His hand.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this twenty-sixth day of October, in the year of our Lord one thousand nine hundred and twenty-
[SEAL] seven, and of the Independence of the United States of America the one hundred and fifty-second.

By the President: CALVIN COOLIDGE.

FRANK B. KELLOGG, *Secretary of State.*

[Armistice Day, 1927.]

Whereas, the 11th of November, 1918, marked the cessation of the most destructive, sanguinary and far-reaching war in human annals; and

Whereas, it is fitting that the recurring anniversary of this day should be commemorated with thanksgiving and prayer, and by exercises designed to further the cause of permanent peace through the maintenance of good will and friendly relations between nations; and

Whereas, by concurrent resolution of the Senate and the House of Representatives, in 1926, the President was requested to issue a proclamation for the observance of Armistice Day:

Now, Therefore, I, Calvin Coolidge, President of the United States of America, in pursuance of the said concurrent resolution, do hereby order that the flag of the United States be displayed on all Government buildings on November 11, 1927, and do invite the people of the United States to observe the day in schools and churches, and other suitable places, with appropriate ceremonies, giving expression to our gratitude that peace exists and to our sincere desire that such amicable relations with all other peoples may continue.

In witness whereof, I have hereunto set my hand and caused to be affixed the great seal of the United States.

Done at the City of Washington this second day of November, in the year of our Lord one thousand nine hundred and twenty-
[SEAL] seven, and of the Independence of the United States the one hundred and fifty-second.

By the President: CALVIN COOLIDGE.

FRANK B. KELLOGG, *Secretary of State.*

1927 BUDGET MESSAGE

THE WHITE HOUSE, *December 5, 1927.*

To the Congress of the United States:

Herewith is transmitted the budget of the United States for the fiscal year ending June 30, 1929. The receipts and expenditures shown in detail in the budget are summarized in the following statement:

Summary (exclusive of postal revenues and postal expenditures paid from postal revenues).

Receipts:	Estimated, 1929.	Estimated, 1928.	Actual, 1927.
Customs	$602,000,000.00	$602,000,000.00	$605,499,983.44
Income tax	2,065,000,000.00	2,165,000,000.00	2,224,992,800.25
Miscellaneous internal revenue	640,545,000.00	638,545,000.00	644,421,541.56
Miscellaneous receipts	501,952,314.00	670,053,091.00	654,480,115.85
Total receipts	$3,809,497,314.00	$4,075,598,091.00	$4,129,394,441.10
Total expenditures (including reduction of the public debt required by law to be made from ordinary receipts	3,556,957,031.00	3,621,314,285.00	3,493,584,519.40
Excess of receipts	$252,540,283.00	$454,283,806.00	$635,809,921.70

The budget system has now been in effect a sufficient length of time to enable us to appreciate fully its far-reaching importance. It is directly responsible for our present position of financial stability. That position has been acquired by scientific management of our business affairs. This management has resulted in improvement throughout the entire field covered by federal operations. It seems inconceivable that such progress could have been made in so short a period after the great world conflict. Yet it has been done. It demonstrates the efficiency of our form of government. The good of all the people is our controlling consideraton. And because of this, scientific management of our affairs is essential.

In slightly more than six years we have had substantial reductions in taxes and in that same period we have enhanced greatly the value

that can come to a people in this world have come to us. We must not fail to meet them in accordance with the requirements of conscience and righteousness.

SIXTH ANNUAL MESSAGE TO CONGRESS

THE WHITE HOUSE, *December 4, 1928.*

TO THE CONGRESS OF THE UNITED STATES:

No Congress of the United States ever assembled, on surveying the state of the Union, has met with a more pleasing prospect than that which appears at the present time. In the domestic field there is tranquillity and contentment, harmonious relations between management and wage earner, freedom from industrial strife, and the highest record of years of prosperity. In the foreign field there is peace, the good will which comes from mutual understanding, and the knowledge that the problems which a short time ago appeared so ominous are yielding to the touch of manifest friendship. The great wealth created by our enterprise and industry, and saved by our economy, has had the widest distribution among our own people, and has gone out in a steady stream to serve the charity and the business of the world. The requirements of existence have passed beyond the standard of necessity into the region of luxury. Enlarging production is consumed by an increasing demand at home and an expanding commerce abroad. The country can regard the present with satisfaction and anticipate the future with optimism.

The main source of these unexampled blessings lies in the integrity and character of the American people. They have had great faith, which they have supplemented with mighty works. They have been able to put trust in each other and trust in their Government. Their candor in dealing with foreign governments has commanded respect and confidence. Yet these remarkable powers would have been exerted almost in vain without the constant cooperation and careful administration of the federal Government.

We have been coming into a period which may be fairly characterized as a conservation of our national resources. Wastefulness in public business and private enterprise has been displaced by constructive economy. This has been accomplished by bringing our domestic and foreign relations more and more under a reign of law. A rule of force has been giving way to a rule of reason. We have substituted for the vicious circle of increasing expenditures, increasing tax rates, and diminishing profits the charmed circle of diminishing expenditures, diminishing tax rates and increasing profits.

Four times we have made a drastic revision of our internal revenue system, abolishing many taxes and substantially reducing almost all others. Each time the resulting stimulation to business has so increased taxable incomes and profits that a surplus has been produced. One-third of the national debt has been paid, while much of the other two-thirds has been refunded at lower rates, and these savings of interest and constant economies have enabled us to repeat the satisfying process of more tax reductions. Under this sound and healthful encouragement the national income has increased nearly fifty per cent, until it is estimated to stand well over $90,000,000,000. It has been a method which has performed the seeming miracle of leaving a much greater percentage of earnings in the hands of the taxpayers with scarcely any diminution of the Government revenue. That is constructive economy in the highest degree. It is the corner stone of prosperity. It should not fail to be continued.

