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WHAT ARE THE ESSENTIAL DIFFERENCES BETWEEN
THE REPUBLICAN AND THE DEMOCRATIC PARTIES?

An Address

by

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Before the advent of the New Deal, there was frequent complaint by thoughtful people, some liberal and some conservative, that there was no real difference between the Democratic party and the Republican party.

Since the Democratic Party has been under the leadership of President Roosevelt that complaint has been less frequently heard. Nearly every partisan Democrat and nearly every partisan Republican agree that there are fundamental differences between the New Deal Democratic Party and the Republican opposition. But it is difficult to get a New Deal Democrat and a Republican opponent to agree on a statement of those fundamental differences.

If a man from Mars should examine the New Deal record and then read the modernized statement of Republican doctrine prepared by Dr. Glenn Frank and his battalion of brain-trusters, 200 experts strong, he might conclude that Dr. Frank's work was a defense of the Roosevelt record. Certainly he would conclude that most of the ideas discussed by Dr. Frank came from President Roosevelt.

The Republican program of Dr. Frank accepts in principle, minimum wage and maximum hour legislation, federal subsidies to agriculture, soil conservation, a housing program, the elimination of tax-exempt securities, regulation of stock markets, securities issues and public utilities, and even government competition, to some extent in the power industry. It favors such bitterly contested policies as collective bargaining for labor, reciprocal trade agreements, relief for the unemployed and a social security program. It is content if the budget is balanced not before the election of 1942, and is content if we return to a fixed gold standard at some indefinite date.

There are to be sure guarded suggestions in the Glenn Frank report that the New Deal record is not perfect and that much remains to be done to satisfy the promise of American life. But such criticisms are on the whole much more tempered than many that I have heard from friendly New Deal sources. There is nothing in the Glenn Frank document that suggests a fundamental difference in objective or approach from Mr. Roosevelt. Our man from Mars might well wonder whether, in an imperfect world, the Republican brain-trusters could find a better leader to fight for their principles in 1940 than Franklin D. Roosevelt.

I do not want to give an exaggerated impression of the wholeheartedness of the Glenn Frank Committee's endorsement of the New Deal. There are plenty of qualifying clauses in the report, which can be cited to convince reactionaries and contributors that the road back to "normalcy" has not been cut off.

One of the most forceful illustrations of this nostalgia for the old days is the proposal of Dr. Frank to return to the Mellon system of taxation. Every tax imposes some economic burden on those who pay it. The historic position of the Democratic party is that this disadvantage and this burden should be placed where it can most easily be carried and that taxes should increase in proportion to ability to pay. In this respect, although it advocates budget balancing, Dr. Frank's report proposes to lower the taxes on the higher incomes. It proposes the repeal of the capital stock tax and repeal of the excess profits and repeals of the normal tax on dividends. It is very significant that not a single proposal is made to lighten the burden of the income tax or of any other tax on wages, salaries, or earned

income. The only tax relief proposed is to benefit those who are living from investments rather than from their services to society.

A similarly reactionary position is taken by the Glenn Frank Committee with respect to government help to provide relief and work for the unemployed. The Committee proposes to the largest extent feasible to take this burden from the federal government which can tax incomes and inheritance in proportion to ability to pay and place it on local governments which can effectively tax nothing much but real estate and retail sales. The people will not stand for more sales taxes. And real estate taxes, have already been carried to the breaking point for the poor and the middle class home owners. To put the cost of relief on real estate means to end relief. Even under our present system, the Republican-governed state of Ohio has witnessed relief riots.

A cruel society cannot be a stable one, and I want to live in a stable and peaceable order. If our federal government ceased to supply the deficiency in subsistence for the unemployed, the aged, and the farmer, our civilization would become at once the richest and the most cruel in modern history.

We must not only balance our economic system with a purchasing power equivalent to our producing power, but we must boldly face the unsolved problem of how to preserve equality of economic opportunity, and political democracy in the face of the rising power and influence of great accumulations and combinations of wealth.

The real powers in the Republican party contend, and I think that they honestly believe, that economic opportunity or security for the great

majority of our citizens is unattainable by government effort. They still cherish the belief that government effort to help prosperity can be sound and effective only if it trickles down from above and takes the form of tariffs, subsidies, tax-relief and other incentives to those on the upper scales of the economic ladder. I do not mean of course to suggest that there are not many things that government may properly do to energize private enterprise as well as public works. But there is a difference between those of us who believe that the task of government is to promote the general welfare and those who believe that government should only help those best able to take care of themselves.

What, therefore, distinguishes New Deal Democracy from its opponents is we would use the powers of government in a conscious effort to attain and distribute a high level of production and prosperity not for a few but for the many.

If we want to understand the differences between the two major parties we must look not only at their words but at their deeds. I am well unaware that the promises of statesmen of all parties excel their performance. But it is fair to look at the promises and performances of the Republican Party when it was in power, and the promises and performances of the Democratic Party under President Roosevelt. We find a distinct difference in approach and attitude of the two major parties towards the problems of government and of government's responsibility to its people. It may not be easy to state this difference but it is very real in the minds and the hearts of the voters.

Is it unfair to doubt whether the objectives which the Glenn Frank report purports to accept in principle, represents the real attitude of men

who were openly hostile or coldly indifferent when President Roosevelt and his party were struggling to write into law the requirement of truth in the sale of securities, fair play on the stock exchanges, a limitation on the right of super utility holding companies to play with other people's property, the right of workers to bargain collectively, the provision of jobs instead of a dole for the unemployed, the right to unemployment and old age insurance? Is it unfair to ask when and for what reason those who bitterly opposed, or grudgingly accepted these great reforms decided that they want to improve them and administer them better? If the Republicans now concede these principles to be sound and wise why has President Roosevelt's effort to put them into practical effect won him such deep and lasting hatred of the financial backers of the Republican party?

Dr. Frank's report does not sharpen or define these real underlying issues between the parties as now constituted and led. It is to be feared that the party platforms, if they are made up of the usual timid generalities, will also fail to disclose their really opposite objectives. The intuition of the people will sense the difference better than it can be stated. President Roosevelt has more than once warned against smooth evasions of the real issues which say

"Of course we believe all these things; we believe in social security; we believe in work for the unemployed; we believe in saving homes. Cross our hearts and hope to die, we believe in all these things; but we do not like the way the present Administration is doing them. Just turn them over to us. We will do all of them -- we will do more of them -- we will do them better; and, most important of all, the doing of them will not cost anybody anything."

The next administration may deal with severe tensions in our society. Its dominant task will be to reexamine governmental policies in the light of

our social and economic needs. We must forge a stable and consistent long term program to take the place of short term remedies and emergency experiments. Although we stand aside from the European conflict, our economy, our social life, and our thinking will not escape its far-reaching effects. Victory will inevitably bring the prestige of success to the ideas and the systems and the doctrines of the successful country. We must face the Peace of Europe, which may test our stability even more than the war of Europe. We do not know what modifications of their way of life and what reorganization of their economy even the Democracies of Europe may make in order to win the war. Ideas, or practices that bring victory abroad will exert new pressures on us because of their prestige.

In this competition of ideas and loyalties our system of representative democracy belatedly has undertaken to provide economic opportunity and security for all of our people. There is no wisdom in turning back. There is no time to waste. It IS later than you think.