

Calvin Coolidge, Reducing the Debt, and Integrity

- **Compelling Question**
 - How can acting with integrity help to improve the lives of others?
- **Virtue:** Integrity
- **Definition** – Integrity is personal consistency in moral goodness.
- **Lesson Overview**
 - In this lesson, students will learn from the example of Calvin Coolidge on how to use integrity throughout their lives.
- **Objectives**
 - Students will analyze the decisions made during the presidency of Calvin Coolidge and how he maintained his integrity.
 - Students will apply their knowledge of integrity to their own lives.
- **Background**
 - As World War I ended in 1918, Americans faced a bewildering number of events at home and abroad that contributed to a sense of instability. The war had brought on a Communist Revolution in Russia in 1917 that soon descended into the chaos of Civil War. The Versailles Peace Conference resulted in a treaty that severely punished Germany and created a League of Nations intended ensure world peace. However, the Senate refused to ratify the treaty or join the League out of fears that Congress would lose its prerogative to declare war and be dragged unwillingly into future European conflicts. Meanwhile, at home, several terrorist bombings by anarchists created a sense of fear. In response, Attorney General A. Mitchell Palmer launched a series of raids against socialists and radicals resulting in thousands of deportations. There was growing consensus that immigration from Europe needed to be curtailed, and so Congress required immigrants pass literacy tests in order to gain entry into the United States. In addition, postwar inflation led to a series of worker strikes throughout the country while wartime spending had greatly expanded the size of the federal budget and increased the national debt to nearly \$25 billion.

Calvin Coolidge was from small-town New England and had the sturdy, industrious, independent character common to the region. He attended Amherst College and then read law independently to prepare for the bar exam since the fees at Harvard Law were too high. Coolidge practiced law and then devoted himself to public service in a variety of local positions before being elected to the Massachusetts state senate in 1911. He thought that laws should be based “on the eternal foundations of righteousness” and believed in limited government especially in the wake of its expansion under Progressive presidents such as Theodore Roosevelt and Woodrow Wilson. Coolidge was elected lieutenant governor of Massachusetts in 1915 and then governor. In 1919, the Boston Police, believing their wages were not keeping up with inflation, called for a strike. Governor Coolidge was afraid for public safety and did not think that public workers had a right to strike. He refused to negotiate, called out the National Guard, and forced the officers back to work. Admired for his firm action on behalf of the public, he was re-elected governor and cut the size of state government. Beginning in 1921, he served as vice president under President Warren Harding, whose administration was committed to reducing the size of government and the national debt. However, the Harding administration was riddled with scandal. When Harding died, “Honest Cal” became president and relentlessly pursued reducing the national debt and taxes to shrink the federal government in order to promote liberty and allow the American people to have more control over their lives. He successfully achieved his goals and presided over a rapidly booming economy during the 1920s.

- **Vocabulary**
 - Bewildering
 - Instability
 - Communist Revolution
 - Versailles Peace Conference
 - League of Nations
 - Prerogative
 - Nation-states

- Socialists
- Curtailed
- Inflation
- Industrious
- Bar exam
- Righteousness
- Progressive
- Strike
- Negotiate
- Lieutenant governor
- Negotiate
- Relentlessly
- Gravely
- Consulted
- Humble
- Inaugural
- Abnormal
- Expenditures
- Predecessor
- Paramount
- Symbolically
- Uncompromisingly
- Persisted
- Surplus
- Constitutionalism
- Laconically
- Prosperous
- **Introduce Text**
 - Have students read the background and narrative, keeping the “Walk-In-The-Shoes” question in mind as they read. Then have them answer the remaining questions below.
- **Walk-In-The-Shoes Questions**
 - As you read, imagine you are the protagonist.
 - What challenges are you facing?
 - What fears or concerns might you have?
 - What may prevent you from acting in the way you ought?
- **Observation Questions**
 - What was Calvin Coolidge’s identity? How was it related to his integrity?
 - What was Coolidge’s purpose in living with integrity?
 - What actions did Coolidge take that showed his integrity?
 - How did President Coolidge promote freedom for Americans?
- **Discussion Questions**
 - Discuss the following questions with your students.
 - What is the historical context of the narrative?
 - What historical circumstances presented a challenge to the protagonist?
 - How and why did the individual exhibit a moral and/or civic virtue in facing and overcoming the challenge?
 - How did the exercise of the virtue benefit civil society?
 - How might exercise of the virtue benefit the protagonist?
 - What might the exercise of the virtue cost the protagonist?
 - Would you react the same under similar circumstances? Why or why not?
 - How can you act similarly in your own life? What obstacles must you overcome in order to do so?

