

ORGANIZATION ALWAYS STANDS FOR PROGRESS

President Reviews Achievements of Past in Speech of Acceptance

Washington, I. N. S.—The full text of President Coolidge's address, accepting the republican nomination for the presidency and delivered here Thursday night, follows:

"The Chairman, members of the committee, Ladies and Gentlemen:—You bring formal notice, Mr. Chairman, of a nomination for president of the United States. Our system of nominations is not the outcome of chance. It is the product of experience. Very early in their search for a sound method of self government, the American people discovered that the only practical way to secure responsible political action was by the formation of parties, which they adopted because reason pronounced it the most promising, and continued because practice found it the most successful.

"Underneath and upholding political parties was, and is, the enduring principle that a true citizen of a real republic can not exist as a segregated, unattached fragment of selfishness, but must live as a constituent part of the whole of society, in which he can secure his own welfare only as he secures the welfare of his fellow men.

"Always Progress, If—"
"Party means political co-operation, not as an end in itself, but a means, an instrument of government. If founded upon a great moral principle and directed with scrupulous regard for its integrity, it can not fail to sweep onward and upward, advancing always steadily and surely, a mighty constructive force, a glorious bearer of progress.

"That is what the republican party always has been and is today. In full faith that such it will continue to be, deeply conscious of the high honor it confers and the responsibility it imposes, I accept its nomination for president of the United States.

"In the history of our country is recorded the public services rendered by our party for more than three score years. That is secure. I pass on to the recent past and the present.

Recalls Conditions in 1921.
"It is easy to forget, but the impression which the condition of our country in March, 1921, made upon the people was deep, so vivid, so alarming, that it will not soon pass away. Over two years after the armistice we were still technically in a state of war. We had no diplomatic relations with Turkey, Greece, Russia, Columbia, or Mexico, and the Far East was causing grave apprehensions. In raising and expending for war a vast amount of money a reckless extravagance had come to characterize the administration of public affairs and was all too prevalent in private life. An enormous debt had been contracted, then standing at about \$24,000,000,000, of which more than \$7,000,000,000 was in short time obligations without any provision for payment. Government bonds were far below par. The high war time taxes still burdened the people.

"Demobilization and liquidation remained to be completed. Huge accounts with the railroads were still unsettled. Transportation was crippled. Over \$11,000,000,000 of unliquidated debts were due to us from foreign countries. The whole people were suffering from a tremendous deflation. Our banks were filled with frozen assets, and everywhere acute financial distress existed. Interest was high. Capital was scarce. Approximately 5,000,000 people were without employment. No adequate provision had been made for the relief of disabled veterans and their dependents. There was an avalanche of worn people suddenly cheapened merchandise impending upon us from foreign lands. The great powers were still engaged in burdening their people by building competitive armaments.

"This staggering array indicates some of the major problems of this administration. Perhaps in no peace time period have there been more remarkable and constructive accomplishments than since March, 1921. We have ratified separate treaties of world wide importance with Germany, Austria, Hungary, Columbia, and Mexico. Forty-two other treaties have been approved by the Senate, and six treaties are now awaiting its action. Friendly intercourse has been resumed with Turkey and Greece, and we have established our rights and insured peace in the Far East and the Pacific ocean. Our foreign relations have been handled with a technical skill and a broad statesmanship which has seldom, if ever, been surpassed.

Touches Budget System
"In the domain of finance a budget system was promptly enacted and put into operation, resulting in tremendous savings. For the fiscal year ending June 30, 1921, our expenditures were \$5,538,000,000, and our surplus was \$38,000,000. For the year just closed our expenditures were \$5,427,000,000, and our surplus exceeded \$500,000,000. This was a reduction in the annual cost of government of \$2,041,000,000. The public debt now stands at about \$21,250,000,000, which is a reduction in three years of about \$2,750,000,000 and means an annual saving in interest of more than \$120,000,000. The \$7,000,000,000 of short time obligations have all been quietly refunded or paid. The internal revenue taxes have been reduced twice, and many of them repealed, so that during the present fiscal year the tax receipts will show a saving to the people of approximately \$6,000,000, a deep comparison with 1921. One government bond has sold well over 105, more than 40 per cent. of the

amount of debts due us from foreign countries has been liquidated, and will provide funds for the retirement of about \$12,000,000,000 of the principal of our national debt in the course of 42 years. These settlements are not only stupendous financial transactions, but demonstrations of the most profound nature of international good faith and the dominion over international relations of moral power. The finances of this nation have been managed with a genius and a success unmatched since the days of Hamilton.

