

State of Iowa
1921

INAUGURAL ADDRESS

OF

N. E. KENDALL

GOVERNOR OF IOWA

TO THE

Thirty-ninth General Assembly
and the people of Iowa

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N. E. KENDALL

Members of the Senate and House of the Thirty-ninth General Assembly:

It is impossible for me adequately to acknowledge my indebtedness to the generous people of Iowa for the great distinction they have conferred upon me. I am profoundly impressed by the tremendous obligations which I assume at this hour, and in all humility of spirit I look for light and leading to the great Governor of the Universe.

I cannot be indifferent to the fact that I am inducted to this station after a political contest of unexampled asperity, in which personal antagonism and partisan rancor were acutely aroused. This was regrettable, of course, but a tranquil philosophy enables one to forgive the aim and to forget the wound. As I undertake the exacting labors of this exalted office not a single sentiment of animosity actuates me toward anybody who may have assailed me in the campaign just concluded. Is it not permissible, therefore, that I invite those who have opposed me to unite with those who have sustained me in magnanimous rivalry to fortify the welfare of our beloved commonwealth to whose fortunes we are all so devotedly attached? Iowa is a grand State, and deserves to be grandly governed. Her citizenship is the most enlightened, the most patriotic, the most progressive, beneath the stars and stripes. It is fairly entitled to every blessing that can be attained through the manifold agencies of organized society. I enter upon the weighty responsibilities of the Governorship without pledge or promise of any description to any individual or group of individuals upon any subject whatsoever. I confess allegiance only to my solemn covenant with the whole electorate to render in return for the preferment bestowed upon me the uttermost that in me lies toward an honest, efficient and economical administration of their affairs. I know where attention will be focused in the months immediately to come, and I expect to be subjected to a high degree of accountability. I shall abide the severest scrutiny

of my public conduct, for I shall be merely the temporary servant of the sovereign people, amenable to them for every official act. I shall accept with hospitality always their advice and counsel, for I am deeply persuaded that no man has been sufficiently endowed by the Creator to perform alone the difficult duties of this position. Therefore, the Executive office will, while I occupy it, belong to the men and women of Iowa irrespective of race, creed or color. With an assured reliance upon the beneficent favor of Almighty God, I invoke the helpful co-operation of my fellow citizens.

It is not the legitimate function of an inaugural address, as I conceive its true character, to indicate a definite legislative program to be pursued by the General Assembly. Without offending the occasion, however, I may present some general observations, to be followed later by specific recommendations as their propriety may be manifest.

This Legislature has inherited from its predecessor the revision of the Code—a task of immense magnitude and incalculable importance which cannot longer be deferred. The way to revise the Code is to revise it, as expeditiously as may be, with a maximum of care, at a minimum of cost. The work cannot be unduly hurried, but it should be entered upon at as early a date as practicable, and prosecuted with all possible diligence to its early consummation. It is doubtful if it can be entirely accomplished within the limits usually assigned to a regular session, but such progress may be made that a subsequent session, if necessary to complete it will be of comparatively brief duration. When it is remembered that there is involved not merely the verification of the Compiled Code with its 9,589 sections, but a most searching inspection of every phrase embodied in the 253 bills submitted by the Code Commission, the labor entailed upon you may be partially appreciated. The procedure now in contemplation has been formulated by your committee after the maturest deliberation by those best qualified to consider the subject, and I believe it is the most feasible one that can be adopted in the circumstances.

You as the General Assembly and I as the Executive will grievously disappoint the just expectations of the State if we fail to institute the most rigid economy in all expenditures of every character. The people are staggering under burdens almost too oppressive for them to support, and while they are compelled to practice a judicious frugality themselves, they are in no mood to tolerate a prodigal extravagance in those they have selected to represent them. The period of our convening is a critical one, in which retrenchment

