The History of the Twentieth Century
Episode 89
“A Good Five-Cent Cigar”
Transcript

[music: Fanfare]

On April 8, 1913, thirty-[five] days after his inauguration, Woodrow Wilson delivered the first speech of his Presidency, and he delivered it in a venue where no President had appeared in more than a century: before a joint session of the United States Congress. This made Woodrow Wilson the first President since John Adams to appear personally before that body.

On the car ride back to the White House afterward, the First Lady, Ellen Wilson said to her husband, “That’s the sort of thing Roosevelt would have loved to do, if he had thought of it.” Wilson replied, “Yes, I think I put one over on Teddy.”

Welcome to *The History of the Twentieth Century*.

[music: Opening War Theme]

Episode 89. A Good Five-Cent Cigar.

I told you the story of Theodore Roosevelt’s early days as President all the way back in episode 17. I talked then about Roosevelt’s first State of the Union message to Congress, and told you that in those days, Presidents sent written messages to Congress, rather than appearing in person. That custom went back to Thomas Jefferson, who refused to appear personally before Congress, on the grounds that the President represented a separate and co-equal branch of the Federal government. Jefferson thought that having the President report to Congress in person suggested that the President was the servant of the Congress, susceptible to Congressional direction.

The custom that he began continued until the Taft administration. It was Woodrow Wilson, the political science professor, who broke with tradition and established a new precedent of Presidential addresses to Congress, including the State of the Union address. This Wilsonian innovation is still practiced to this day.

Wilson believed in party government. He admired the British parliamentary system and had earlier in his career derided the US system as too cumbersome. Now, with Democratic majorities in both houses of Congress, Wilson intended to put his ideas into practice, and govern not just as

President but as Democratic Party leader, working together with the Congressional party leadership.

But Wilson also remained staunch in his Progressive principles, which posed a problem. Working with the Democrats in Congress meant working with Southern Democratic conservatives who were lukewarm to Progressivism at best. This is a problem that will bedevil every Democratic US President of the twentieth century, until the very end of the century, when the conservative Southern Democrat becomes largely an extinct political species.

Wilson managed it, though. He was willing to schmooze with the good old boys, and he did. He was a Southerner himself. The Progressive in him resisted handing out government appointments as favors, but he bent his principles on some minor appointments to keep Congressional Democrats happy. And the Democrats in Congress were willing to work with Wilson. This probably had something to do with the fact that it had been eighteen years since the last time Democrats controlled the Presidency and both houses of Congress, and no one wanted to be the one who spoiled the moment.

Wilson chose tariff reform as his first major issue to tackle as President. On the face of it, this may seem foolish. Remember how William Howard Taft gambled his Presidency on tariff reform and lost the bet? But Woodrow Wilson has two advantages that Taft never had. The first is that his party is solidly united behind tariff reform. Tariff reform was a plank in the Democratic Party platform in 1912, so the Democrats are already pledged to reforming tariffs, and specifically to reducing them, a popular position with most voters. The second advantage is that the Sixteenth Amendment was ratified in February, a month before Wilson took office. So Wilson and his allies in Congress have a means to replace Federal government revenue lost to tariff reduction that was not available to Taft: a Federal income tax.

The House of Representatives quickly passed a tariff bill that reduced tariffs by an average of 10% and replaced the lost revenue with a new graduated Federal income tax that kicked in after the first $4,000 of annual income. That's about $100,000 a year in today's money. The bill passed easily. After all, it reduced a tax everyone paid by replacing it with a tax only a few very well-off people paid. What's not to like?

Of course, the Taft reform got this far, too. The Senate would prove trickier, just as it had for Taft. The Seventeenth Amendment, the one providing for direct election of Senators, had also been ratified by now, but no such election had yet taken place. This was still the old Senate, full of men of business who had gotten to Washington by cozying up to their state legislators. And the Democratic majority in the Senate was thin. The two Democratic Senators from Louisiana were lost causes; sugar growers in Louisiana love sugar tariffs. Some Western senators wanted to keep wool and mineral tariffs high. And the Republican tariff supporters trotted out the usual arguments that tariffs saved jobs and kept wages high.

