

tobacco or soft drinks, candy, jewelry, chewing gum, or beer, liquors or wines, or attends picture shows or theaters, or who uses public transportation will necessarily pay taxes to the Federal Government. They also pay Federal taxes in other ways. Therefore, if the people of the United States can use \$50,000,000 of their money to save themselves, the people of the United States, \$350,000,000, it will certainly be a good trade for them. In addition to the saving to the consumer, the cost of living will be held down and demands for wage and salary increases successfully answered.

**CONGRESS NOW ASKING PRESIDENT TO NOT CARRY OUT FORMER MANDATE TO KEEP DOWN COST OF LIVING**

Congress in the passage of the Second Price Control Act, which became effective October 2, 1942, authorized and directed the President of the United States to stabilize wages, salaries, and all things entering into the cost of living as of September 15, 1942, insofar as practicable. At the same time authority was given the President to correct gross inequalities and inequities. The President has been trying to carry out this positive mandate of Congress and accordingly issued what is called the "hold-the-line order," and all agencies of the executive department have been trying to hold the line as of September 15, 1942, on prices, wages, and salaries. Now, if the Congress passes another law, such as proposed in the one herein discussed, that will compel the President to increase the prices of things that go into the cost of living, the President will no longer be able to hold salaries and wages down. The result will be that prices will increase, which will immediately run up the cost of living; then wages and salaries must be increased; then on account of wages and salaries being increased, prices will have to increase again. This will be a race between wages and salaries on one side and the cost of living on the other. The result will be just like putting a match under a thermometer—prices will go out the top, the sky will be the limit, and we will be faced with unbridled inflation.

**CONGRESS OFFERS NO ALTERNATIVE FOR SUBSIDIES**

The President has repeatedly told Congress that if Congress will suggest another way to hold down the cost of living without subsidies, and at the same time give the farmers a fair price and a sufficient price to encourage production of needed foods, he would gladly accept any alternative that would get the job done. Instead, Congress has offered no substitute and is offering no alternative, but in this bill would compel the President to immediately put into effect regulations that will cause runaway inflation.

**WAR CAN BE LOST ON HOME FRONT**

Our boys on the 55 battle fronts of the world are doing an excellent job. It is possible for us to lose the war here on the home front by permitting ruinous inflation.

It is contended that people are making more money than they ever made and therefore should pay increased cost for foods and other items. Probably about half the workers in the country are re-

ceiving much more than they ever received before, but the other half of the workers are not receiving any more than they received before the war; and besides there are 14,500,000 people who are dependent on old-age assistance, veterans benefits, compensation and allowances, and other fixed incomes that have not increased at all. These people will be the first to feel the increased cost of living that the Republicans are trying to force in this bill.

**CORRECT STATEMENT ON PAYING ANOTHER'S GROCERY BILL**

The argument is made that it is wrong for the taxpayers to pay a part of anyone's grocery bill. The correct statement would be that it is not wrong for a taxpayer to permit a part of his tax money to be used by his Government to keep down his food bill, if it will save him \$5 for every \$1 so paid and will at the same time prevent ruinous inflation.

**OPponents DO NOT OPPOSE ALL SUBSIDIES—JUST A FEW**

Those who proclaim so long and loud that they are opposed to the Government paying any part of anyone's grocery bill are perfectly willing to pay certain subsidies. For instance, the Republican Members oppose taking off the subsidy on fuel oil to the New England States, which amounts to about \$1 per barrel, thereby placing themselves in the position of saying it is all right for the Government to pay part of anyone's fuel bill, but wrong for the Government to pay any part of the grocery bill. Furthermore, our Republican friends are in favor of subsidized housing which results in the taxpayer's paying a part of the rent bill for each family who resides in one of these houses. So the net result is they are not against all subsidies—they are just against some subsidies.

It will be noticed that in the very provision written into this bill against subsidies, in section 3 at the end, there is a provision which recognizes subsidies for certain commodities and will permit their continuance. The exact language at the end of section 3 is:

*Provided further,* That none of the foregoing provisions shall apply to any payments or losses incurred in transactions with respect to competitive domestic vegetable oils and fats and oilseed.