rather than expansion must be our unvarying policy. We have not yet entirely sobered from the intoxication engendered by the war, during which feverish time we became accustomed to calculate in billions, and it is humiliating to condescend to compute in thousands. We shall be solicited for appropriations aggregating a stupendous total and every asking must be sharply investigated. Concerning each appropriation requested at our hands certain fundamental tests may well be applied: (1) Is it necessary that it be granted at all? (2) Is it necessary that it be granted to this extent? And (3) Is it necessary that it be granted now? If, without impairment of the public interest, it can be denied altogether, or diminished in amount, or postponed to a more prosperous season, the alternative should be embraced as the case may be. We are the disbursers of the funds of the State, and it has no revenues whatever except those extracted directly or indirectly from the pockets of the taxpayers. We must not allow the current levy to be increased while the cost of everything the people have to buy remains abnormal, and the price of everything they have to sell continues to decline. We are the trustees of a sacred trust, and we owe it to the voters whose agents we are to transact the business to which they have commissioned us as carefully and as prudently as we would transact our own.

I believe that some reforms can be initiated whereby the expenses of government may be materially reduced, and I intend to suggest one or two topics for consideration.

I start with the various boards, bureaus and commissions which have been created by law, and in respect of them I have to say that in my judgment they are altogether more numerous than is warranted by good administration. They have been created from time to time as in recent years the activities of the State have multiplied, and because those activities have not been properly systematized and co-ordinated. The result, as might have been apprehended, is overlapping of duties, duplication of powers, confusion of authority, and the waste which unavoidably accompanies such disorder. My study of conditions has confirmed me in the opinion that some of these agencies could be suitably consolidated with others, and thereby a saving effected of several hundred thousand dollars annually. I enjoin upon the General Assembly a thorough and complete analysis, either by itself or through a competent committee, of the State's revenues and disbursements; of the departmental organization now existing; and of all matters incident to the fiscal management of the commonwealth, to the end that a more improved business system

may be introduced into the administration of our financial affairs. In the meantime I offer the following for your earnest reflection:

1. The reorganization of the Board of Agriculture and the enlargement of its functions to include those now exercised by:

- The Iowa State Poultry Association
- The Horticultural Society
- The Weather and Crop Service
- The State Apiarist
- The Commission of Animal Health
- The State Entomologist
- The State Dairy Association
- The Beef Cattle Breeders' Association
- The State Veterinarian
- The Corn and Small Grain Producers' Association.

2. The reorganization of the State Board of Health and the enlargement of its functions to include those now exercised by:

- The State Food and Dairy Commission
- The Commission of Pharmacy
- The State Oil Inspector
- The State Board of Dental Examiners
- The State Mine Inspectors
- The State Board of Optometry Examiners
- The State Fire Marshal
- The State Boat Inspectors.

3. The reorganization of the State Library and the enlargement of its functions to include those now exercised by:

- The State Historical Department
- The State Library
- The Library Commission
- The Bureau of Public Archives
- The Academy of Sciences
- The State Conservation Commission.

4. The reorganization of the Board of Control and the enlargement of its functions to include those now exercised by:

- The Board of Parole.

5. The revision of Chapter I, Title XXXIV of the Compiled Code in such fashion that the designation of special officers as authorized by Section 9055 and 9059 shall be made exclusively by the Attorney General, upon whom is devolved the primary duty of law enforcement.

It is altogether probable that some of the consolidations I have indicated may not be the most desirable that can be achieved, and that others more feasible may be devised. I dismiss the discussion with the reminder that on April 25, 1914, the Committee on Retrenchment and Reform filed with the Secretary of State a "Consolidated Report on the Investigation of Existing Procedure Incident to the Transaction of the Business of the State." It is an elaborate treatise with somewhat extended recommendations and it is available for examination by the Legislature. The subject is one of infinite complexity, but we must grapple with it fearlessly and without delay. It is incumbent upon us to answer the imperative demand for a scientific systematization of the business of the State, for a reduction in the number of those managing its activities, and for a curtailment of the expenses incident to its operations.