Wilson went to the press, declaring that tariff reduction was in jeopardy because "great bodies of astute men seek to create an artificial opinion and to overcome the interests of the public for their private profit…." Senators of both parties objected at once to this suggestion, and some thought Wilson had made a mistake by criticizing them too harshly and too publicly. But when the Republicans called for an investigation of Wilson's claims, the Democrats agreed. The Senate Judiciary Committee held an investigation, which revealed—surprise, surprise—that many Senators had personal financial interest in supporting high tariffs and that pro-tariff interests had spent millions of dollars to defeat tariff reduction. In the end, the tariff bill passed, and Wilson's reputation as a Progressive reformer and an enemy of the special interests grew.

After this success, Wilson moved at once to his second legislative priority: banking reform. We talked about the financial panic of 1907 back in episode 43. Recall that the United States had been experiencing financial panics all too frequently, and a National Monetary Commission was created in 1908 to look into the problem. The commission was bi-partisan and was chaired by Rhode Island Senator Nelson Aldrich, a conservative Republican who didn't get along very well either with Democrats or with Progressives.

But the Commission did its work ably enough all through the following four years of the Taft Administration, including trips to Europe to study the banking systems there. At this time, the United States was alone among the most economically developed countries in not having a central bank. The United Kingdom had one. France, Germany, Italy, Japan—they all had one. Even the Russian Empire, a country often regarded as backward and economically underdeveloped, had its Imperial Bank of Russia. Even smaller economies, like Spain and Belgium, had their own central banks.

The United States had been an outlier in this respect for over eighty years now, ever since President Andrew Jackson brought down the Second Bank of the United States in 1832. From that time until the Civil War, there was no national banking system in the US; banks were chartered by states, and they operated locally. The Civil War had led to legislation creating federally chartered banks, and ever since the US financial sector has been operating though a mix of federal and state chartered banks.

But the United States has also experienced three major and three minor financial panics since the end of the Civil War, indicating that the banking system remains inadequate. Financial panics are caused when some sudden and unexpected political or economic event occurs that causes large withdrawals of money from banks and other financial institutions. Institutions that don't have enough cash on hand to meet the sudden, unexpected demand can be forced to sell off their assets at reduced prices, or in extreme cases collapse entirely, taking their investors' and depositors' money with them. And the sudden drop in asset prices caused by a sell-off panic can then cause other banks and institutions that were previously sound to suddenly become unstable themselves.

Another problem was check clearing. When questions begin to arise about the soundness of the banks, individual banks become reluctant to clear checks drawn on other banks, which can cause even solvent institutions to become unable to access funds in a sudden emergency.

The consequences of one of these financial panics are bad for everyone. So, how do you prevent them? In Europe, national banks like the Bank of England act as a firewall against financial panics by serving as a lender of last resort. They hold government funds and assets and lend these to banks facing a sudden run of cash withdrawals to tide them over the crisis abates and prevent a collapse of asset prices. During the Panic of 1907, as you may recall, the financial titan J.P. Morgan acted as a sort of one-man central bank to save Wall Street from complete collapse. And took advantage of the opportunity to pick up some cheap assets on the side.

But what about the next financial panic? Is there going to be another J.P. Morgan to step in and save the day? I say "another," because Morgan himself passed away in March 1913, at the age of 75, just a few weeks after Wilson's inauguration.

The National Monetary Commission's study of banking in Europe led the members to conclude that the British pound, the French franc and the German mark were all considered more stable and safer and therefore more useful currencies for international trade than was the US dollar, because those countries had the safeguard of a central bank, which America lacked. It was time, the commissioners concluded, for American finance to move into the twentieth century.

In 1912, the Commission issued its final report, in which it recommended a two-tier central banking system for the United States. Federally chartered banks would be grouped into regional associations, where their reserves would be pooled and available to help any bank under stress. Over these regional groups would be a national reserve association, which would be owned collectively by all the banks in the system. This was meant to protect the system from being captured by any special interest.

The Commission approved the report unanimously and had thought their effort to be bi-partisan. But it came to be associated with Senator Aldrich, who was regarded with suspicion by Democrats and Progressive Republicans. Opposition to a European-style central bank was a plank in the party platforms of both the Democrats and the Progressives during the 1912 election.

And yet, everyone agreed that some kind of reform was needed. And so this was the situation Wilson inherited when he became President. Conservative Republicans and their allies in the banking and financial industry, centered in the big cities, still supported the Commission's recommendation. Conservative Democrats in the South agreed with the principle of a privately owned system, but wanted only the regional associations, not the central bank in Washington. Progressives of both parties were leery of a system controlled by the bankers, and Progressive Democrats in particular embraced their Jacksonian legacy of opposition to a powerful private bank. And most particular of all was William Jennings Bryan, whose entire political career had been spent fighting Wall Street and the big Eastern financial interests. But many Eastern

Democrats, economists, and Progressive Republicans like Fighting Bob La Follette believed that the only way to keep the system free of the moneyed interests was a publicly-controlled national bank.