Army and Navy Crippled
"The army and navy have been reduced to a low peace time basis, and surplus materials and supplies converted into cash. Hundreds of millions of accounts have been settled with the railroads, which have been financed without any public expense so that they could adequately serve the greatest peace time commerce ever moved without a shortage of cars. A great revival of industry took place, which is now spreading to agriculture. Complaint of unemployment has ceased, wages have increased. Capital has become plentiful at a low rate of interest and the banks of our country, as a whole, show a high percentage of liquid assets.

"Most generous laws for the relief of disabled veterans have been enacted, and the Veterans' Bureau established. More than 71,000 men and women have been rehabilitated, of whom over \$8,000 are earning more than they earned before the war. Compensation is being paid to nearly half a million at the rate of about \$100,000,000 a year, which will be increased about \$30,000,000 under legislation recently passed. Forty million dollars have been provided for hospital facilities, and under a new law hospitals have been opened to all the veterans of all wars, regardless of the time or cause of their disability. No government ever provided so generously for those disabled by service in time of war.

Admits Dislike of Jap Law
"To preserve American standards for all our inhabitants, whether they were the descendants of former generations residing here or the most recent arrivals, restrictive immigration laws were passed. I should have preferred to continue the policy of Japanese exclusion by some method less likely to offend the sensibilities of the Japanese people. I did what I could to minimize any harm that might arise. But the law has been passed and approved, and the incident is closed. We must seek by some means besides immigration to demonstrate the friendship and respect which we feel for the Japanese nation.

"Restricted immigration is not an offensive but a purely defensive action. It is not adopted in criticism of others in the slightest degree, but solely for the purpose of protecting ourselves. We cast no aspersions on any race or creed, but we must remember that every object of our institutions of society and government will fall unless America be kept American.

Claims Tariff Saves Farmers
"By means of a protective tariff we have saved American agriculture, labor, and industry from the menace of having their great home market destroyed through the dumping upon it of a flood of foreign products. Under this wise policy we saw an economic revival, and our people as a whole, in marked distinction from suffering from the financial distress and depression of other lands, have come into an era of prosperity and plenty. As a source of revenue the tariff surpassed all expectations in producing an annual return of the unprecedented sum of about \$550,000,000. A fiscal policy which places a large and much needed revenue in the public treasury, while stimulating business to a condition of abounding prosperity, defends itself against any criticism. Its merits are demonstrated by its results. We have protected our own inhabitants from the economic disaster of an invasion of too many foreign products, and too much foreign merchandise.

"The nation has never come to a full realization of the importance of the Washington Conference. It produced the one effective agreement among the great powers in all the history of civilization for relieving the people of the earth from the enormous burden of maintaining competitive naval armaments. I do not believe any conference ever did more to promote the peace of the world. I am perfectly sure that none ever did so much to reduce the cost of government. By removing causes of irritation, in which lay the seeds of war in the Far East, our own country received incalculable benefits. Only when that was done could disarmament follow. What had always before failed, then became a success. A policy was adopted which was more revolutionary. It was sublime. It demonstrated at last that peace and good will are not vain illusions, but actual realities. The credit for the inception of this epoch-making policy, and for its practical conclusion, is due to the initiative of American statesmanship.

Alibi For Corrupt Government
"These are some of the larger aspects, though very incompletely depicted, of what this administration has been doing to promote the welfare of the American people. A survey of the economic condition of our country, the industrial peace which prevails, the mighty influence which our moral power exerts throughout the world all testify that it has not been without success.

"There are those who would disregard all this for an undertaking to convince themselves and others that the chief issue of this campaign is honest government. In all my studies of political history, I can not recall an administration which was desirous of a dishonest and corrupt government that, for the purpose of checking extravagance, ever undertook to introduce a budget system, to cut down taxes, to purge the payrolls, to make enormous reductions in the public debt, and to lay fingers

foundations for the peace of the world. That is not the way of dishonesty. The government is sound. But individuals charged with wrongdoing are being prosecuted. The people of this country hate corruption. They know my position. They know the law will be enforced.