This action began by the application of economy to public expenditure. If it is to be permanent, it must be made so by the repeated application of economy. There is no surplus on which to base further tax revision at this time. Last June the estimates showed a threatened deficit for the current fiscal year of $94,000,000. Under my direction the departments began saving all they could out of their present appropriations. The last tax reduction brought an encouraging improvement in business, beginning early in October, which will also increase our revenue. The combination of economy and good times now indicates a surplus of about $37,000,000. This is a margin of less than one per cent on our expenditures and makes it obvious that the Treasury is in no condition to undertake increases in expenditures to be made before June 30. It is necessary therefore during the present session to refrain from new appropriations for immediate outlay, or if such are absolutely required to provide for them by new revenue; otherwise, we shall reach the end of the year with the unthinkable result of an unbalanced budget. For the first time during my term of office we face that contingency. I am certain that the Congress would not pass and I should not feel warranted in approving legislation which would involve us in that financial disgrace.

On the whole the finances of the Government are most satisfactory. Last year the national debt was reduced about $906,000,000. The refunding and retirement of the second and third Liberty Loans have just been brought to a successful conclusion, which will save about $75,000,000 a year in interest. The unpaid balance has been arranged in maturities convenient for carrying out our permanent debt-paying program.

The enormous savings made have not been at the expense of any legitimate public need. The Government plant has been kept up and

many improvements are under way, while its service is fully manned and the general efficiency of operation has increased. We have been enabled to undertake many new enterprises. Among these are the adjusted compensation of the veterans of the World War, which is costing us $112,000,000 a year; amortizing our liability to the civil-service retirement funds, $20,000,000; increase of expenditures for rivers and harbors including flood control, $43,000,000; public buildings, $47,000,000. In 1928 we spent $50,000,000 in the adjustment of war claims and alien property. These are examples of a large list of items.

FOREIGN RELATIONS

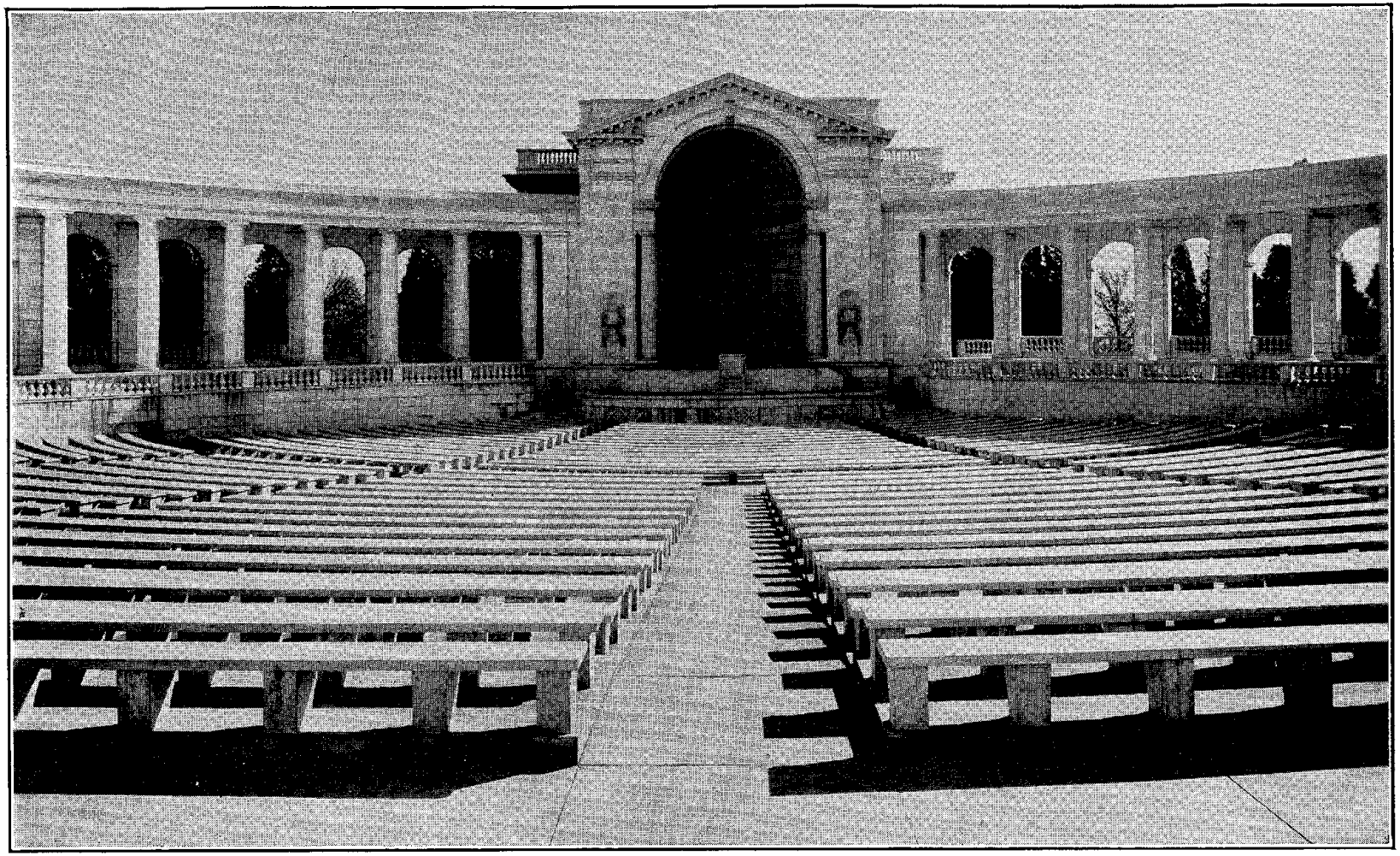
When we turn from our domestic affairs to our foreign relations, we likewise perceive peace and progress. The Sixth International Conference of American States was held at Havana last winter. It contributed to a better understanding and cooperation among the nations. Eleven important conventions were signed and seventy-one resolutions passed. Pursuant to the plan then adopted, this Government has invited the other twenty nations of this hemisphere to a conference on conciliation and arbitration, which meets in Washington on December 10. All the nations have accepted and the expectation is justified that important progress will be made in methods for revolving international differences by means of arbitration.