So the challenge facing Wilson was to piece together from these competing ideas a workable national reserve system that would satisfy enough of these diverse factions in Congress to assemble a majority that could pass a bill. It turned out to be a much more complex and vexing problem than tariff reform. And with divisions within the party and even within Wilson's own Cabinet making it difficult to come to a consensus, Wilson turned for advice to a key friend and advisor from outside government circles: Boston attorney Louis Brandeis.

Louis Dembitz Brandeis was born in Louisville, Kentucky in 1856 to Jewish immigrants from Bohemia in the Austrian Empire. Brandeis graduated from Harvard Law School with the highest grades in the school's history, and began practicing law in Boston soon after. By the time he reached his early thirties, he was financially successful and regarded as one of the best attorneys in the nation.

With his financial security assured, Brandeis increasingly became involved in *pro bono* litigation, often representing the interests of ordinary people against powerful businesses, including the trusts, large corporations, and insurance companies. He wrote a groundbreaking article for the *Harvard Law Review* on the right to privacy, which was the beginning of formally recognized privacy rights in the United States.

In 1913 and 1914, *Harper's Weekly* published a series of articles by Brandeis critical of the role investment bankers played in manipulating corporations and suppressing competition. These essays would be collected into a book, published in 1914 and entitled *Other People's Money and How the Bankers Use It.* In this book, Brandeis argued that there is a "money trust" of bankers who lend money to large corporations and often also sit on the boards of those same corporations. These bankers use funds entrusted to them by middle-class Americans preferentially to favor large businesses at the expense of small business innovators. Brandeis also argued in support of increasing corporate financial disclosure requirements, coining an aphorism that has been widely repeated ever since: "Sunlight is the best disinfectant."

Brandeis was a committed Progressive and had been an ardent Wilson supporter during the 1912 election, so all of this made him an obvious choice for Wilson to turn to for help with banking reform. Wilson might have appointed him to the Cabinet, except that by now Brandeis was roundly despised by bankers and business people around the nation. Still, a little private consultation might be just the thing. He was invited to the White House in June 1913 to discuss banking reform, and argued forcefully that the national board overseeing the system be fully a governmental agency, with its members appointed by the President and confirmed by Congress, as opposed to being appointed by the member banks.

Wilson adopted Brandeis's recommendations, much to the displeasure of the American Bankers' Association, which lobbied hard for banker representation on the national board. Wilson asked them, "Which of you gentlemen thinks that railroads should select members of the Interstate Commerce Commission?"

Wilson kept Congress in session through the long, hot Washington summer of 1913 and into the fall. The Federal Reserve Act would finally be made law on December 23, just before Christmas. It would be the most challenging legislative effort of the Wilson Presidency, and his biggest domestic policy accomplishment. The new system combined bits and pieces of the competing proposals, with a decentralized, regional reserve system largely controlled by the member banks but overseen by a publicly controlled board in Washington. It was a distinctly American sort of system.

But Wilson wasn't done yet, and continued to keep Congress in session well into 1914, making this one of the busiest Congresses in American history. Political cartoonists depicted Wilson as a stern schoolmaster watching over a class of restless schoolboys dreaming of going outside to play. Back during the 1912 Presidential election, William Howard Taft had taken the position that the existing antitrust laws were adequate protection against the accumulation of corporate power, while Theodore Roosevelt had embraced the view that waiting for corporations to misbehave and then filing suit against them was a bass-ackward way of policing the economy. Roosevelt had campaigned for new legislation under which the federal government would regulate and monitor corporate behavior, so that unfair trade practices could be nipped in the bud.

During the campaign, Wilson had taken a position intermediate between the two. He advocated strengthening the anti-trust laws and some monitoring of corporate behavior, but not so strictly as Roosevelt had wanted, and spent 1914 putting these ideas into policy. The results were the Clayton Act and the Federal Trade Commission Act.

The Clayton Act strengthened anti-trust law by barring price discrimination, that is, charging different customers different prices, if the price discrimination is aimed at reducing competition. It also regulated corporate mergers, including a requirement that large corporations wishing to merge must notify the Federal Trade Commission and the Justice Department, which will review the mergers and take action in court to oppose them, if they are deemed anticompetitive.

