



# A Couple of Underrated Presidents: Warren G Harding and Calvin Coolidge

Warren G Harding is the Rodney Dangerfield of US presidents. He chewed tobacco, and he served whiskey in the White House even during Prohibition. Most Americans associate his name with scandal, and with smoke-filled rooms in which government decisions were secretly made, such as the one which resulted in his nomination in the brokered Republican convention of 1920. He is widely believed to be the worst president in American history, or at least the worst modern president. He is viewed as corrupt, or at least tolerant of the corruption around him.

And, of course, Harding is the guy who made that goofy remark about the nation returning to *normalcy*. That word in the 1920s was ridiculed, much like George W Bush's word *strategy*. The difference is that *normalcy* is a perfectly valid word, so the joke is on the scoffing amateur linguists.

Surprisingly, in spite of all that, Harding was a beloved president when he died suddenly in 1923. He was a kind and decent man, quite handsome, of sound reason, and he was courageous. Historians are beginning to take another look at Harding, and they are beginning to conclude that he is probably our most underrated president. His terrible reputation lives on, however, and it may never yield to a more accurate appraisal of his presidency.

For example, most critics claim that Harding was not well-prepared for the presidency. Yet he had more relevant experience than the man he replaced, Woodrow Wilson, or Barack Obama, or Donald Trump. Harding had been in politics for 21 years by 1920, including Ohio state senator, Ohio lieutenant governor, and Ohio US senator. He had also owned a newspaper in Marion, OH.

He became the Republican presidential nominee in 1920 only because of the chaos following the unexpected death of Theodore Roosevelt in 1919. Yet the unlikely nominee won 60.2 percent of the popular vote, a record landslide for that time. Harding was as surprised as anyone else. He compared his victory to a weak-hand bluff in poker. Although he said **I don't think I'm big enough for the presidency**, he was a confident and able leader.

Harding was the polar opposite of Woodrow Wilson. Given the fact (okay, opinion) that WW was

the second worst president in US history (outranked only by Abraham Lincoln), being recognized as the anti-Wilson is quite a compliment. For example, WW had been aloof, but Harding was more in touch with the people. Literally. He would open the White House once a week for visitors, giving them an opportunity to shake the president's hand and talk with him.

Harding inherited a depression. The national debt grew from \$1 billion in 1914 to \$24 billion in 1920, resulting from World War I. Inflation more than doubled industrial wages, and retail prices spiraled out of control. It is clear that the value of the dollar had declined by 50 percent or more, even though there were no official government statistics on inflation at that time. By the end of 1920, GDP had shrunk by 25%, wages had fallen at least 20%, and 100,000 businesses had closed.

Yet by July 1921 the crisis was over and the economy was roaring. How did that miracle come about? The answer to that is why I call Warren G Harding one of our greatest constitutionalist presidents, and one of the two (along with his successor, Calvin Coolidge) constitutionalists that governed our nation before we took a sharp socialist turn which continues today.

Harding was pressed from all directions to develop policies and programs to stimulate the economy out of the depression. He wisely did not take that advice. Nor did he try to put a positive spin on the situation. He was very candid about the pain and hardship ahead. But he realized that it was necessary. And by having the courage to deal with the crisis honestly, using sound economic principles, the pain was over very quickly. He did take bold, decisive action, but not the kind most people wanted.

As soon as he was inaugurated, he called Congress into special session to quickly enact his agenda. It consisted of budget cuts, tax cuts, and tariff reform. He began the slow transition from protectionist tariff policies to free trade. He modernized the budget process, allowing future presidents to gain control over spending. His Bureau of the Budget evolved into today's Office of Management and Budget.

Federal spending was reduced by almost 50% (from \$6.3 billion in 1920 to \$3.2 billion in 1922). The top income tax rate was slashed from 73% in 1920 to 46% by 1924. (Calvin Coolidge cut tax rates even further.) The national debt began to decline. Harding was the difference between the depression of 1920, which ended very quickly, and the prolonged, painful, disastrous economic policies and failed programs under Franklin D Roosevelt, who caused rather than cured the Great Depression.

But what about all those scandals we always associate with the Harding administration? Was Harding corrupt? Apparently some of his friends were. His Interior Secretary, Albert Fall, was accused of accepting bribes (In what we know as the *Teapot Dome scandal*), and his Attorney General, Harry Daugherty, was also accused of accepting bribes and enriching himself in transactions with his friends. The Justice Department investigated both men, and both faced criminal prosecution years after Harding's death. Fall was convicted in 1931, and he became the first former Cabinet member to go to prison. Daugherty was acquitted. The full story is not clear in either case, but clearly both men behaved badly in office. Daugherty damaged his reputation severely by pleading the Fifth during his trial.