- **Additional Resources**

- Coolidge, Calvin. *The Autobiography of Calvin Coolidge*.
- Greenberg, David. *Calvin Coolidge*. New York: Times Books, 2006.
- Johnson, Charles C. *Why Coolidge Matters: Leadership Lessons from America's Most Underrated President*. San Francisco: Encounter, 2013.
- Pietrusza, David, ed. *Calvin Coolidge: A Documentary Biography*. New York: Church and Reid, 2013.
- Shlaes, Amity. *Coolidge*. New York: Harper Collins, 2013.
- Sobel, Robert. *Coolidge: An American Enigma*. Washington, D.C.: Regnery, 1998.

Handout A: Calvin Coolidge, Reducing the Debt, and Integrity

Background

As World War I ended in 1918, Americans faced a bewildering number of events at home and abroad that contributed to a sense of instability. The war had brought on a Communist Revolution in Russia in 1917 that soon descended into the chaos of Civil War. The Versailles Peace Conference resulted in a treaty that severely punished Germany and created a League of Nations intended ensure world peace. However, the Senate refused to ratify the treaty or join the League out of fears that Congress would lose its prerogative to declare war and be dragged unwillingly into future European conflicts. Meanwhile, at home, several terrorist bombings by anarchists created a sense of fear,. In response, Attorney General A. Mitchell Palmer launched a series of raids against socialists and radicals resulting in thousands of deportations. There was growing consensus that immigration from Europe needed to be curtailed, and so Congress required immigrants pass literacy tests in order to gain entry into the United States. In addition, postwar inflation led to a series of worker strikes throughout the country while wartime spending had greatly expanded the size of the federal budget and increased the national debt to nearly \$25 billion.

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Narrative

In the middle of the night, Vice President Calvin Coolidge and First Lady Grace Coolidge were sleeping at their home in Plymouth, Vermont, when his father knocked on his bedroom door and awakened them. With a trembling voice, his father informed them simply that President Warren Harding was dead. Startled, the couple looked at each other gravely as they quickly dressed. Coolidge collected himself and consulted his copy of the Constitution to confirm that the presidential office would “devolve on the vice president.” At 2:30 a.m., in a humble ceremony, Coolidge spoke on a special phone line and took the Oath of Office in the presence of his father, who was a notary, and wife. “I believe I can swing it,” he confidently told reporters as he left for Washington, D.C.

In 1921, President Harding had stated in his Inaugural Address: “We can reduce the abnormal expenditures [of government], and we will.” Harding had followed through on his promise, and now President Coolidge was deeply committed to continuing the policy of his predecessor. Coolidge was known as an honest man and politician who supported the traditional values of the New England countryside and American principles of self-government. He believed that Americans should govern themselves mostly at the local level and that the federal government should be limited and have little to do with the lives of ordinary Americans.

President Coolidge met with his Cabinet every week and would meet with his budget director, Herbert Mayhew Lord, to seek ways to reduce the national debt, produce an annual budget surplus, and reduce government spending in support of the principle of limited government. This would allow Congress to cut taxes and thereby shrink the government further. He set an ambitious goal of lowering the national debt from \$23 billion to \$20 billion and instituted a policy of eliminating waste and reducing spending to achieve that goal. He sent a letter to all

government departments informing them that they had to spend less money than they asked for the previous year. Each department had to show “the additional amount which you believe required...and setting the necessity therefor.” Although he was committed to a strong national defense and honoring veterans, even the Navy was told to cut 20 percent of its budget and the Veteran’s Bureau to cut \$50,000 in waste. The *New York Times* announced that “Coolidge demands economy in budget.” The relentless cutting began.