Invokes Aid of Grand Jury.
"Wherever there have been suspicions of guilt, involving members of any party, I have caused them to be investigated and presentation made to the grand jury. If the evidence warranted, those suspected of crime have been indicted; and without favor, but without malice, they will be tried on the charges returned against them. Wherever it has appeared that the property of the government has been illegally transferred and held, action has been brought for its recovery and will be pursued to a final judgment. No government was ever able to prevent altogether the commission of crime, but this government, under my direction, is doing the best it can to detect and punish any and all wrongdoers. The laws of the land are being, and will continue to be, enforced. I propose to use every possible effort to resist corruption in office. The American government must be clean.

"Many principles exist which I have tried to represent and propose to support. I believe in the American constitution. I favor the American system of individual enterprise, and I am opposed to any general extension of government ownership and control. I believe not only in advocating economy in public expenditure, but in its practical application and actual accomplishment. I believe in a reduction and reform of taxation, and shall continue my efforts in that direction. I am in favor of protection. I favor the permanent court and further limitation of armaments. I am opposed to aggressive war. I shall avoid involving ourselves in the political controversies of Europe, but I shall do what I can to encourage American citizens and to encourage the sympathetic support of our government in a sound basis of prosperity and equality. I shall continue to strive for the economic, moral and spiritual welfare of my country. American citizens will decide in the coming election whether these accomplishments and these principles have their approval and support.

"U. S. Cannot Be Isolated."
"The domestic affairs of our country appear to me to be by far the chief concern. From that source comes our strength. The home market consumes nearly all of our production. Within our own boundaries will be determined to a very large degree the economic welfare and the moral worth of the American people. These are plain facts, but there are others equally plain.

"America, under Providence, has come to be a nation of great responsibility. It exists as one of the family of nations. We can not be isolated. Other peoples exist all about us. Their actions affect us, and our actions affect them, whether we will or no. Their financial condition is not and can not be entirely separated from our financial condition. But the final determination of our relationship to other countries rises into a higher realm. We believe in the brotherhood of man, because we believe in the Fatherhood of God. That is our justification for freedom and equality. We believe in the law of service, which teaches us that we can improve ourselves only by helping others. We know that these principles are applicable alike to our domestic and our foreign relations. We cannot live unto ourselves alone.

"The foreign policy of America can best be described in one word—peace. Our actions have always proclaimed our peaceful desire, but never more evidently than now. We covet no territory; we support no threatening military array; we harbor no hostile intent. We have pursued, are pursuing and shall continue to pursue with untiring devotion the cause of peace.

Must Avoid Entanglements.
"These ideals we have put into practical application. We have sought to promote peace not only by word, but by appropriate action. We have been unwilling to surrender our independence. We have refused to ratify the covenant of the League of Nations. But we have co-operated with it to suppress the narcotic trade and promote public health. We have every desire to help; but the time, the place and the method must be left to our own determination. Under our constitution, we cannot foreclose the right of the president, or the congress to determine future problems when they arise. We must necessarily proceed upon the principle of present co-operation without future entanglements.

"As peace means fundamentally a reign of law, we propose to become a member of the Permanent Court of International Justice. Such action would do much to indicate our determination to restrain the rule of force and establish and sustain the rule of reason among nations.

Approves Plan of Dawes.
"We have observed with sympathy the continuing difficulties of Europe. We have desired to assist whenever we could do so effectively. Late in December, 1922, the secretary of state announced the American plan, which was finally adopted. Under it the reparations commission appointed a committee of experts, of which three were Americans, one of whom, Charles G. Dawes, was chosen chairman. A report has been made which received worldwide approbation and has been accepted in principle by the governments interested. At a conference of prime ministers held to work out the details of putting this plan into operation, I directed the attendance of Ambassador Kellogg, assisted by Colonel Logan, to represent our government. Throughout all this course of events we helped in the only way we could help.