During the year we have signed eleven new arbitration treaties, and twenty-two more are under negotiation.

NICARAGUA

When a destructive and bloody revolution lately broke out in Nicaragua, at the earnest and repeated entreaties of its Government I dispatched our Marine forces there to protect the lives and interests of our citizens. To compose the contending parties, I sent there Colonel Henry L. Stimson, former Secretary of War and now Governor General of the Philippine Islands, who secured an agreement that warfare should cease, a national election should be held and peace should be restored. Both parties conscientiously carried out this agreement, with the exception of a few bandits who later mostly surrendered or left the country. President Diaz appointed Brigadier General Frank R. McCoy, United States Army, president of the election board, which included also one member of each political party.

A free and fair election has been held and has worked out so successfully that both parties have joined in requesting like cooperation from this country at the election four years hence, to which I have refrained from making any commitments, although our country must be gratified at such an exhibition of success and appreciation.



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INTERIOR OF AUDITORIUM, ARLINGTON MEMORIAL CEMETERY

Nicaragua is regaining its prosperity and has taken a long step in the direction of peaceful self-government.

TACNA-ARICA

The long-standing differences between Chile and Peru have been sufficiently composed so that diplomatic relations have been resumed by the exchange of ambassadors. Negotiations are hopefully proceeding as this is written for the final adjustment of the differences over their disputed territory.

MEXICO

Our relations with Mexico are on a more satisfactory basis than at any time since their revolution. Many misunderstandings have been resolved and the most frank and friendly negotiations promise a final adjustment of all unsettled questions. It is exceedingly gratifying that Ambassador Morrow has been able to bring our two neighboring countries, which have so many interests in common, to a position of confidence in each other and of respect for mutual sovereign rights.

CHINA

The situation in China which a few months ago was so threatening as to call for the dispatch of a large additional force has been much composed. The Nationalist Government has established itself over the country and promulgated a new organic law anouncing a program intended to promote the political and economic welfare of the people. We have recognized this Government, encouraged its progress, and have negotiated a treaty restoring to China complete tariff autonomy and guaranteeing our citizens against discriminations. Our trade in that quarter is increasing and our forces are being reduced.

GREEK AND AUSTRIAN DEBTS

Pending before the Congress is a recommendation for the settlement of the Greek debt and the Austrian debt. Both of these are comparatively small and our country can afford to be generous. The rehabilitation of these countries awaits their settlement. There would also be advantages to our trade. We could scarcely afford to be the only nation that refuses the relief which Austria seeks. The Congress has already granted Austria a long-time moratorium, which it is understood will be waived and immediate payments begun on her debt on the same basis which we have extended to other countries.

PEACE TREATY

One of the most important treaties ever laid before the Senate of the United States will be that which the fifteen nations recently signed

at Paris, and to which forty-four other nations have declared their intention to adhere, renouncing war as a national policy and agreeing to resort only to peaceful means for the adjustment of international differences. It is the most solemn declaration against war, the most positive adherence to peace, that it is possible for sovereign nations to make. It does not supersede our inalienable sovereign right and duty of national defense or undertake to commit us before the event to any mode of action which the Congress might decide to be wise if ever the treaty should be broken. But it is a new standard in the world around which can rally the informed and enlightened opinion of nations to prevent their governments from being forced into hostile action by the temporary outbreak of international animosities. The The observance of this covenant, so simple and so straightforward, promises more for the peace of the world than any other agreement ever negotiated among the nations.

NATIONAL DEFENSE

The first duty of our Government to its own citizens and foreigners within its borders is the preservation of order. Unless and until that duty is met a government is not even eligible for recognition among the family of nations. The advancement of world civilization likewise is dependent upon that order among the people of different countries which we term peace. To insure our citizens against the infringement of their legal rights at home and abroad, to preserve order, liberty, and peace by making the law supreme, we have an Army and a Navy.

Both of these are organized for defensive purposes. Our Army could not be much reduced, but does not need to be increased. Such new housing and repairs as are necessary are under way and the five-year program in aviation is being put into effect in both branches of our service.

Our Navy, according to generally accepted standards, is deficient in cruisers. We have ten comparatively new vessels, twenty-two that are old, and eight to be built. It is evident that renewals and replacements must be provided. This matter was thoroughly canvassed at the last session of the Congress and does not need restatement. The bill before the Senate with the elimination of the time clause should be passed. We have no intention of competing with any other country. This building program is for necessary replacements and to meet our needs for defense

The cost of national defense is stupendous. It has increased $118,000,000 in the past four years. The estimated expenditure for 1930 is $668,000,000. While this is made up of many items it is, after all, mostly dependent upon numbers. Our defensive needs do not call

for any increase in the number of men in the Army or the Navy. We have reached the limit of what we ought to expend for that purpose.