On December 6, President Coolidge attached such importance to the budget that he appeared personally before Congress to deliver his annual message which highlighted a plan for a lower budget and lower taxes. He said it was the “paramount” service Congress could do for each American household. But, he was not too penurious to skip having a White House Christmas Tree with thousands of lights which was lit on Christmas Eve. On January 21, 1924, Coolidge and Lord held a joint public lecture and announced that they had achieved significant savings. For example, \$55,747.41 was saved by cutting long-distance phone calls and having government trucks deliver paper for government printing. In California, a hot water boiler at a government school was replaced with a used surplus one. Government workers were encouraged to use pencils all the way down to the nub rather than throw half-used pencils away. The large and small cuts saved the taxpayers an estimated \$100 million during the first six months of his presidency, Coolidge announced. “As for me, I am for economy,” he told crowds.

Coolidge feared that his hard work could quickly come undone and refused to relent in his budget cutting. He vetoed a popular bonus bill for veterans despite their sacrifices in the recent Great War because of its projected budget-busting \$6 billion cost over two decades. It would “wipe out at once all the progress five hard years have accomplished in reducing the national debt.” When Congress overrode his veto, he found ways to negate its cost by further cuts including having the instructions for veterans applying for a pension printed on lighter weight paper to reduce costs to the tune of \$33,000. Coolidge also opposed paying subsidies to farmers or establishing a federal fund to keep agricultural prices artificially high. “Honest Cal” as he was known had the integrity not to try to appeal to voters by spending a lot of money, even during the election year in 1924.

On July 2, Coolidge learned the national debt had fallen to \$21.25 billion and the federal surplus was higher than predicted at \$500 million. Tax revenues were up despite tax cuts because they had spurred economic growth. By September, the debt fell below \$21 billion. Coolidge told the American people while campaigning for president that, “It is our theory that the people own the government, not that the government should own the people.” He won the election in a landslide. Symbolically, he and Mrs. Coolidge simplified the inauguration and returned \$60,000 in private donations.

Safely elected to the presidency, Coolidge did not alter his policy. Indeed, he met with Lord an extra fifteen minutes early in order to accelerate cuts. The Post Office bought plain gray canvas bags rather than white ones with a blue stripe and saved a whopping \$50,000 a year. The Veteran’s Bureau cut their long-distance phone bill from \$3,000 to \$184 by sending telegrams instead. In Alaska, spoiled seal fat was sold as crab bait for more savings. The debt kept dropping that year to \$20.5 billion and the federal surplus kept growing to almost \$400 million for the year despite a spending splurge on a great collection of Abraham Lincoln artifacts including his bed that Congress paid \$50,000 to acquire.

Still, the demands to increase spending continued, and Coolidge uncompromisingly persisted in his belt-tightening. Members of his Cabinet pressed expensive projects on him: federal power plants, farmer subsidies, and federal dams to name a few. As predicted, the temptation to spend the federal surplus was strong. A horrific Mississippi River flood in the spring of 1927 seemed sure to loosen up Coolidge’s federal spending to help its victims. Instead, he generously sent 3,000 tents, 11,000 cots, and 100,000 blankets from Army surplus, and helped voluntary efforts such as the Red Cross raise a large sum of \$10 million for disaster relief. In June, the federal surplus for the year was announced at \$600 million. Many newspapers and politicians thought him heartless and called for him to be more “modern,” But Coolidge ignored the criticism and abided by his principles of constitutionalism, continuing with his plan.

Coolidge averred in his 1928 State of the Union Address that: “We know that peace comes from honesty and fair dealing, from moderation, and a generous regard for the rights of others.” He laconically told a surprised country that summer that “I do not choose to run for president” even though he was eligible and would not explain his decision. He wanted to return to a simpler life after a successful presidency and let someone else serve. One of his

greatest accomplishments was leaving office with a prosperous economy and a federal debt that had been lowered to \$17.65 billion.

“Honest Cal” was offered a \$100,000-a-year salary at Merrill Lynch after leaving the presidency, but turned it down because he did not feel qualified. Ironically, he warned that the stock market was too high due to speculation and withdrew his money. He retired to New England for a comfortable retirement having served his country as a public servant for several decades. His son told his wife, “I’ll be so glad when you and father get back home. Then everything will seem natural again.”