"I believe the substance of the plan ought to be adopted. By this test will be revealed whether Europe really desires

our co-operation. If Europe should agree to this proposal, then a private loan should be made by our citizens to Germany for the financial support of this undertaking. The governments interested should make necessary concessions for the security of such a loan. In my opinion such action, by stabilizing Europe, would result in improving our own economic condition. But beyond that it is the duty of our people who have the resources to use them for the relief of war-stricken nations and the improvement of world conditions.

"As this is written, reports indicate that the plan of General Dawes will be adopted, and that the effort of America has made a tremendous contribution to the welfare, security, and peace of the world. But I await the event.

Would Cut Armaments Again.
"When the reparations plan is in operation, I shall deem it an appropriate time to approach the great powers with a proposal for another conference for a further limitation of armaments and for devising plans for a codification of international law. I personally should favor entering into covenants for the purpose of outlawing aggressive war by any practical means. Our country has always been against aggressive war and for permanent peace. Those who are working out detailed plans to present such a policy for consideration have my entire sympathy. I trust that never again will the women of this nation be called on to sacrifice their loved ones to the terrible scourge of war.

"We have constantly striven to come to more complete understandings and improve our relations with Latin America. At their request we have undertaken to compose their difficulties. We helped the government of Mexico protect itself against domestic violence. There is little doubt that in extending this assistance and the moral support which it indicated we helped save the people of Mexico from the terrors of another revolution. We also indicated the adoption of a policy of making it worth while for a government so to conduct itself as to merit our recognition. We have secured a treaty of amity and commerce to replace one which was canceled as long ago as 1851, and joint commissions will shortly meet to adjust all American claims against that country.

Hits Religious Prejudices.
"The federal government ought to be, and is, solicitous for the welfare of every one of its inhabitants, every one of its business activities, whether they be small or great. This is one country; we are one people united by common interests. There should be no favorites and no outcasts; no race or religious prejudices in government. America opposes special privilege for anybody, and favors equal opportunity for everybody. It has adopted these principles because they are the logical conclusions of our ideals of freedom. Moreover, we believe they contribute to our material welfare. We oppose the artificial supports of privilege and monopoly because they are both unjust and uneconomic. They are not right. They do not work. No sound and enduring government or prosperity can rest upon anything but the sure foundations of equal opportunity and justice for all.

"It is in accordance with these principles that our government seeks by appropriate legislation to promote the financial welfare of all the different groups that form our great economic structure. The republican party supports the policy of protection as a broad principle, good alike for producer and consumer, because it knows that no other means to prevent the lowering of the standards of pay and living for the American wage earner toward the misery scale that prevails abroad has ever been devised. Were such protection removed, the result would be felt at every fireside in the land. Our industry would languish, factories would close, commerce and transportation would be paralyzed, financial distress and economic depression would reach over the whole country. Before we are carried away with any visionary expectation of promoting the public welfare by a general avalanche of cheap goods from foreign sources, imported under a system which, whatever it may be called, is in reality free trade, it will be well first to count the cost and realize just what such a proposal really means.

Begets Tariff Again.
"I am far from protection because it maintains American standards of living and of business, for agriculture, industry, and labor. I am in favor of the elastic provisions of our tariff law. I propose to administer them, not politically, but judicially. As the business of the world becomes stabilized without throwing all our economic system into confusion, we can raise or lower specific schedules to meet the requirements of a scientific adjustment.

"I confess that my inheritance and personal experience have bred in me a keen interest in the welfare of agriculture. Perhaps the very hardships that these who have been engaged in it have encountered have caused it to be the chief source of that independence and stalwart citizenship which has contributed lavishly to the glory of American life. It constitutes an element in our nation of such importance as to be worthy of the utmost solicitude and concern. One of our first thoughts in 1921 was for its relief and revival. As many as 15 laws have been passed to assist and support this fundamental industry. Through the War Finance Corporation it has been extended credits of between \$200,000,000 and \$400,000,000. In addition to this, government activity pro-

vided about \$50,000,000 from private sources for the relief of the cattle industry, and in the early spring of this year a \$10,000,000 corporation was formed, which it was estimated could furnish \$100,000,000 for diversification and financial relief in the northwest. The Intermediate Credit Banks have loaned over \$85,000,000 to individuals and co-operative marketing associations, which assisted directly and indirectly over 500,000 farmers.