I wish to repeat again for the benefit of the timid and the suspicous that this country is neither militaristic nor imperialistic. Many people at home and abroad, who constantly make this charge, are the same ones who are even more solicitous to have us extend assistance to foreign countries. When such assistance is granted, the inevitable result is that we have foreign interests. For us to refuse the customary support and protection of such interests would be in derogation of the sovereignty of this Nation. Our largest foreign interests are in the British Empire, France and Italy. Because we are constantly solicitous for those interests, I doubt if anyone would suppose that those countries feel we harbor toward them any militaristic or imperialistic design. As for smaller countries, we certainly do not want any of them. We are more anxious than they are to have their sovereignty respected. Our entire influence is in behalf of their independence. Cuba stands as a witness to our adherence to this principle.

The position of this Government relative to the limitation of armaments, the results already secured, and the developments up to the present time are so well known to the Congress that they do not require any restatement.

VETERANS

The magnitude of our present system of veterans' relief is without precedent, and the results have been far-reaching. For years a service pension has been granted to the Grand Army and lately to the survivors of the Spanish-American War. At the time we entered the World War, however, Congress departed from the usual pension system followed by our Government. Eleven years have elapsed since our laws were first enacted, initiating a system of compensation, rehabilitation, hospitalization, and insurance for the disabled of the World War and their dependents. The administration of all the laws concerning relief has been a difficult task, but it can safely be stated that these measures have omitted nothing in their desire to deal generously and humanely. We should continue to foster this system and provide all the facilities necessary for adequate care. It is the conception of our Government that the pension roll is an honor roll. It should include all those who are justly entitled to its benefits, but exclude all others.

Annual expenditures for all forms of veterans' relief now approximate $765,000,000, and are increasing from year to year. It is doubtful if the peak of expenditures will be reached even under present legislation for some time yet to come. Further amendments to the existing law will be suggested by the American Legion, the Veterans of Foreign Wars of the United States, the Disabled American Vet-

erans of the World War, and other like organizations, and it may be necessary for administrative purposes, or in order to remove some existing inequalities in the present law, to make further changes. I am sure that such recommendations as may be submitted to the Congress will receive your careful consideration. But because of the vast expenditure now being made each year, with every assurance that it will increase, and because of the great liberality of the existing law, the proposal of any additional legislation dealing with this subject should receive most searching scrutiny from the Congress.

You are familiar with the suggestion that the various public agencies now dealing with matters of veterans' relief be consolidated in one Government department. Some advantages to this plan seem apparent, especially in the simplification of administration and in the opportunity of bringing about a greater uniformity in the application of veterans' relief. I recommend that a survey be made by the proper committees of Congress dealing with this subject, in order to determine whether legislation to secure this consolidation is desirable.

AGRICULTURE

The past year has been marked by notable though not uniform improvement in agriculture. The general purchasing power of farm products and the volume of production have advanced. This means not only further progress in overcoming the price disparity into which agriculture was plunged in 1920-21, but also increased efficiency on the part of farmers and a well-grounded confidence in the future of agriculture.

The livestock industry has attained the best balance for many years and is prospering conspicuously. Dairymen, beef producers and poultrymen are receiving substantially larger returns than last year. Cotton, although lower in price than at this time last year, was produced in greater volume, and the prospect for cotton incomes is favorable. But progress is never uniform in a vast and highly diversified agriculture or industry. Cash grains, hay, tobacco and potatoes will bring somewhat smaller returns this year than last. Present indications are, however, that the gross farm income will be somewhat larger than in the crop year 1927-28, when the total was $12,253,000,000. The corresponding figure for 1926-27 was $12,127,000,000, and in 1925-26, $12,670,000,000. Still better results would have been secured this year had there not been an undue increase in the production of certain crops. This is particularly true of potatoes, which have sold at an unremunerative price, or at a loss, as a direct result of overexpansion of acreage.

The present status of agriculture, although greatly improved over that of a few years ago, bespeaks the need of further improvement, which calls for determined effort of farmers themselves, encouraged

and assisted by wise public policy. The Government has been, and must continue to be, alive to the needs of agriculture.

In the past eight years more constructive legislation of direct benefit to agriculture has been adopted than during any other period. The Department of Agriculture has been broadened and reorganized to insure greater efficiency. The department is laying greater stress on the economic and business phases of agriculture. It is lending every possible assistance to cooperative marketing associations. Regulatory and research work have been segregated in order that each field may be served more effectively.

I can not too strongly commend, in the field of fact finding, the research work of the Department of Agriculture and the state experiment stations. The department now receives annually $4,000,000 more for research than in 1921. In addition, the funds paid to the states for experimentation purposes under the Purnell Act constitute an annual increase in federal payments to state agricultural experiment stations of $2,400,000 over the amount appropriated in 1921. The program of support for research may wisely be continued and expanded. Since 1921 we have appropriated nearly an additional $2,000,000 for extension work, and this sum is to be increased next year under authorization by the Capper-Ketcham Act.

THE SURPLUS PROBLEM

While these developments in fundamental research, regulation and dissemination of agricultural information are of distinct help to agriculture, additional effort is needed. The surplus problem demands attention. As emphasized in my last message, the Government should assume no responsibility in normal times for crop surplus clearly due to overextended acreage. The Government should, however, provide reliable information as a guide to private effort; and in this connection fundamental research on prospective supply and demand, as a guide to production and marketing, should be encouraged. Expenditure of public funds to bring in more new land should have most searching scrutiny, so long as our farmers face unsatisfactory prices for crops and livestock produced on land already under cultivation.

Every proper effort should be made to put land to uses for which it is adapted. The reforestation of land best suited for timber production is progressing and should be encouraged, and to this end the forest taxation inquiry was instituted to afford a practical guide for public policy. Improvement has been made in grazing regulation in the forest reserves, not only to protect the ranges, but to preserve the soil from erosion. Similar action is urgently needed to protect other public lands which are now overgrazed and rapidly eroding.