I advert next to the legislative department itself. From my observation and experience in the past I am perfectly convinced that as compared to previous General Assemblies, at least Thirty-five Thousand Dollars can be saved at this session if it shall be determined to engage only such assistants to attend upon the Senate and House as are absolutely essential to their efficient operation. The situation respecting the matter is thoroughly understood, and the mischief inherent in it cannot be extenuated. At the hazard of incurring the displeasure of some who hope through your indulgence to arrange comfortable connections with the treasury, I venture the assertion that the employment of a sizable army of superfluous committee clerks, stenographers, messengers, and janitors, is a scandalous squandering of the public money which should not be further countenanced. This appeal may be ridiculed in some quarters as attacking an abuse negligible because insignificant, but I know that the consistent application of sensible business principles to the machinery of legislation will encounter the unqualified sanction of the folks at home. The ancient motto was: "He serves his party best, who serves his country best." The instant maxim is: "He serves his State best, who saves her people most."

The law authorizing the exemption of property from taxation is, in my opinion, too liberal in its provisions, and in many instances operates to relieve from the expenses of government those best able to bear them. A searching examination of the subject should be instituted at once, to the end that all shall be required fairly to contribute to the burdens imposed upon the entire community. An illustration of the inequity which now exists may be discovered in the statute which recites:

"That in determining the assessed value of bank stock the amount of obligations issued by the United States Government . . . actually owned by a bank or trust company, shall be deducted."

This exemption has been the subject of general discussion throughout the State during the past year, and its injustice is almost uniformly conceded. I believe it to be entirely indefensible in morals, and I trust that its repeal may be speedily effected by the General Assembly. In this connection I submit that if any property heretofore liable to taxation is to be allowed immunity from assessment, the modest dwelling house of the man of limited resources should be favored as an encouragement to the more universal ownership of family homesteads in the State. While I am on this subject I may say that our laws governing the levy and collection of taxes are archaic and unworkable. They ought to be rewritten and modernized, and one forward step in that direction would be to declare all property assessable at its actual value. The revision should be radical enough and far reaching enough that equality of the sacrifice involved in the payment of taxes may be reasonably approximated.

The present law governing corporations organized for pecuniary profit should be visited with drastic amendments. The past three years in Iowa have witnessed a saturnalia of stock jobbery which has plundered the people and disgraced the State. It perplexes the ordinary imagination to comprehend the magnitude of the spoliation which has been brazenly practiced upon unsuspecting investors. The vast sums which have been enticed from confiding citizens through various schemes represented to supply an industrial necessity and guaranteed to produce fabulous dividends, are appalling. In some instances the corporations fostered were conceived for legitimate purposes under reputable management, and almost without exception they have succeeded. But more often they were concocted not to establish industries or to benefit stockholders, but to enrich the conscienceless promoter who frequently divided the loot with some local abettor who furnished respectability for the vicious enterprise. By the enactment of the Peterson law we were a pioneer in prohibiting the issuance of stock except for cash or its equivalent; but expert cunning is ever ingenious and as we omitted to appoint a maximum amount which might be absorbed in promotion outlay, our State has become a rendezvous for every crooked exploiter in the Mississippi Valley. In any remedial legislation which may be contemplated the difficulty will be to abolish the fraudulent traffic of the professional

swindler without interfering with untrammelled opportunity for meritorious development. I believe we can accomplish substantial reform by extending our statute to cover domestic as well as foreign corporations, and by

- (1) Requiring every corporation and individual stock salesman to procure a license from the Secretary of State.
- (2) Exacting an ample bond from corporation and salesman alike, to be available to any injured party for civil recoupment.
- (3) Denouncing false representations as a felony, punishable by imprisonment in the penitentiary.
- (4) Providing that every note taken for stock or bonds shall recite the fact plainly on its face.
- (5) Limiting to a settled per cent the amount that may be diverted to expense of promotion.

Other expedient amendments will doubtless occur to you as the territory to be amended is thoughtfully surveyed.