Admits Farmers Lose Heavily.
"Notwithstanding all this, agriculture was subjected to an era of most serious depression. Several of its great staples like cotton, cattle, hogs, corn, and wheat, suffered from low prices, due to overproduction, unbalanced conditions between costs and sale prices in agriculture, industry, and labor, and the disorganization of the markets of the world. But for the enormous buying power which the high wages of industry put behind the market for American food products, especially meat, the agricultural regions would have experienced even a far more severe financial crisis.

"Due to a change in the world supply, prices of products have begun to improve, even so far as to increase land values. The government rendered a great deal of assistance and private enterprise co-operated, but the fundamental remedy was provided, as it always must be provided, not so much through the enactment of legislative laws as through the working out of some economic laws. Because the farmers have thoroughly realized this, they have on the whole opposed price fixing by legislation. While maintaining that sound position, they have seen a partial relief come in a natural way as it was bound to come.

What Farmers Need!
"We now need in agriculture more organization, co-operation, and diversification. The farmer should have the benefit of legislation providing for flood control and development of inland waterways, better navigation east and south from the Great Lakes, reclamation, and especially relief for those who can not meet their payments on irrigation projects. But the main problem is marketing. Co-operative effort, reorganization of the freight rate structure, good business, and good wages in manufacturing, and the settlement of European affairs will all help to provide better market conditions.

"The republican platform recognizes that agriculture should be on a basis of economic equality with other industries. This is easy to say, but the farmers themselves and their advisers have never been able to agree on a plan to provide it by law. Now that nature and economic law have given some temporary relief, I propose, therefore, to appoint a committee to investigate and report measures to the congress in December that may help secure this result which we all desire. I want profitable agriculture established permanently. I want to see the dollar of the farmer always purchase as much as any other dollar.

Farmers Need Skilled Leadership.
"A wise, skilled, and unselfish leadership can do more than anything else to rescue agriculture. The farmer needs leaders who will stay with him, who have the tact and the courage necessary for management, and who have the fidelity to refuse political preferment and business opportunity. There are such leaders. In the sacrifices they make to serve the farmer lies the greatest hope for his salvation.

"Those who toll have always profited from republican control of government. Under the policy of protection and restrictive immigration no deflation of wages has occurred. While the cost of living has gone down, wages have advanced. The 12-hour day and the 7-day week have practically been abolished. The uninterrupted operation of public utilities with mutually satisfactory and legally established methods of adjusting labor questions have been sought. Collective bargaining and voluntary arbitration have been encouraged. Republican rule has raised the wage earner to a higher standard than he ever occupied before anywhere in the world.

Recites War Evils
"The war left us with many evils. One result was the tremendous wastage of wealth. The people of this country were required to recreate very nearly one-fifth of our national resources. All of this stupendous sum has to be earned. When so large a part of the work of 300 years is swept away, it is not easily recovered. It takes all the tremendous energy of men, of enterprise, of the vast properties represented by invested capital, and of material, working through years, to repair the damage and replace the values destroyed by war.

"The only method by which we can make up this loss is by saving a part of what we produce each day. It will make little difference how much we raise on the farm or how much we turn out in the mill, if it is all used or all the proceeds are expended. We can only be relieved of our present private and public burdens by refraining from private and public extravagance. We must resist private and public outlays for which there is no commensurate return. This is economy. Whatever anybody may claim or say, there is no other method by which the people can rid themselves of their tremendous financial burdens.

Everybody Pays Taxes
"It is for that reason that the present administration has made every possible effort to cut down the expenses of government. The country needs every ounce of its energy; to restore itself. The costs of the government are all assessed on the people. This means that the farmer is doomed to provide a certain amount of money out of the sale of his produce, no matter how low the price, to pay his taxes. The manufacturer,

the professional man, and the clerk must do the same from their income. The wage earner, often at a higher rate when compared with his earnings, makes his contribution, perhaps not directly, but indirectly, in the advanced cost of everything he buys. The expenses of the government reach everybody. Taxes take from everyone a part of his earnings, and force everyone to work for a certain part of his time for the government.