Temporary expedients, though sometimes capable of appeasing the demands of the moment, can not permanently solve the surplus problem and might seriously aggravate it. Hence putting the Government directly into business, subsidies, and price fixing, and the alluring promises of political action as a substitute for private initiative, should be avoided.

The Government should aid in promoting orderly marketing and in handling surpluses clearly due to weather and seasonal conditions. As a beginning there should be created a federal farm board consisting of able and experienced men empowered to advise producers' associations in establishing central agencies or stabilization corporations to handle surpluses, to seek more economical means of merchandising, and to aid the producer in securing returns according to the quality of his product. A revolving loan fund should be provided for the necessary financing until these agencies shall have developed means of financing their operations through regularly constituted credit institutions. Such a bill should carry authority for raising the money, by loans or otherwise, necessary to meet the expense, as the Treasury has no surplus.

Agriculture has lagged behind industry in achieving that unity of effort which modern economic life demands. The cooperative movement, which is gradually building the needed organization, is in harmony with public interest and therefore merits public encouragement.

THE RESPONSIBILITY OF THE STATES

Important phases of public policy related to agriculture lie within the sphere of the states. While successive reductions in federal taxes have relieved most farmers of direct taxes to the national Government, state and local levies have become a serious burden. This problem needs immediate and thorough study with a view to correction at the earliest possible moment. It will have to be made largely by the states themselves.

COMMERCE

It is desirable that the Government continue its helpful attitude toward American business. The activities of the Department of Commerce have contributed largely to the present satisfactory position in our international trade, which has reached about $9,000,000,000 annually. There should be no slackening of effort in that direction. It is also important that the department's assistance to domestic commerce be continued. There is probably no way in which the Government can aid sound economic progress more effectively than by cooperating with our business men to reduce wastes in distribution.

COMMERCIAL AERONAUTICS

Continued progress in civil aviation is most gratifying. Demands for airplanes and motors have taxed both the industry and the licensing and inspection service of the Department of Commerce to their capacity. While the compulsory licensing provisions of the air commerce act apply only to equipment and personnel engaged in interstate and foreign commerce, a federal license may be procured by anyone possessing the necessary qualifications. State legislation, local airport regulations and insurance requirements make such a license practically indispensable. This results in uniformity of regulation and increased safety in operation, which are essential to aeronautical development. Over 17,000 young men and women have now applied for federal air-pilots' licenses or permits. More than eighty per cent of them applied during the past year.

Our national airway system exceeds 14,000 miles in length and has 7,500 miles lighted for night operations. Provision has been made for lighting 4,000 miles more during the current fiscal year and equipping an equal mileage with radio facilities. Three-quarters of our people are now served by these routes. With the rapid growth of air mail, express, and passenger service, this new transportation medium is daily becoming a more important factor in commerce. It is noteworthy that this development has taken place without governmental subsidies. Commercial passenger flights operating on schedule have reached 13,000 miles per day.

During the next fortnight this Nation will entertain the nations of the world in a celebration of the twenty-fifth anniversary of the first successful airplane flight. The credit for this epoch-making achievement belongs to a citizen of our own country, Orville Wright.

CUBAN PARCEL POST

I desire to repeat my recommendation of an earlier message, that Congress enact the legislation necessary to make permanent the Parcel Post Convention with Cuba, both as a facility to American commerce and as a measure of equity to Cuba in the one class of goods which that country can send here by parcel post without detriment to our own trade.

"MAINE" BATTLESHIP MEMORIAL

When I attended the Pan American Conference at Havana, the President of Cuba showed me a marble statue made from the original memorial that was overturned by a storm after it was erected on the Cuban shore to the memory of the men who perished in the destruction of the battleship *Maine*. As a testimony of friendship and appreciation

of the Cuban Government and people he most generously offered to present this to the United States, and I assured him of my pleasure in accepting it. There is no location in the White House for placing so large and heavy a structure, and I therefore urge the Congress to provide by law for some locality where it can be set up.

RAILROADS

In previous annual messages I have suggested the enactment of laws to promote railroad consolidation with the view of increasing the efficiency of transportation and lessening its cost to the public. While consolidations can and should be made under the present law until it is changed, yet the provisions of the act of 1920 have not been found fully adequate to meet the needs of other methods of consolidation. Amendments designed to remedy these defects have been considered at length by the respective committees of Congress and a bill was reported out late in the last session which I understand has the approval in principle of the Interstate Commerce Commission. It is to be hoped that this legislation may be enacted at an early date.

Experience has shown that the interstate commerce law requires definition and clarification in several other respects, some of which have been pointed out by the Interstate Commerce Commission in its annual reports to the Congress. It will promote the public interest to have the Congress give early consideration to the recommendations there made.

MERCHANT MARINE

The cost of maintaining the United States Government merchant fleet has been steadily reduced. We have established American flag lines in foreign trade where they had never before existed as a means of promoting commerce and as a naval auxiliary. There have been sold to private American capital for operation within the past few years fourteen of these lines, which, under the encouragement of the recent legislation passed by the Congress, give promise of continued successful operation. Additional legislation from time to time may be necessary to promote future advancement under private control.

Through the cooperation of the Post Office Department and the Shipping-Board long-term contracts are being made with American steamship lines for carrying mail, which already promise the construction of fifteen to twenty new vessels and the gradual reestablishment of the American merchant marine as a private enterprise. No action of the national Government has been so beneficial to our shipping. The cost is being absorbed to a considerable extent by the disposal of unprofitable lines operated by the Shipping Board, for which the new law has made a market. Meanwhile it should be our policy to main-

tain necessary strategic lines under the Government operation until they can be transferred to private capital.