The authority now enjoyed by the Insurance Department over organizations nominally under its jurisdiction is so limited as to be almost farcical. It may approve the articles of incorporation of insurance societies when they have been certified by the Attorney General as formally prepared, but thereafter it has no further control over the company until after its stock is negotiated, its assets converted into securities for deposit, and application made for the statutory license to transact business. This supervision is wholly incompetent. The powers of the Department should be augmented to constitute complete authority over the company from its inception throughout its entire career: with discretion to restrict promotion expenses, condemn improper promotion literature, and exclude companies from the State unless organized and conducted in compliance with its regulations. The whole field of insurance law should be closely explored, and such changes made as will more completely protect the people of the State both in investment and in indemnity.

The Act of Congress of June 2, 1920, providing for the rehabilitation of persons disabled in productive industry, their return to civil employment, and allotting federal funds in amounts equal to those appropriated for the purpose by the respective States, should have our immediate attention. No phase of vocational education is more directly occupied with the conservation of social and individual welfare. Vocational rehabilitation embraces all the ideals of vocational

education in general, which are summarized in the one word "efficiency." Some definite action toward the rehabilitation of injured persons has been entered upon in twenty-four States, and seventeen have already availed of the legislation enacted by Congress. My predecessor has accepted the law provisionally, as contemplated in the act, and the State Board of Vocational Education has proceeded properly to the preliminaries necessary to avail of the money tendered by the government for the fiscal period of 1920-1921. Everything has been done that can be done without your action. The money has been certified to the State for this very admirable educational work, and we ought to make it possible to begin the retraining at once of the unfortunates who are to be benefited. Society, through the instrumentality of the State, must make every possible provision for those of its individual members who are handicapped by disability, in order that they may be readjusted to another occupation in which they may be self-respecting and self-supporting citizens rather than the recipients of public or private charity. Such provision for the re-education of injured persons is the most economical form of industrial insurance, and withal so humanitarian in its nature as to evoke the approval of the best conscience of the age. I recommend the subject as one worthy your early action.

The condition of agriculture, our dominant industry and the fountain from which flows our surest prosperity, is at this time a matter of genuine anxiety. We deservedly rank as the leading food-producing state in the Union, the average value of our farm land is greater than elsewhere, and we have a smaller percentage that is unillable. Here is resident the highest type of rural citizenship, and here is evinced the finest sort of rustic life. The intelligence of our farmers, the relatively large farm units, the use of labor-saving machinery, the richness of our soil, and the unfailing sunshine and rainfall, all enable us to obtain prodigious crops both per man and per acre. We are to be felicitated upon these enviable advantages which are peculiar to us over less favored sections of the country. Notwithstanding all this, our farmers in common with those of the Nation, are distressed by economic conditions which, if not corrected, will entail widespread agricultural depression from which our industrial and commercial interests cannot hope to escape. Practically all our crops are retailing now at prices far below the actual cost of production. In the case of corn, our staple cereal, the record is that the production cost last year was ninety-five cents per bushel, while the selling price is now fifty-five cents per bushel. As a consequence, many of our farmers, especially those who rented

on a basis of land and crop values prevailing a year ago, are in financial extremities, and not a few of them are confronted with the total loss of their patient accumulations. What can be done to alleviate their unfortunate predicament is a matter for the most earnest consideration. The disagreeable truth must be frankly recognized that their deplorable plight is largely due to the sweep of world-wide forces that are independent of any decree of ours. But we must not ignore the fact that the situation is serious, that our principal industry is jeopardized, and that enlightened self-interest bespeaks our utmost effort to avert the calamity which threatens. The future of our agriculture must be placed upon a securer foundation, so that our people may not again be imperiled by a recurrence of the adverse conditions which now prostrate their occupation.

More than one-half of our land is now cultivated by tenants. The increase in tenancy always has been co-incident with the increase in land values, and it is attended by certain evils which react detrimentally both upon the producing and the consuming public. I believe we should order a most careful inquiry into the tenancy problem with a view of contriving some system which, while doing justice both to landlord and lessee, will conserve insofar as possible the virgin fertility of the soil. Intimately connected with this subject is the proposal for personal credit for tenant farmers. A considerable proportion of them are unable to utilize the most approved methods of grain and live-stock farming because of insufficient working capital. Whether the State should endeavor to provide aid for their relief is open to grave doubt, especially at the present time. But the enactment of such legislation as may be necessary to permit them to form credit associations of their own would be wise as well as useful, and both parties are committed to such action. The unquestioned right of farmers to co-operate for collective bargaining and marketing should be not only freely and promptly granted, but encouraged to its fullest development. It is understood that many co-operative associations in the State have been arbitrarily hampered in securing sites and trackage for elevators, warehouses and stockyards. I believe that common carriers should be required, under proper safeguards, to furnish all such requisites when fair remuneration therefor is proffered.

