Herbert Hoover's "New York City Speech" (1928)

Herbert Hoover positioned himself somewhere between the conservative orthodoxy of Coolidge and the progressive Republican tradition of Roosevelt and La Follette. Born in Iowa and raised in a Quaker family, he pursued a successful career as a mining engineer before being asked by Woodrow Wilson to head the Food Administration during World War I. He then served with distinction as secretary of commerce under Harding and Coolidge, expanding American markets abroad and nurturing the infant airline and radio industries. In the excerpt below, he described the American system of individualism and free enterprise.

. . . During one hundred and fifty years we have builded [sic] up a form of self-government and a social system which is peculiarly our own. It differs essentially from all others in the world. It is the American system. It is just as definite and positive a political and social system as has ever been developed on earth. It is founded upon a particular conception of self-government in which de-centralized local responsibility is the very base. Further than this, it is founded upon the conception that only through ordered liberty, freedom and equal opportunity to the individual will his initiative and enterprise spur on the march of progress. And in our insistence upon equality of opportunity has our system advanced beyond all the world.

During the war we necessarily turned to the government to solve every difficulty economic problem. The government having absorbed every energy of our people for war, there was no other solution. For the preservation of the State, the Federal Government became a centralized despotism which undertook unprecedented responsibilities, assumed autocratic powers, and took over the business of citizens. To a large degree we regimented our whole people temporarily into a socialistic state. However justified in time of war if continued in peace time it would destroy not only our American system but with it our progress and freedom as well.

When the war closed, the most vital of all issues both in our own country and throughout the world was whether Governments should continue their wartime ownership and operation of many instrumentalities of production and distribution. We were challenged with a peace-time choice between the American system of rugged individualism and a European philosophy of diametrically opposed doctrines—doctrines of paternalism and state socialism. The acceptance of these ideas would have meant the destruction of self-government through centralization of government. It would have meant the undermining of the individual initiative and enterprise through which our people have grown to unparalleled greatness.

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When the Republican party came into full power it went at once resolutely back to our fundamental conception of the State and the rights and responsibilities of the individual. Thereby it restored confidence and hope in the American people, it freed and stimulated enterprise, it restored the Government to its position as an umpire instead of a player in the economic game. For these reasons the American people have gone forward in progress while the rest of the world has halted, and some countries have even gone backwards. If anyone will study the causes of
retarded recuperation in Europe, he will find much of it due to the stifling of private initiative on one hand, and overloading of the Government with business on the other.

There has been revived in this campaign, however, a series of proposals which, if adopted, would be a long step toward the abandonment of our American system and a surrender to the destructive operation of governmental conduct of commercial business. Because the country is faced with difficulty and doubt over certain national problems—that is, prohibition, farm relief and electrical power—our opponents propose that we must thrust government a long way into the business which gave rise to these problems. In effect, they abandon the tenets of their own party and turn to State socialism as a solution for the difficulties presented by all three.

It is proposed that we shall change from prohibition to the State purchase and sale of liquor. If their agricultural relief program means anything, it means that the Government shall directly or indirectly buy and sell and fix prices of agricultural products. And we are to go into the hydro-electric-power business. In other words, we are confronted with a huge program of government in business.

There is, therefore, submitted to the American people a question of fundamental principle. That is: shall we depart from the principles of our American political and economic system, upon which we have advanced beyond all the rest of the world, in order to adopt methods based on principles destructive to its very foundations?

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I should like to state to you the effect that this projection of government in business would have upon our system of self-government and our economic system. That effect would reach to the daily life of every man and woman. It would impair the very basis of liberty and freedom not only for those left outside the fold of expanded bureaucracy but for those embraced within it. . . .

It is a false liberalism that interprets itself into the government operation of commercial business. Every step of bureaucratizing of the business of our country poisons the very roots of liberalism—that is, political equality, free speech, free assembly, free press, and equality of opportunity. It is the road not to more liberty, but to less liberty. Liberalism should be found not striving to spread bureaucracy but striving to set bounds to it. True liberalism seeks all legitimate freedom, first in the confident belief that without such freedom the pursuit of all other blessings and benefits is vain. That belief is the foundation of all American progress, political as well as economic.

Liberalism is a force truly of the spirit, a force proceeding from the deep realization that economic freedom cannot be sacrificed if political freedom is to be preserved. Even if Governmental conduct of business could give us more efficiency instead of less efficiency, the fundamental objection to it would remain unaltered an unabated. It would destroy political equality. It would increase rather than decrease abuse and corruption. It would stifle initiative and invention. It would undermine the development of leadership. It would cramp and cripple the mental and spiritual energies of our people. It would extinguish equality and opportunity. It would dry up the spirit of liberty and progress. For these reasons primarily it must be resisted. For a hundred and fifty years liberalism has found its true spirit in the American system, not in the European systems.
I do not wish to be misunderstood in this statement. I am defining a general policy. It does not mean that our Government is to part with one iota of its national resources without complete protection to the public interest. . . .

Nor do I wish to be misinterpreted as believing that the United States is free-for-all and devil-take-the-hind-most. The very essence of equality of opportunity and of American individualism is that there shall be no domination by any group or combination in this Republic, whether it be business or political. On the contrary, it demands economic justice as well as political and social justice. It is no system of laissez faire.

I feel deeply on this subject because during the war I had some practical experience with governmental operation and control. I have witnessed not only at home but abroad the many failures of Government in business. I have seen its tyrannies, its injustices, its destruction of self-government, its undermining of the very instincts which carry our people forward to progress. I have witnessed the lack of advance, the lowered standards of living, the depressed spirits of people working under such a system. My objection is based not upon theory or upon a failure to recognize wrong or abuse, but I know the adoption of such methods would strike at the very roots of American life and would destroy the very basis of American progress.

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And what have been the results of our American system? Our country has become the land of opportunity to those born without inheritance, not merely because of the wealth of its resources and industry, but because of this freedom of initiative and enterprise. Russia has natural resources equal to ours. Her people are equally industrious, but she has not had the blessings of 150 years of our form of government and of our social system. . . .

The greatness of America has grown out of a political and social system and a method of control of economic forces distinctly its own—our American system—which has carried this great experiment in human welfare further than ever before in all history. We are nearer today to the ideal of the abolition of poverty and fear from the lives of men and women than ever before in any land. And I again repeat that the departure from our American system by injecting principles will jeopardize the very liberty and freedom of our people, will destroy equality of opportunity, not alone to ourselves but to our children. . . .

1. Editorial insertion.