The Federal Trade Commission Act, as you may have already guessed, created the Federal Trade Commission, or FTC, as it is usually known in the United States. This new agency would absorb the old Bureau of Corporations that had been created in the Roosevelt administration and function as an independent agency, tasked with protecting consumers and preventing unfair business practices.

All in all, this is a remarkable run of domestic legislation that at least equals and perhaps surpasses the heyday of Theodore Roosevelt back in 1906. These reforms by themselves would

rank Woodrow Wilson as one of America's most influential Presidents, and his record will not be surpassed until we get to the next President named Roosevelt.

[music: "Hello, My Baby"]

I mentioned before that Wilson's Vice President, Thomas Marshall, is among my favorite figures in US political history because of his wit, although it is true that his wit got him into trouble on some occasions. It is also true that Wilson and Marshall didn't get along very well. Marshall was invited to sit in at Cabinet meetings early in the Wilson Administration, but stopped attending as he came to feel that his contributions were being ignored. Constitutionally speaking, the only clear responsibility of the Vice President is to preside over the Senate. Marshall took that responsibility seriously, and as he felt less welcome at the White House, he spent more and more of his time at the Capitol.

And he cracked jokes, often at his own expense and the limitations of the office of Vice President was one of his favorite topics. One of his best-known jokes was the story of a woman who had two sons. One of them went to sea and the other became Vice President, and she never heard from either one ever again. Marshall once presented President Wilson with the gift of a book. Inside the front cover he had written, "From your only vice…."

A story is also told that Marshall visited the city of Denver, and the police department there assigned an officer to him. Marshall asked the officer what he was doing, and the officer replied that he had been tasked to assure Marshall's safety. Marshall is said to have replied, "Your labor is in vain. Nobody was ever crazy enough to shoot at a Vice President. If you will go away and find somebody to shoot at me, I'll go down in history as the first Vice President who ever attracted enough attention even to have a crank shoot at him."

But Marshall's most famous remark was a joke which was not original to him. While he was presiding over the Senate in 1914, a Senator was giving a speech on the theme of "What this country needs…," in which he repeated that phrase several times. As the speech dragged on, Marshall blurted out, loudly enough to be heard across the chamber, "What this country needs is a really good five-cent cigar!" Although, as I say, the joke was not original to Marshall, he is credited with popularizing it, and it has become associated with him and with American politics ever since.

[music: "On the Banks of the Wabash, Far Away"]

Sadly, the year 1914 saw a decline in the health of the First Lady, Ellen Wilson. It was a tragedy and a calamity for the President that his wife was on her deathbed as the July Crisis unfolded in Europe. Ellen Wilson passed away August 6, just as the German war machine was unleashing its fury upon Liège, in Belgium. The newly widowed President would now have to face the very irony of fate he had identified a year and a half ago: the political science professor and former New Jersey governor would now have to make foreign policy issue number one.

In August of 1914, the United States found itself in the strange position of being the most powerful and influential neutral nation during the greatest war the world had ever seen. “Thank God for Christopher Columbus,” was the judgment of the Chicago *Tribune* when the Great War began. Theodore Roosevelt likened the unfolding disaster in Europe to the sinking of *Titanic*. Wilson immediately and firmly staked out neutrality as the American position on the war. “The United States must be neutral in fact as well as in name during these times that are to try men’s souls,” he said. “We must be impartial in thought as well as in action, must put a curb upon our sentiments.”

There may have been an ocean between America and the Great War—although I don’t know that we need to credit that to Christopher Columbus—but in any case, the United States began feeling the economic pain as soon as the July Crisis broke. In 1914, the United States was a net debtor nation, meaning that there was more foreign capital invested in the US than there was US capital invested abroad. For example, American railroad companies were the largest sector of the stock market at the time, and an estimated 20% of the total stock in American railroads was owned by foreigners, Britain and her Empire being the number one source of this foreign capital.

Even before the first shots were fired, European investors began pulling their capital out of the United States. This meant selling US stocks, which then, as now, were principally traded on the New York Stock Exchange. Stock prices quickly plummeted. The stock shares were sold for dollars, and remember that the dollar was not a highly regarded currency at this time. But these were also the days of the gold standard, meaning that the US government would trade dollars for gold at a fixed rate, which at that time was $21 to the troy ounce.