There will be vigorous insistence for the unconditional abandonment of the State-wide primary. I think it should be denied. The present statute was enacted to rectify abuses which disfigured the caucus system it superseded, and to invest the individual voter with

enhanced power in the selection of all his party candidates. The departure was excellent in theory, but experience has disclosed that it is not entirely satisfactory in practice. The criticism most urgently interposed against its retention is that as to many positions to be filled the electors cannot familiarize themselves with the respective qualifications of all those who aspire to nomination, and that particularly with regard to the secondary offices they are compelled to choose almost without information. That there is some validity in this complaint cannot be controverted, but the objection may be readily obviated by transferring these offices to a convention composed of delegates chosen at the legalized primary. In another respect I believe the law could be improved by requiring a change of party affiliation to be announced at least six months antecedent to the primary. I trust we are all in accord that such modifications should be adopted as will remove the defects which have become apparent, and at the same time secure to the citizen unshackled opportunity to register his personal choice. The principle of the primary should not be surrendered, but the law should be so amended as to render less difficult and more effective the expression of the popular will.

Our election laws, both primary and general, should fix a reasonable limitation upon the amount of money any candidate may expend in the pursuit of a public office. Congress has provided that a congressional expenditure may not exceed the salary of the office for one year, and this standard might well be accepted as a just criterion in Iowa.

As I have remarked, the physical resources of Iowa are inexhaustible, and they prefigure a material prosperity unparalleled in any similar area in the world. In agriculture, in manufacturing, in mining, we have in profusion all the elementary sources of incomputable wealth. But our boys and girls are the most valuable asset of the commonwealth, and their intellectual training as well as moral discipline is the paramount solicitude of our people. In this behalf we have done something in the past, we are doing much in the present, we must do much more in the future. Our schools are unequalled anywhere the country round, and the ascendancy they now exemplify must never be forfeited by niggardly parsimony where their vital interests are concerned. Their equipment must be so ample that the best facilities will be furnished, and the salaries must be so adjusted that teaching will become a profitable profession. If we apprehend that the modern methods of instruction are

too progressive, perhaps it may be retorted that our prejudices are too reactionary. We must not become so conservative that we decline to look at the new moon out of reverence for the old. We had good schools forty years ago—we have better schools now. We are proud of the educational institutions of Iowa, and we rejoice exceedingly at the flattering results which they annually exhibit at the expiration of each recurring year; we applaud the unselfish consecration of those who so capably administer them; and we celebrate their surpassing service in that wide diffusion of intelligence which enables Iowa to outrank all other states in the literacy of her population. We know that if our schools should be obliterated for a single cycle, happiness would disappear within our borders, and our superb civilization would revert to savage barbarism. From the kindergarten to the university we venerate them all as the last and best bulwarks of our republican democracy, and from the isolated desk in the rural community all along the luminous avenue to the highest seat of classic learning they must be supported with a generosity which shall vindicate their primacy unchallenged. "Of all that is good, Iowa affords the best."

