as President of the United States (#22 from 1885-1889 and #24 from 1893-1897), Grover Cleveland's reputation for "obstinate honesty" actually served him well in politics.

Written by **Bob Adelmann** on February 22, 2011

New American

**Bills** 

In the early 1880s the political machine in Buffalo, New York, was a finely-honed mechanism of organized looting by both Republicans and Democrats. In 1881, however, the Democrats sought to gain significant advantage over their Republican partners in crime by supporting an honest politician for mayor, thus drawing disgusted Republican voters to their side of the craps table. When Cleveland was approached by the Democrats to be their candidate, he accepted the nomination subject to his approval of other candidates running on the same ticket. After the most notorious blackguards had been removed from the ticket, Cleveland ran, and won.



**President Grover Cleveland: the Democrat Who Vetoed 300** 

But that was just the beginning. The political system of payoffs was deeply entrenched and a change of laundry at the top of the flagpole was certainly not going to change the system of payoffs that had worked so well for so long. Cleveland's character was tested early on when the Common Council (city council) voted to accept the highest bidder for the job of cleaning the streets, rather than the lowest. The high bidder had political connections, and this was his payoff. When Cleveland uncovered the scam, he vetoed the move, stating:

I regard it as the culmination of a most bare-faced impudent and shameless scheme to betray the interests of the people, and to worse than squander the public money.

As Cleveland's reputation of honesty grew, so did the interest of the Democrat party to push him up the ladder to higher office. In 1882, Cleveland ran for governor of the State of New York, and won in a walk.

And he also continued to veto bills not to his liking. During his first two months in office, he vetoed eight bills, with one in particular gaining him the most notoriety. Jay Gould, popularly known and greatly disliked as a railroad robber baron, owned New York City's elevated train system, and when he tried to raise fares, the public was outraged. Never at a loss for solutions to perceived problems like this, the legislature passed a bill to force Gould to reduce his fares to five cents. No friend of Gould or others who had succeeded in bilking the federal government for millions of dollars and millions of acres of land in building shoddy railroads, Cleveland nevertheless vetoed the bill. He took his position that the





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bill violated the Constitution and the law of contracts, and that intervention by the legislature would forcibly void the contract that Gould held with the city, and result in the weakening of all contract law, thus inhibiting private commerce. A challenge to Cleveland's veto was mounted, but failed.

Cleveland's run at the Presidency in 1884 was marred by an incident that nearly cost him the election, but also confirmed his integrity. When his opponents uncovered proof that Cleveland had fathered an illegitimate child, Cleveland told his staff to "tell the truth." He admitted to paying child support to one Maria Crofts Halpin, who claimed Cleveland was the father of her child whom she named Oscar Folsom Cleveland. Since Halpin had numerous adulterous relationships, including one with Cleveland's law partner, Oscar Folsom, (for whom the child was also named), no one knew for sure who fathered the child. Historians have concluded that Cleveland accepted the blame because he was the only bachelor among Halpin's "suitors."

The election in 1884 was close, with Cleveland winning by just one-quarter of one percent over his rival, James Blaine.

As President, Cleveland's propensity for doing the right thing rather than the expedient thing constantly put him in the center of controversy and conflict. He actually reduced the number of federal employees, and those he hired were hired on the basis of ability and not connections. He investigated the land grants offered by the government as inducements to railroad looters, and had his Secretary of the Interior demand that rights of way fraudulently obtained be returned to the government. Some 81 million acres of land were returned to the government.

As a Democrat President, Cleveland often found himself fending off aggressive and unconstitutional bills from the Republican-controlled congress. Perhaps his best known veto became known as the Veto of the Texas Seed Bill. After a crop failure in Texas in 1886, Congress decided to "appropriate" \$10,000 from the general treasury to purchase seed grain for those farmers disastrously affected. Cleveland vetoed the measure with these words:

I can find no warrant for such an appropriation in the Constitution, and I do not believe that the power and duty of the general government ought to be extended to the relief of individual suffering which is in no manner properly related to the public service or benefit...The lesson should be constantly enforced that, though the people support the government, the government should not support the people...Federal aid in such cases encourages the expectation of paternal care on the part of the government and weakens the sturdiness of our national character...

His understanding of the Constitution was sound, and yet he had to defend it and explain it and expound upon it time and time again as politicians, more interested in votes than integrity, tried to breach its limits. In his third annual message to Congress in December 1887, Cleveland returned to the basic principles of the founding of the republic:

When we consider that the theory of our institutions guarantees to every citizen the full enjoyment of all the fruits of his industry and enterprise, with only such deduction as may be his share toward the careful and economical maintenance of the Government which protects him, it is plain that the exaction of more than this is *indefensible extortion and a culpable betrayal of American fairness and justice* (emphasis added)...The public Treasury, which should only exist as a conduit conveying the people's tribute to its legitimate objects of expenditure, becomes a hoarding place for money needlessly withdrawn from trade and the people's use, thus crippling our national energies, suspending our country's development, preventing investment in productive enterprise,

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threatening financial disturbance, and *inviting schemes of public plunder*. " (emphasis added)

Cleveland was no perfect President, nor was his administration. During his first term he signed into law the momentous and disastrous breach in the wall of the Constitution, the Interstate Commerce Act, in 1887 — a breach that has since allowed the continuing and accelerating flow of government agencies known as the Fourth branch of Government to rise up as a flood of pestilence, all but choking off the remaining island of private enterprise once left to itself.

In his second term, he arrived just in time to witness the Panic of 1893, the cause of which had been building for years beforehand. In 1890 the Sherman Silver Act once again allowed free coinage of silver by the federal government, much to the delight of farmers (who were able to pay off debts with cheaper money), and miners. Since the currency at the time was redeemable in either silver or gold, a significant run on gold from the treasury resulted in drawing down its reserves to a dangerously low level.

Hamstrung by a Republican congress that wouldn't allow Cleveland to offer the sale of bonds to purchase gold to replenish the Treasury, and by a growing populist sentiment of disgust against international bankers such as J.P. Morgan, Cleveland had no place to turn. Following a failed attempt to negotiate a gold purchase directly from the English Rothschilds, all Cleveland (and Morgan) could do was wait and watch as the reserves dwindled further. In a scene right out of a John Grisham novel, Ron Chernow, author of *The House of Morgan*, explains what happened next:

At the White House, obedient as a schoolboy, [Morgan] sat wordless while Cleveland Attorney General Olney, and Treasury Secretary Carlisle debated the issue. Edgy, [Morgan] crushed an unlighted cigar, leaving a pile of tobacco on his pants.

Cleveland still clung to the hope of a public bond issue, which would spare him congressional obloquy. Not until a clerk informed Carlisle that only \$9 million in gold coin remained in government vaults on Wall Street did Pierpont pipe up, saying he knew of a \$10 million draft about to be presented: "If that \$10 million draft is presented, you can't meet it," Pierpont said. "It will be all over before 3 o'clock."

"What suggestions have you to make, Mr. Morgan?" asked the President.

The solution, a loan of gold (with strings attached) to the Treasury from Morgan, Rothschild and other international bankers, saved the day for Cleveland, but opened the door that led, ultimately, to the establishment of the Federal Reserve System in 1913.

Historians have counted more than 300 bills vetoed by Cleveland during his political career as a Democrat. In a "juxtaposition of history" the current Democrat resident of the White House is threatening his own veto of a bill which would modestly cut a few of the programs and agencies that have inexorably grown out of the Cleveland presidencies.



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