"When we come to realize that the yearly expenses of all the governments in this country have reached the stupendous sum of about \$7,500,000,000, we get some idea of what this means. Of this amount about \$3,500,000,000 is needed by the national government, and the remainder by local governments. Such a sum is difficult to comprehend. It represents all the pay of 5,000,000 wage earners receiving \$5 a day, working 300-days in the year. If the government should add on \$100,000,000 of expense, it would represent four days more work of these wage earners. These are some of the reasons why I want to cut down public expense.

"Less for U. S., More for Self."
"I want the people of America to be able to work less for the government and more for themselves. I want them to have the rewards of their own industry. That is the chief meaning of freedom. Until we can re-establish a condition under which the earnings of the people can be kept by the people, we are bound to suffer a very distinct curtailment of our liberty.

"These results are not fanciful, they are grimly actual and real, reaching into every household in the land. They take from each home annually an average of over \$300. And taxes must be paid. They are not a voluntary contribution to be met out of surplus earnings. They are a stern necessity. They come first. It is only out of what is left after they are paid that the necessities of food, clothing and shelter can be provided, the comforts of home secured, or the yearnings of the soul for a broader and more abundant life gratified. When the government effects a new economy, it grants everybody a life pension with which to raise the standard of existence. It increases the value of everybody's property and raises the scale of everybody's wages. One of the greatest favors that can be bestowed upon the American people is economy in government.

Sounds Economy Cry.
"Because of my belief in these principles, I favor economy that the taxes of everybody may be reduced. Much has already been done. The bill I signed will save the people about \$1,000,000 each day. I want further tax reduction and more tax reform. The raising of the revenue required to conduct our government is intimately connected with our economic welfare. If it is done by wise and just laws, the burden will be the most easily borne. But if the method of taxation is not sound, disaster will follow, reaching even to financial panic. Our first thought should be to maintain unimpaired the activity of agriculture and industry. That tax is theoretically best which interferes least with business.

"Every student knows that excessively high rates defeat their own purpose. They dry up that source of revenue and leave those paying lower rates to furnish all the taxes. High rates tend to paralyze business. For these reasons I am opposed to excess profits taxes and high surtaxes. When the revenue bill of 1921 was passed, abolishing excess profits and greatly reducing high surtaxes, it was immediately followed by a revival in business and an increase in the number of large incomes, so that the government received nearly \$100,000,000 more in taxes from those having incomes of over \$100,000 than under the highest rates of the previous year. But rates were still too high, and all kinds of business began to pause; agriculture especially felt their indirect adverse effects. A new tax bill was passed this spring carrying still further reductions, and under its apparent influence there seems to be the beginning of another increase of prosperity. Good business is worth more to the small income taxpayer than a considerable percentage of tax reduction.

The Wealthy Are Safe.
"Only about 3,500,000 people pay direct income taxes. The remainder pay, but pay indirectly, the cost of all purchases, from a pair of shoes to a railroad ticket. This country has at least 107,000,000 of these indirect taxpayers. I am not disturbed about the effect on a few thousand people with large incomes because they take care of themselves, whatever happens, as the rich always do. What concerns me is the indirect effect of high surtaxes on all the rest of the people. Let us always remember the poor. Whatever cry the demagogue may make about his ability to tax the rich, at the end of the year it will always be found that the people as a whole have paid the taxes. We should, therefore, have a system of taxation under which the people as a whole are most likely to be prosperous. Our country will be better off if, disregarding those who appeal to jealousy and envy, it follows in taxation and all else the straight path of justice.

"Economy should be practiced scrupulously in the conduct of a national campaign. I know it is difficult to distinguish between real service to the people and mere wastefulness. Costs have increased by doubling of the electorate, rendering close calculation impossible.

Nevertheless, I can perceive no reason why the budget system should not be beneficial in a campaign, as it has proved to be in government. It is to be tested by our committee.

Pleads Honest Campaign.
"There should be no relaxing of resolute endeavor to keep our elections clean, honest and free from taint of any kind. Only the closest scrutiny of both the sources of contributions and the character of expenditures can accomplish this laudable purpose. For the first time, this has been provided for the coming

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