What happened next should be no surprise. Foreign investors lined up at banks and at the US Treasury to exchange their US dollars for gold or for pounds sterling. This triggered a plunge in the value of the dollar. America’s gold reserves were depleting rapidly, as gold and foreign currency flowed out of the country. By July 28, the US dollar was trading on the open market for four cents less than the stated Treasury exchange rate, a sign that the market thinks America may be forced to abandon the gold standard.

The sudden outbreak of war in Europe had put the United States economy in a position that was making the Panic of 1907 look like a picnic in the park. And everyone knew the United States had this unhappy history of financial panics and bank failures, which just made the foreign investors that much more nervous, and therefore that much more eager to sell off their dollars and bring their money home before the inevitable happened.

Now, you’re probably thinking, “Hey, didn’t he just tell us all about this brand new Federal Reserve System that was created to prevent exactly this kind of financial crisis?” Why, yes, I did. But the thing is, the Federal Reserve Act only became law seven months ago. The system isn’t set up and running yet. Oops.

But a crisis, as the saying goes, is also an opportunity. A Boston investment banker wrote to the President in August that "England has been the exchange place of the world, because of living up to every engagement, and because the power grew with the business. Today we can take this place if we choose; but courage, willingness to part with what we don't need at once, real character, and the living up to all our debts promptly will give us this power; and nothing else will….[I]t is our chance to take first place."

But the President was spending this crisis at his wife's deathbed. So it fell to the Treasury Secretary, William McAdoo, who was now also two months into being Wilson's son-in-law, to navigate America through this latest financial crisis. By July 30, McAdoo had the Treasury Department shipping gold by the ton all across the country to make it available everywhere to anyone who wanted to cash in their dollars. Instead of taking the dollar off the gold standard, on July 31 McAdoo ordered the New York Stock Exchange shut down. It would remain shut down for an unprecedented four months. Next, the Treasury Department released large quantities of paper dollars into the banking system as a defense against bank runs. The Treasury also rescued New York City from bankruptcy. The city had bonds coming due that were denominated in pounds sterling it didn't have because of the crisis, but the Federal government bailed the city out.

These extraordinary measures staunched the bleeding, but they were a stopgap solution. The only permanent solution would be if the US could come up with something of value to offer its foreign creditors, especially Britain. Something other than gold. Well, the sudden and unexpected demands of war provided the answer. The war was a sudden, unplanned for, and costly burden on all the European powers, and the United States was a hugely productive country, agriculturally and industrially.

The sore spot here was the British blockade of the Central Powers. It would be an irritant in British-American relations. Wilson himself saw the parallel to his predecessor, the fourth President of the United States, James Madison. Madison and Wilson already have in common that they are the only Princeton alumni to serve as President. But Madison was also the President who had reluctantly taken the United States to war against the UK over freedom of the seas, and Wilson couldn't help but worry that history might repeat itself. In August he said, "I am afraid something will happen on the high seas that will make it impossible for us to keep out of the war." Those words would prove prescient, but not in the way Wilson envisioned.

But although the US and Britain would experience some tensions over the blockade, freedom of movement for US ships and US goods was never the highest priority for the Wilson Administration. Foreign trade was. The US has to sell those goods abroad to raise the foreign exchange it needed to meet its obligations. In 1914, the US did something like $100 million worth of trade with Germany and Austria, but it did over $400 million in trade with Britain and France. The blockade reduced trade with the Central Powers to a trickle, but within a few

months, as the war dragged on longer than anyone expected, Britain and France were virtually banging on America's door, begging to buy US goods and US produce.

US sales to the Allies would increase eightfold over the next two years, which way more than made up for the lost sales to Germany and Austria. And the Allied nations went from being US creditors to US debtors. In the words of Barbara Tuchman, the United States "became the larder, arsenal, and bank of the Allies."

By the end of 1914, the New York Stock Exchange was open once again, the US dollar remained on the gold standard, and New York was well on the way to supplanting London as the world financial center. As the costs of war dried up European credit, not only combatant nations like Britain and Canada and France, but also other neutrals like China and Argentina and Brazil, were finding Wall Street their most reliable source for loans and capital investment. The United States, a nation tainted with a reputation for financial panics and bank failures just a few years ago, was now well on the way to replacing the United Kingdom as the world's pre-eminent financial power.