INTER-AMERICAN HIGHWAY

In my message last year I expressed the view that we should lend our encouragement for more good roads to all the principal points on this hemisphere south of the Rio Grande. My view has not changed. The Pan American Union has recently indorsed it. In some of the countries to the south a great deal of progress is being made in road building. In others engineering features are often exacting and financing difficult. As those countries enter upon programs for road building we should be ready to contribute from our abundant experience to make their task easier of accomplishment. I prefer not to go into civil life to accomplish this end. We already furnish military and naval advisers, and following this precedent we could draw competent men from these same sources and from the Department of Agriculture.

We should provide our southern neighbors, if they request it, with such engineer advisers for the construction of roads and bridges. Private interests should look with favor upon all reasonable loans sought by these countries to open main lines of travel. Such assistance should be given especially to any project for a highway designed to connect all the countries on this hemisphere and thus facilitate intercourse and closer relations among them.

AIR MAIL SERVICE

The friendly relations and the extensive commercial intercourse with the Western Hemisphere to the south of us are being further cemented by the establishment and extension of air-mail routes. We shall soon have one from Key West, Fla., over Cuba, Haiti, and Santo Domingo to San Juan, P. R., where it will connect with another route to Trinidad. There will be another route from Key West to the Canal Zone, where connection will be made with a route across the northern coast of South America to Paramaribo. This will give us a circle around the Caribbean under our own control. Additional connections will be made at Colon with a route running down the west coast of South America as far as Concepcion, Chile, and with the French air mail at Paramaribo running down the eastern coast of South America. The air service already spans our continent, with laterals running to Mexico and Canada, and covering a daily flight of over 28,000 miles, with an average cargo of 15,000 pounds.

WATERWAYS

Our river and harbor improvements are proceeding with vigor. In the past few years we have increased the appropriation for this

regular work $28,000,000, besides what is to be expended on flood control. The total appropriation for this year was over $91,000,000. The Ohio River is almost ready for opening; work on the Missouri and other rivers is under way. In accordance with the Mississippi flood law Army engineers are making investigations and surveys on other streams throughout the country with a view to flood control, navigation, waterpower, and irrigation. Our barge lines are being operated under generous appropriations, and negotiations are developing relative to the St. Lawrence waterway. To secure the largest benefits from all these waterways joint rates must be established with the railroads, preferably by agreement, but otherwise as a result of congressional action.

We have recently passed several river and harbor bills. The work ordered by Congress, not yet completed, will cost about $243,000,000, besides the hundreds of millions to be spent on the Mississippi flood way. Until we can see our way out of this expense no further river and harbor legislation should be passed, as expenditures to put it into effect would be four or five years away.

IRRIGATION OF ARID LANDS

For many years the federal Government has been committed to the wise policy of reclamation and irrigation. While it has met with some failures due to unwise selection of projects and lack of thorough soil surveys, so that they could not be placed on a sound business basis, on the whole the service has been of such incalculable benefit in so many states that no one would advocate its abandonment. The program to which we are already committed, providing for the construction of new projects authorized by Congress and the completion of old projects, will tax the resources of the reclamation fund over a period of years. The high cost of improving and equipping farms adds to the difficulty of securing settlers for vacant farms on federal projects.

Readjustments authorized by the reclamation relief act of May 25, 1926, have given more favorable terms of repayment to settlers. These new financial arrangements and the general prosperity on irrigation projects have resulted in increased collections by the Department of the Interior of charges due the reclamation fund. Nevertheless, the demand for still smaller yearly payments on some projects continues. These conditions should have consideration in connection with any proposed new projects.

COLORADO RIVER

For several years the Congress has considered the erection of a dam on the Colorado River for flood-control, irrigation, and domestic

water purposes, all of which may properly be considered as Government functions. There would be an incidental creation of water power which could be used for generating electricity. As private enterprise can very well fill this field, there is no need for the Government to go into it. It is unfortunate that the states interested in this water have been unable to agree among themselves. Nevertheless, any legislation should give every possible safeguard to the present and prospective rights of each of them.

The Congress will have before it the detailed report of a special board appointed to consider the engineering and economic feasibility of this project. From the short summary which I have seen of it, I judge they consider the engineering problems can be met at somewhat increased cost over previous estimates. They prefer the Black Canyon site. On the economic features they are not so clear and appear to base their conclusions on many conditions which can not be established with certainty. So far as I can judge, however, from the summary, their conclusions appear sufficiently favorable, so that I feel warranted in recommending a measure which will protect the rights of the states, discharge the necessary Government functions, and leave the electrical field to private enterprise.

MUSCLE SHOALS

The development of our methods of producing nitrates will probably render this plant less important for that purpose than formerly. But we have it, and I am told it still provides a practical method of making nitrates for national defense and farm fertilizers. By dividing the property into its two component parts of power and nitrate plants it would be possible to dispose of the power, reserving the right to any concern that wished to make nitrates to use any power that might be needed for that purpose. Such a disposition of the power plant can be made that will return in rental about $2,000,000 per year. If the Congress would grant the Secretary of War authority to lease the nitrate plant on such terms as would insure the largest production of nitrates, the entire property could begin to function. Such a division, I am aware, has never seemed to appeal to the Congress. I should also gladly approve a bill granting authority to lease the entire property for the production of nitrates.

I wish to avoid building another dam at public expense. Future operators should provide for that themselves. But if they were to be required to repay the cost of such dam with the prevailing commercial rates for interest, this difficulty will be considerably lessened. Nor do I think this property should be made a vehicle for putting the United States Government indiscriminately into the private and retail field of power distribution and nitrate sales.