In the colossal war which but yesterday convulsed a continent, 105,000 of the bravest and best of our gallant boys were enrolled. They enlisted from every city, town and hamlet throughout the State, and every profession, business and avocation was represented in the grand army of freedom. The struggle into which they were precipitated was the most enormous in all recorded history. We engaged reluctantly, and only when it was demonstrated that our engagement was indispensable if the civilization of the centuries was to be preserved. The monstrous carnival of criminal outlawry which had paralyzed an impotent world for three years had to be stopped. They went "over there," and it stopped. The adventure was no holiday escapade, but they finished it famously, for they battled for the elimination of despotisms, and the establishment of democracies; for the extirpation of monarchs, and the enfranchisement of men. Let it never be forgotten now and henceforth throughout all the oncoming time that they who *went*, and not we who *stayed*, won the war; they by the hard article of deathless deeds, and not we by the soft argument of easy speech. Of course all of us contributed the full measure of our meager abilities, but *they* met the major danger, and *they* wrought the supreme decision; met and wrought with muscles of iron and nerves of steel and hearts of pure gold. Without regard to nationality, without respect to religion,

without reference to politics, they went forth to war for us, to war for humanity, to war for all the near and distant generations of the future. They left all, chanced all, in the holiest crusade ever chronicled in the annals of mankind, and they did not furl their flags nor sheathe their swords nor stack their guns until the malignant menace of medieval militarism was utterly eradicated from the earth. And then having rescued the world from the thralldom of tyranny which impended, they modestly discarded the uniform they had rendered immortal and quietly resumed the employments of civil citizenship. Heaven bless them every one, now and evermore! They may be depended upon to safeguard in peace what they wrested from war. Listen, if you please, to the noble and enduring aspirations which animate their hearts, as revealed by their own expression:

"To uphold and defend the Constitution of the United States; to maintain law and order; to perpetuate a one hundred per cent Americanism; to combat the autocracy of the classes and of the masses; to promote peace and good will on earth; to transmit to posterity the principles of justice, freedom and democracy."

Those incomparable postulates command the unqualified endorsement of every patriotic American, and in my opinion they will live in the literature of liberty with the Gettysburg Address and the Second Inaugural. Dedicated as these heroic men are to this sublime program, I venture the prophecy that in the distracted time to come they will be an impregnable barrier against all the insidious forces of communism, anarchy and bolshevism which may challenge the permanency of our national institutions. How shall we requite their inestimable service? We cannot hope that whatever we may do will even partially liquidate our immeasurable debt to them, but surely it is obligatory upon a grateful people to restore, insofar as is humanly possible, every returned veteran to the favorable status he relinquished when he was summoned to the colors. The least we can do is to compensate him by bonus or otherwise for the economic disadvantages he suffered by reason of his enlistment. The privilege is one primarily belonging to the general government, but Congress has accomplished no progress in that direction. Other States are in advance of Iowa in the discharge of this peremptory duty, and we must not be derelict in embarking upon its performance. I commend the subject to the early and sympathetic consideration of the General Assembly.

I earnestly hope that among the earliest measures transmitted to me for approval will be one completely removing any discrimination that may at present encumber the statute against the unrestricted exercise by women of every prerogative now enjoyed by men. A new and notable epoch has opened, and he is without prevision indeed who is unable or unwilling to perceive its salutary significance. The nineteenth amendment to the Constitution of the United States has been ratified, and we are all to be fervently congratulated upon the transcendent reform which is thus realized. Justice long delayed has been tardily awarded, and the women of America have been finally admitted to equal suffrage rights with men. From the beginning of authentic history they have ornamented the home, vitalized the school, and sanctified the church. We entertain implicit confidence that their refining influence exerted at the primary, the caucus, and the convention, will elevate our politics to a loftier level than any it has heretofore attained: and where is the skeptic who can doubt that the feminine conscience supplementing the masculine judgment will accelerate the triumph of every righteous cause. We welcome our sisters not only to unembarrassed fellowship in party organization, but to unabridged participation in public affairs. Beyond all peradventure their enthusiasm, their fidelity, and their idealism, will impart a stimulating incitement toward better and higher and purer government. In the administration which is inaugurated today the incomparable women of Iowa will be accorded abundant recognition by appointment to positions of importance and responsibility.

We are here to serve all the people—the white and the black, the high and the low, the rich and the poor, the strong and the weak, the great and the humble, the renowned and the obscure—all that mighty multitude which is the constituency of a commonwealth. They are the State which is the object of our undivided affection.

"You ask what land we love the best?"

Iowa, 'tis Iowa.

The fairest land in all the west,

Iowa, 'tis Iowa."