[music; "A Bird in a Gilded Cage"]

You might think that this long record of legislative accomplishments, plus a strengthening economy once the war panic was resolved, would lead to a successful mid-term election for Wilson's Democratic Party. But, no. The President's party almost always loses seats in a mid-term election in the United States. The results in the Senate in 1914 were pretty good. This was the first time Senators were directly elected by their state's voters, which benefited the Democrats because Republicans had a lock on so many state legislatures. The Democrats picked up three seats in the Senate.

But they lost 61 seats in the House of Representatives, a dramatic plunge, although not enough to cost the Democrats their majority. The Democrats suffered their worst losses in the large states of the Northeast and Midwest, particularly New York, Ohio, and Illinois. Democrats took double-digit losses in each of those states. An important reason for this was that Roosevelt's Progressive Party was dwindling away, and many of its supporters in those states were returning to the Republican Party fold. Theodore Roosevelt's verdict on the election was, "The fundamental trouble was that the country was sick and tired of reform."

But these were the states that had helped elect Wilson in 1912, and the mid-terms were an ominous sign for his re-election campaign. Wilson himself remained surprisingly upbeat. He felt encouraged by the results in the West, which showed that Progressive Republicans there were turning to the Democrats rather than returning to the Republicans. Democrats picked up a number of new Senate and House seats in the West. "A party that has been called sectional is becoming national," he declared. And in his State of the Union address in December 1914, he defiantly told the Congress that the voters "do not wish to curtail the activities of this Government; they wish, rather, to enlarge them."

We'll have to stop there for today. Thanks for listening, and I'd especially like to thank listeners Randall and Dmitri and Richard for their contributions, as well as listener Patrick for becoming a patron of the podcast. If you'd like to join the team and help out, well, there are a lot of ways to do that. You can like and tweet. You can go to the iTunes store and leave a rating and review. You can come on over to the podcast website, historyofthetwentiethcentury.com, where you can leave a comment, and if you have a few bucks to chip in, click on the PayPal donation button, or, better yet, click on the Patreon button and become a patron of the podcast. You can become a patron for as little as two bucks a month, which, let's face it, you won't even feel it. And also, while you're at the website, you can find a playlist of music I use in each episode, including links. Most of the music I play in the podcast is free and downloadable, so if you hear something you like, you can get a copy for yourself.

And speaking of music, for this week's episode I've used three popular songs of the era. They are: "Hello, My Baby," "On the Wabash, Far Away," and "A Bird in a Gilded Cage." I expect many of you recognized at least one of them. Whenever *I* hear "Hello, My Baby," my mind goes immediately to singing frogs, for some reason. The Indiana state legislature adopted "On the Wabash, Far Away" as the official state song in 1913, and it still is today. I put that one in there in honor of Thomas Marshall.

We've talked a little about the Tin Pan Alley songs of the time, a little about band music, and a lot about ragtime. Tin Pan Alley and ragtime are on their way out by now, but a wholly new kind of music is about to sweep America. It synthesizes band music, popular music, ragtime, and a couple other traditions into something no one has ever heard before. So it's coming, get ready for it. Here's a hint: the name starts with a "J."

And I hope you'll join me next week, on *The History of the Twentieth Century* as we turn back to the war, and specifically to the Austro-Russian front. We already saw Potiorek flub his command of the Serbian front; now we'll see if Conrad von Hötzendorf can do any better on the Eastern front. Spoiler alert: no. That's next week, on *The History of the Twentieth Century.*

Oh, and one more thing. I don't suppose Thomas Marshall's aphorism that "what this country needs is a really good five-cent cigar" is as widely quoted nowadays as it was in my youth. That's probably because neither cigars nor five cents are as highly valued as they used to be.

But when I was young, you still often heard it quoted as a familiar example of American political rhetoric, alongside slogans like "A chicken in every pot" or "A square deal for every man." Only, the thing is, slogans like "A chicken in every pot" and "A square deal for every man" are real campaign pitches that represent real expressions of policy goals, made by real political candidates. It's not clear to me how an offhand joke like the five-cent cigar remark ended up alongside these real campaign slogans. Why did it catch on? What does it even mean? What viewpoint, exactly, is it supposed to be expressing?

This question was put to Vice President Marshall himself, after his retirement. Marshall said he thought it was about nostalgia, with the five-cent cigar as a symbol of earlier, simpler days. That sounds about right to me. The funny thing about Americans is, for all their supposed forward thinking, their innovation, their receptiveness to new ideas, they are always suckers for nostalgia.

[music: Closing Theme]