CONSERVATION

The practical application of economy to the resources of the country calls for conservation. This does not mean that every resource should not be developed to its full degree, but it means that none of them should be wasted. We have a conservation board working on our oil problem. This is of the utmost importance to the future well-being of our people in this age of oil-burning engines and the general application of gasoline to transportation. The Secretary of the Interior should not be compelled to lease oil lands of the Osage Indians when the market is depressed and the future supply is in jeopardy.

While the area of lands remaining in public ownership is small, compared with the vast area in private ownership, the natural resources of those in public ownership are of immense present and future value. This is particularly true as to minerals and water power. The proper bureaus have been classifying these resources to the end that they may be conserved. Appropriate estimates are being submitted, in the Budget, for the further prosecution of this important work.

IMMIGRATION

The policy of restrictive immigration should be maintained. Authority should be granted the Secretary of Labor to give immediate preference to learned professions and experts essential to new industries. The reuniting of families should be expedited. Our immigration and naturalization laws might well be codified.

WAGE EARNER

In its economic life our country has rejected the long accepted law of a limitation of the wage fund, which led to pessimism and despair because it was the doctrine of perpetual poverty, and has substituted for it the American conception that the only limit to profits and wages is production, which is the doctrine of optimism and hope because it leads to prosperity. Here and there the councils of labor are still darkened by the theory that only by limiting individual production can there be any assurance of permanent employment for increasing numbers, but in general, management and wage earner alike have become emancipated from this doom and have entered a new era in industrial thought which has unleashed the productive capacity of the individual worker with an increasing scale of wages and profits, the end of which is not yet. The application of this theory accounts for our widening distribution of wealth. No discovery ever did more to increase the happiness and prosperity of the people.

Since 1922 increasing production has increased wages in general 12.9 per cent, while in certain selected trades they have run as high as 34.9

per cent and 38 per cent. Even in the boot and shoe shops the increase is over 5 per cent and in woolen mills 8.4 per cent, although these industries have not prospered like others. As the rise in living costs in this period is negligible, these figures represent real wage increases.

The cause of constructive economy requires that the Government should cooperate with private interests to eliminate the waste arising from industrial accidents. This item, with all that has been done to reduce it, still reaches enormous proportions with great suffering to the workman and great loss to the country.

WOMEN AND CHILDREN

The federal Government should continue its solicitous care for the 8,500,000 women wage earners and its efforts in behalf of public health, which is reducing infant mortality and improving the bodily and mental condition of our citizens.

CIVIL SERVICE

The most marked change made in the civil service of the Government in the past eight years relates to the increase in salaries. The Board of Actuaries on the retirement act shows by its report that July 1, 1921, the average salary of the 330,047 employees subject to the act was $1,307, while on June 30, 1927, the average salary of the corresponding 405,263 was $1,969. This was an increase in six years of nearly 53 per cent. On top of this was the generous increase made at the last session of the Congress generally applicable to federal employees and another bill increasing the pay in certain branches of the Postal Service beyond the large increase which was made three years ago. This raised the average level from $1,969 to $2,092, making an increase in seven years of over 63 per cent. While it is well known that in the upper brackets the pay in the federal service is much smaller than in private employment, in the lower brackets, ranging well up over 3,000, it is much higher. It is higher not only in actual money paid, but in privileges granted, a vacation of 30 actual working days, or 5 weeks each year, with additional time running in some departments as high as 30 days for sick leave and the generous provisions of the retirement act. No other body of public servants ever occupied such a fortunate position.

EDUCATION

Through the Bureau of Education of the Department of the Interior the federal Government, acting in an informative and advisory capacity, has rendered valuable service. While this province belongs peculiarly to the states, yet the promotion of education and efficiency in educational methods is a general responsibility of the federal Government. A survey of negro colleges and universities in the United States has just

been completed by the Bureau of Education through funds provided by the institutions themselves and through private sources. The present status of negro higher education was determined and recommendations were made for its advancement. This was one of the numerous cooperative undertakings of the bureau. Following the invitation of the Association of Land Grant Colleges and Universities, the Bureau of Education now has under way the survey of agricultural colleges, authorized by Congress. The purpose of the survey is to ascertain the accomplishments, the status, and the future objectives of this type of educational training. It is now proposed to undertake a survey of secondary schools, which educators insist is timely and essential.

PUBLIC BUILDINGS

We have laid out a public building program for the District of Columbia and the country at large running into hundreds of millions of dollars. Three important structures and one annex are already under way and one addition has been completed in the City of Washington. In the country sites have been acquired, many buildings are in course of construction, and some are already completed. Plans for all this work are being prepared in order that it may be carried forward as rapidly as possible. This is the greatest building program ever assumed by this nation. It contemplates structures of utility and of beauty. When it reaches completion the people will be served and the federal city will be supplied with the most beautiful and stately public buildings which adorn any capital in the world.

THE AMERICAN INDIAN

The administration of Indian affairs has been receiving intensive study for several years. The Department of the Interior has been able to provide better supervision of health, education, and industrial advancement of this native race through additional funds provided by the Congress. The present cooperative arrangement existing between the Bureau of Indian Affairs and the Public Health Service should be extended. The Government's responsibility to the American Indian has been acknowledged by annual increases in appropriations to fulfill its obligations to them and to hasten the time when federal supervision of their affairs may be properly and safely terminated. The movement in Congress and in some of the state legislatures for extending responsibility in Indian affairs to states should be encouraged. A complete participation by the Indian in our economic life is the end to be desired.

THE NEGRO

For sixty-five years now our negro population has been under the peculiar care and solicitude of the national Government. The progress

which they have made in education and the professions, in wealth and in the arts of civilization, affords one of the most remarkable incidents in this period of world history. They have demonstrated their ability to partake of the advantages of our institutions and to benefit by a free and more and more independent existence. Whatever doubt there may have been of their capacity to assume the status granted to them by the Constitution of this Union is being rapidly dissipated. Their cooperation in the life of the Nation is constantly enlarging.