How can we consistently contend that the farmers producing peanuts, cottonseed, soybeans, and other such fats and oils shall be benefited by subsidies, and shall continue to receive them, but our farmers who grow other things shall not be so benefited by being permitted to continue to receive them? Another thing I cannot understand is why it is all right to have subsidies for fuel oil and pay part of one's fuel bill, and housing, and pay part of one's rent bill, and for peanuts and cottonseed and soybeans and other commodities, but it is absolutely wrong to pay subsidies on bread and other items that go directly into the cost of living that would cause a spiral of inflationary prices.

The dairy farmer has found himself in a squeeze. The prices of his feed have been going up but the price of his milk has remained stationary because of the

effort being made to stabilize the cost of living. The War Food Administration has recently inaugurated subsidies that will give the equivalent of about 1 cent a quart in the form of a subsidy to the producer. It was contended that this should be made in the form of an increased price of 1 cent instead. If it had been, maybe the producer would have received it and maybe he would not, as it would have necessarily gone back through several hands before reaching the producer. In the case of dairy products, if the Government can spend \$100,000,000—I am just using this arbitrary amount for the purpose of illustration only—and save the consumers \$500,000,000, it looks like it might be a good bargain for the consumers who are also taxpayers, and therefore a good bargain for the taxpayers. The farmer is entitled to and must receive a good price, but I am sure he will not object if a part of that price is paid in a subsidy if it will give him just as much money and at the same time protect him against ruinous inflation.

**BILL UP WEEK AFTER NEXT**

It is probable that this bill will come before the House of Representatives for consideration the week commencing October 25. An effort will be made at that time to strike out section 3 of the bill.

**Proposed Social-Security Legislation**

**EXTENSION OF REMARKS**

OF

**HON. ROBERT F. WAGNER**

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

*Friday, October 15 (legislative day of Tuesday, October 12), 1943*

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very notable series of articles by Fred W. Perkins, of the Scripps-Howard press, on the social-security bill introduced in the Senate by the Senator from Montana [Mr. MURRAY] and myself, and in the House of Representatives by Representative DINGELL.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington News of September 27, 1943]

**SOCIAL-SECURITY FIGHT**

(By Fred W. Perkins)

The Social Security System was 8 years old last month. Its champions say this new link between Government and citizen has proved its worth, and that the time has come to move toward its completion and perfection, even though the Nation is busy with a war.

Here, they say, is a way to attain one of the "four freedoms" for which our men are fighting—freedom from want—by enlarging the benefits already provided by social security, by making them available to some 20,000,000 workers who now lack such protections, and by giving special consideration to the men and women who will return to civil life from the armed services.

A bill providing for a sweeping extension of the Social Security System has been introduced in Congress by Senator WAGNER (Democrat, New York), Senator MURRAY (Democrat, Montana), and Representative DINGELL (Democrat, Michigan). It is largely the product of study and recommendations by the American Federation of Labor, which is campaigning for it. The Congress of Industrial Organizations is also back of the legislation, and other labor groups are expected to help.

Support in general has been announced by the Social Security Board. Also lined up are the New Deal forces, headed by President Roosevelt, which get the credit for the original Social Security Act of 1935, sponsored by Senator WAGNER and others.

The known opposition, to the proposed changes has two principal centers: (1) A strong group of State officials expects to continue its resistance to federalization of State unemployment-compensation systems, and (2) the American Medical Association will continue to oppose "socialization" of medical and hospital care.

Other opposition, not yet highly articulate, is expected to become manifest among officials and citizens who believe that no enterprise, however worthy, should be allowed to distract attention even in slight degree from the war; and from those who still carry the banner against encouraging the individual to look more and more to the Central Government for his health, his upkeep in times of unemployment, and his security in old age.

