Chapter Eight

The Booster: Warren G. Harding

Like the “irredeemables” of the nineteenth century, the presidents of the early twentieth century are treated collectively. As Fillmore, Pierce, and Buchanan are often judged as responsible for the Civil War, Harding, Coolidge, and Hoover together share responsibility for the Great Depression. As Lincoln, a great president, provided the critique of his bad predecessors, so did Franklin D. Roosevelt (FDR) for his. Franklin D. Roosevelt did not name names in his 1932 Oglethorpe University speech as Lincoln did in his House Divided address, but he unequivocally assigned blame to the Republican triumvirate of the 1920s. It would have been surprising in an election campaign if FDR had not blamed the Depression on Hoover. FDR used Hoover’s own analogy of the Depression as a storm sweeping across American shores from Europe to attack the Hoover administration’s competence: “There are glimpses through the clouds, of troubled officers pacing the deck wondering what to do.”¹

The candidate’s critique quickly broadened to not only include both Hoover and the Republicans but also their relationship to the entire corporate business elite. His Oglethorpe University address, which is famous for its injunction that the country required “bold, persistent experimentation,” also contained a picture of the “rose-colored days” of the 1920s when every American was told he “could sit back and read in comfort the hieroglyphics called stock quotations which proclaimed that their wealth was mounting miraculously without any work on their part.” But this prosperity was a “mirage” fostered by financial leaders and men in high public office. Corporate leaders had engaged in “gigantic waste,” “superfluous duplication,” “questionable methods of raising capital,” “continual scrapping of useful equipment,” and the depression of wages despite huge profits. They were “selfish” and “opportunist.” The leaders of finance “celebrated and assured us of an eternal future for this easy-chair mode of living. And to the stimulation of belief in this dazzling chimera were lent not only the voices of some of our public men in high office, but their influence and the material aid of the very instruments of Government
which they controlled.” However, “beneath all the happy optimism of those days there existed lack of plan and a great waste. This failure to measure true values and to look ahead extended to almost every industry, every profession, every walk of life.”

FDR’s analysis was accepted by a large majority of voters in 1932. While New Deal economic policy was always controversial and Keynesian approaches, as well as the coalition that supported them, collapsed in the 1980s, FDR’s critique of the 1920s and Republican leadership during the decade has survived nearly intact. Harding had set the agenda for a government committed to a single interest. “No political party, no national administration, could conceivably have been more co-operative with business interests.” Coolidge believed the rich were “wise and good” and “identified wealth with brains.” He was oblivious to the coming financial collapse. Hoover’s policies as secretary of commerce “stimulated the Great Depression,” and then as president his policies “accelerated the downward economic spiral.” The conclusion that the prosperity of the period was a “mirage” sustained by questionable business methods and given material aid by governmental elites, struck at the core of the very persona of each “New Era” president. FDR claimed that these presidents were irresponsible.

In his nomination acceptance speech, FDR described the 1920s as a “period of loose thinking, descending morals, and an era of selfishness” and even observed that all Americans were responsible for the Depression. “Let us be frank to admit,” he told the delegates, “many of us too have made obeisance to Mammon.” Nevertheless, it was the elites, both economic and political, who should have known better. Each of the 1920s presidents portrayed themselves and their policies in precisely the opposite terms. Donald McCoy’s description of Coolidge could easily fit the other two 1920s presidents as well: “He embodied the spirit and hopes of the middle class, could interpret their longings and express their opinions. That he did represent the genius of the average is the most convincing proof of his strength.” There were variations, of course. Harding was the epitome of the small-town businessman and booster; Coolidge, the embodiment of New England values established by the Puritans; and Hoover, the “Great Engineer” from West Branch, Iowa. Each also represented different kinds of competence: business, law, and science. Harding established a newspaper; Coolidge was a lawyer; and Hoover an engineer. Each believed in lower taxes and less government. Harding’s motto was “less government in business as well as more business in government.” Coolidge declared, “Under this republic the rewards of