Exploiting the Negro problem for political ends is being abandoned and their protection is being increased by those states in which their percentage of population is largest. Every encouragement should be extended for the development of the race. The colored people have been the victims of the crime of lynching, which has in late years somewhat decreased. Some parts of the South already have wholesome laws for its restraint and punishment. Their example might well be followed by other states, and by such immediate remedial legislation as the federal Government can extend under the Constitution.

PHILIPPINE ISLANDS

Under the guidance of Governor General Stimson the economic and political conditions of the Philippine Islands have been raised to a standard never before surpassed. The cooperation between his administration and the people of the islands is complete and harmonious. It would be an advantage if relief from double taxation could be granted by the Congress to our citizens doing business in the islands.

PORTO RICO

Due to the terrific storm that swept Porto Rico last September, the people of that island suffered large losses. The Red Cross and the War Department went to their rescue. The property loss is being retrieved. Sugar, tobacco, citrus fruit, and coffee, all suffered damage. The first three can largely look after themselves. The coffee growers will need some assistance, which should be extended strictly on a business basis, and only after most careful investigation. The people of Porto Rico are not asking for charity.

DEPARTMENT OF JUSTICE

It is desirable that all the legal activities of the Government be consolidated under the supervision of the Attorney General. In 1870 it was felt necessary to create the Department of Justice for this purpose. During the intervening period, either through legislation creating law officers or departmental action, additional legal positions not under the supervision of the Attorney General have been provided until there are now over nine hundred. Such a condition is as harmful to the interest

of the Government now as it was in 1870, and should be corrected by appropriate legislation.

SPECIAL GOVERNMENT COUNSEL

In order to prosecute the oil cases, I suggested and the Congress enacted a law providing for the appointment of two special counsel. They have pursued their work with signal ability recovering all the leased lands besides nearly $30,000,000 in money, and nearly $17,000,000 in other property. They find themselves hampered by a statute, which the Attorney General construes as applying to them, prohibiting their appearing for private clients before any department. For this reason, one has been compelled to resign. No good result is secured by the application of this rule to these counsel, and as Mr. Roberts has consented to take reappointment if the rule is abrogated I recommend the passage of an amendment to the law creating their office exempting them from the general rule against taking other cases involving the Government.

PROHIBITION

The country has duly adopted the eighteenth amendment. Those who object to it have the right to advocate its modification or repeal. Meantime, it is binding upon the national and state Governments and all our inhabitants. The federal enforcement bureau is making every effort to prevent violations, especially through smuggling, manufacture, and transportation, and to prosecute generally all violations for which it can secure evidence. It is bound to continue this policy. Under the terms of the Constitution, however, the obligation is equally on the states to exercise the power which they have through the executive, legislative, judicial, and police branches of their governments in behalf of enforcement. The federal Government is doing and will continue to do all it can in this direction and is entitled to the active cooperation of the states.

CONCLUSION

The country is in the midst of an era of prosperity more extensive and of peace more permanent than it has ever before experienced. But, having reached this position, we should not fail to comprehend that it can easily be lost. It needs more effort for its support than the less exalted places of the world. We shall not be permitted to take our ease, but shall continue to be required to spend our days in unremitting toil. The actions of the Government must command the confidence of the country. Without this, our prosperity would be lost. We must extend to other countries the largest measure of generosity, moderation, and patience. In addition to dealing justly, we can well afford to walk humbly.

The end of government is to keep open the opportunity for a more abundant life. Peace and prosperity are not finalities; they are only methods. It is too easy under their influence for a nation to become selfish and degenerate. This test has come to the United States. Our country has been provided with the resources with which it can enlarge its intellectual, moral, and spiritual life. The issue is in the hands of the people. Our faith in man and God is the justification for the belief in our continuing success. CALVIN COOLIDGE.

QUESTIONS

1. What was President Coolidge's attitude toward adjusted compensation (bonus) for the veterans of the World War? See pages 9339, 9351, 9375, 9405.
2. What was his position on Prohibition enforcement? See page 9330.
3. What benefits did he think the high Republican protective tariff had conferred upon the country? See pages 9344, 9432 and 9463.
4. What problem was presented the Coolidge Administration by the Muscle Shoals Nitrate Plant? See pages 9354 and 9459.
5. How would many problems of the railroads be met by consolidation into fewer and larger systems? See pages 9346, 9353 and 9460.
6. Why did the Coolidge Administration want the "Gentlemen's Agreement" with Japan on immigration to continue? See page 9421.
7. Why was Coolidge opposed to excess profits and high income taxes? See pages 9338, 9344, 9372, 9440.
8. Why was the resignation of Attorney General Daugherty requested? See page 9386.

SUGGESTIONS

President Coolidge's Administration was characterized by a determined effort at economy in the Government Service. His analyses and recommendations to that effect are to be found on pages 9335, 9343, 9370, 9395, 9403, 9438, 9454, 9455.

His position on the revelation of corruption among high Government officials is hinted at on pages 9394 and 9433.

He gives his reasons for advocating adherence to the World Court on pages 9341, 9400, 9415, 9435, 9467.

His address on being notified of his nomination for the Presidency begins on page 9430.

His faith in the Dawes Plan is described on pages 9399, 9435 and 9466.

NOTE

For further suggestions on Coolidge's administration, see Coolidge, Calvin, in the Encyclopedic Index.

By reading the Foreign Policy of each President, and by scanning the messages as to the state of the Union, a thorough knowledge of the history of the United States will be acquired from the most authentic sources; because, as has been said, "Each President reviews the past, depicts the present and forecasts the future of the nation."