Was Harding involved or complicit in any way? There was never any evidence of that. Was Harding guilty of appointing unqualified or second-rate cronies to Cabinet positions? Hardly. Fall (a former senator from New Mexico) was so highly regarded that he was the first Cabinet officer to be confirmed by acclamation in the Senate. How did Harding react when he first heard rumors of misconduct? Like this:

**My God, this is a hell of a job. I have no trouble with my enemies. I can take care of them, all right. But my damn friends . . . They're the ones that keep me walking the floors nights.**

There is another anecdote that demonstrates Harding's attitude toward corruption, involving Charles Forbes, corrupt head of the Veterans Administration. Harding slammed Forbes against a wall in the White House, grabbed him by the throat, and yelled: **You double-crossing bastard!**

There was no shortage of rumors about Harding's personal life and his unexpected death. His wife might have poisoned him. One of his ancestors may have been black. He had been involved in at least one extra-marital affair prior to becoming president. His wife apparently destroyed all his papers after his death. All this added to public inclination to believe Harding may have been involved in corruption while in office.

This from historian Ron Radosh: **Warren G Harding has come to be thought of as one of the worst presidents America has ever had. Yet the truth about his presidency is quite the opposite. He achieved a good deal more in the two and a half years he served before his sudden death than many presidents accomplish in a full term. . . . He succeeded in healing a divided country by combining fiscal conservatism with some socially progressive attitudes. His efforts to end lynching and his belief in racial equality showed him to be more enlightened than many of his countrymen. They entitle him to be regarded as one of the first modern civil-rights presidents.**

This from Warren G Harding, part of a 1920 campaign speech: **Abroad, particularly in Russia, there has grown up the idea that by some impossible magic a government can give out a bounty by the mere fact of having liberty and equality written over its door, and that citizenship need make no deposit in the bank of the common weal in order to write checks upon the bank. Here at home we have had too much encouragement given to the idea that a government is a something-for-nothing institution.**

This is the motto carried on the masthead of the *Marion Star*, the newspaper Harding founded and managed: **Remember there are two sides to every question. Get them both. Be truthful. Get the facts. Be decent, be fair, be generous.**

Barack Obama could have learned a lot from Warren G Harding, if Obama had been the kind of president who was inclined to learn anything from anyone. By following Harding's proven formula, the Obama recession could have been over by 2010. By following constitutional restraints and sound

economic policies, years of economic pain could have been avoided.

The press could also learn a lot from Warren G Harding. By following the principles displayed and demonstrated by the Marion Star, we could have a real press again, responsive to the needs of the voting public, not the demands of corrupt and incompetent hyperpartisan politicians.

Warren G Harding reduced income tax rates. Calvin Coolidge reduced them even more. Cal is attacked, much like George W Bush, for reducing taxes for the rich. Liberals can never be satisfied with history as it actually happened. They have to bend, shape, mold, twist, distort, embellish, ignore, dismiss, marginalize, discredit, and smear until they craft a version of history that conforms to their ideology and preformed conclusions. Truth is the first casualty of war and liberal revisionist history. For those who prefer the truth, here is a dose of it.

"Emergency" income tax rates had been enacted during World War I, but the high rates lingered long after the emergency was over. It was structured as a surcharge, which applied to income over \$6000, taxed at 73%. Harding and Coolidge together slashed that rate to 25%, and then to 20%. Cal also raised the threshold from \$6000 to \$10,000. The lowest tax bracket went from 4% to 1.5%.

Obama fans are no doubt shrieking in horror, getting their wagging fingers in position to lecture us about how Republicans (like Harding and Coolidge) are only interested in helping the rich. It's laughable how little they know about the Laffer Curve. Or economics in general.

Well, just as they suspected, tax revenues plummeted, the nation was mired in debt, and only the rich benefited, because as any self-respecting liberal will tell you, the rich get richer and the poor .

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Just kidding. Thousands of households were removed from the income tax rolls entirely. 70% of the tax reduction went to households with income less than \$10,000. The proportion of the total income tax burden paid by those earning at least \$10,000 went from 28% in 1921 to 61% in 1928.

In 1922, those earning over \$300,000 paid \$77 million in income tax. In 1927 the revenue collected

from that tax bracket was \$230 million, even though the top tax rate had been reduced to 20%.

The first year after Cal's 1924 tax cut saw a decline of \$127 million in total income tax revenues. But tax receipts from those earning over \$100,000 increased. Which means that the entire reduction in total income tax receipts came from middle and lower income households. That's the opposite of what liberals expected and still claim to have happened.

The decline in total tax receipts didn't last long, either, much to liberals' surprise and disappointment. By 1928, income tax revenues were \$310 million greater than they had been prior to the first tax cut. 61% of income tax revenue came from incomes over \$100,000. 4% came from incomes under \$10,000.

That is just one of the reasons I say Cal was Cool, and why liberals continue to lie about his presidential performance.

Dennis Taylor

deltarhotau@hotmail.com