NEW DEAL CRITIC: Jouett Shouse

BIOGRAPHY:

One of several Progressive-era Democrats to break into the predominantly Republican Kansas congressional delegation, Jouett Shouse was born in Midway, Woodford County, Kentucky, on December 10, 1879, and removed with his parents to Mexico, Missouri, in 1892. There he attended the public schools and the University of Missouri at Columbia, before moving to Lexington, Kentucky, in 1898 to pursue newspaper work. In 1911 he left Lexington and journalism in Lexington for Kinsley, Kansas, where he farmed and raised livestock. Shouse was also vice president and treasurer of the Mexican lines of the Kansas, Mexico & Orient Railroad and director of the Kinsley Bank. A member of the state senate from 1913-1915, Shouse was elected to the Sixty-fourth Congresses in November 1914 and reelected in 1916 (served, March 4, 1915-March 3, 1919), but was unsuccessful in his bid for a third term—he lost the 1918 election to Jasper Napoleon Tincher of Medicine Lodge. With the Democrats in control of the national executive, however, Shouse was offered and accepted a position as assistant secretary of the treasury and thus remained in Washington in that position from March 5, 1919, to November 15, 1920. Shouse became a nationally prominent Democrat during the 1920s, serving as a delegate to the Democratic National Conventions in 1920, 1924, and 1932, and as chairman, Democratic National Executive Committee from 1929-1932, while engaged in the practice of law in Kansas City, Missouri, and Washington, D.C. He was instrumental in Al Smith’s 1928 campaign and remained in the Smith, as opposed to the Roosevelt wing of the Democratic Party. (Harry Woodring and Guy Helvering, on the other hand, led the successful Roosevelt faction to victory in two Kansas elections). "Jouett Shouse, afterwards a member of the Liberty League," explained historian Francis W. Schruben, "was to battle Roosevelt and the New Deal for the next several years."

In 1928, former GM director and du Pont lawyer, John Raskob, became chair of the Democratic National Executive Committee and led Al Smith’s failed bid for U.S. president. Raskob ensured that his protégé, Shouse, became executive director of the Democrat’s top committee (1929-1932). Like Raskob, Shouse used his party position to oppose prohibition. Roosevelt never liked their fanatical efforts which had almost torn the party apart. Shouse left his top party post and became president of the Association Against the Prohibition Amendment (AAPA), 1932-1933.

In early 1934, Raskob and Shouse created the American Liberty League, drawing on wealthy AAPA contacts who strongly opposed FDR’s “New Deal.” By the spring, Shouse met with FDR to discuss the League’s imminent launch. Shouse feigned support for FDR, who feigned support for the League. A week later, at a media conference in his National Press Building office in Washington, Shouse announced the League’s birth. He proclaimed that it would be a mass movement uniting “several millions of people from all walks of life.” He said it had “no covert purposes,” was not “antagonistic to the administration” or “anti-Roosevelt,” but wished to protect “property and constitutional rights.” He said “if a tendency towards extreme radicalism developed... we might be most helpful with our organization in which we expect to enlist 2,000,000 to 3,000,000.” The next day, J.P. Morgan’s paper The New York Times kindly reprinted the League’s statement (written by Shouse and Raskob). FDR’s responded that the League preaching “‘love thy God but forget thy neighbor,’ and God in this case appeared to be property.” This was the start of battles between the League and the White House.


A Constitution has been described as a restraint upon the powers of government. That is certainly true as applied to a government in existence at the time the constitution is adopted. But the American Constitution is more than that. It is the actual charter of the federal government; it specified what the government may do and what it may not do; it is the edict of the people of the United States...

...Contracts may be modified or cancelled, but only by mutual consent or by methods specified in the contracts. The Federal Constitution contains adequate provisions for its own modification through the orderly processes of amendment. If the American people wish to change the form of their government from a federal republic with limited powers to an absolute dictatorship or to state socialism, they can do so by appropriate amendments to the constitution. However, so far, they have done nothing of the kind, and the existing contract is still binding, whether it is observed or not.

One basic purpose of the American Liberty League is to see to it that this contract is complied with—faithfully, honestly, completely, and without evasion under the camouflage of giving new names to unconstitutional proposals...

...Furthermore there is one very clear lesson to be learned from history—namely, that governmental disregard for property rights soon leads to disregard for other rights. A bureaucracy or despotism that robs citizens of their property does not like to be haunted by its victims...

...The need for rigid observance of constitutional restrictions is always greater in emergencies than in more normal times because emergencies produce constant pressure for disregard or evasion of limitations.

Such pressure is dangerous when exerted upon the Senate or the House, though in Congress the interests of one group or section may be counterbalanced by the conflict with other groups or sections and the net result is likely to be action in the interest of the entire nation. However, a totally different situation arises when Congress evades its constitutional responsibilities and delegate’s legislative powers to one man or one bureau...

...It is also the belief of the League that the right to authorize the spending of public funds and to raise revenue is solely the function of the legislative branch of the government and that balanced budgets and sound fiscal policies are possible only while Congress retains its full responsibility for the nature and manner of spending public money.