Another target of possible opposition is the proposal that the many new proposed benefits be partly paid for by raising the social-security taxes of wage and salary earners from the present 1 percent (it would be 2 percent next year and 3 percent in 1949) immediately to 6 percent. With income withholding taxes already affecting tens of millions, this sharp increase might be expected to arouse some popular resistance, but both the A. F. of L. and C. I. O. say they are confident our people will go along willingly.

It is doubtful if the Wagner-Murray-Dingell bill will get much congressional consideration before 1944. A main reason for that is the constitutional necessity for the House to act first on such legislation, because of its taxing features. And the House Ways and Means Committee is expected to spend most of the fall and early winter on a new tax bill and other pressing matters in its domain.

Some authorities hold that social-security legislation is not the proper vehicle for proposed benefits to members of the armed forces, but the bills propose to cover at least part of the subject.

One phase of the veterans'-aid program recently broached by President Roosevelt is directly related to social security—temporary unemployment compensation to all men and women of the armed forces who may be unable to get private employment immediately after the war. There is questioning as to whether another phase—disability benefits for those physically injured in the war—belongs in a social-security bill. Hence the possibility of separate legislation, which would take jurisdiction over all kinds of public benefits for the armed forces.

The Social Security Board holds that still another part of the general subject—protection of the retirement benefits built up in private employment by men and women now in the armed services—would be an appropriate part of an over-all extension of social security.

[From the Washington News of September 28, 1943]

FIGHT FOR SECURITY  
(By Fred W. Perkins)

American social-security experts do not like the cradle-to-the-grave tag that has been applied to the Beveridge plan in Great Britain.

They hope it will not be stuck on the great expansion of the social-security system that is projected in this country.

The American plan, as embodied in the Wagner-Murray-Dingell bills now pending in Congress, does not cover the full territory between the cradle and the grave, but some people have that impression because it includes a new provision of maternity insurance for working women, and also a number of proposed departures in Federal provision of health and hospitalization insurance.

Expansions formally recommended by the Social Security Board (in its seventh annual report to Congress) would provide:

1. Social-insurance protection for everybody who depends on wages or salaries (and for the self-employed also so far as possible), adding about 20,000,000 to the present coverage of 40,000,000 persons. Regular insurance benefits would partly recompense the worker and his family when—

(a) He loses his job and is temporarily unemployed.

(b) He is unable to work while temporarily or permanently sick or disabled (with some provision for hospital care for the worker and his family).

(c) When he is old and no longer at work.

(d) When he dies.

2. The cost of this insurance to be met through contributions from workers and their employers into one national insurance fund in the United States Treasury.

3. Assistance to all needy people who have no means of support through the Federal-State public-assistance programs under which monthly payments are now made to the needy aged, the needy blind, and dependent children.

The Wagner-Murray-Dingell bill goes beyond these recommendations in some particulars. It is thus summarized by the American Federation of Labor, one of its principal backers:

1. It broadens coverage to include millions of agricultural and domestic workers, self-employed persons, lay employees of educational and religious bodies; also, by request, hourly employees of the Tennessee Valley Authority; also, under voluntary compacts, employees of local and State governments.

2. It grants unemployment-insurance compensation to all members of the armed forces who may be unable to find jobs in private industry after the war, and disability benefits for those physically injured in the war.

3. It would provide health and hospitalization insurance for the first time.

4. Also, for the first time, it would set up a system of temporary and permanent disability insurance.

5. It offers maternity insurance to working women.

6. It would extend health insurance and other benefits to the dependents of beneficiaries.

7. It would set up a uniform national system of unemployment insurance, to replace the present State-Federal system, and with extended benefits.

8. It would increase the maximum old-age survivors' and permanent-disability benefits from \$85 under the present law to \$120 a month.

9. It would provide a broad system of national employment offices to assist employers in finding workers for jobs, and to help workers find jobs.

To finance the program, the bill would levy a 12-percent tax on pay rolls, to be shared equally, 6 percent by the employer, 6 percent by the worker. The tax on employers would anticipate the 6 percent which goes into effect in 1949 under existing law. The tax on employees, which is to be 2 percent next year and 3 percent in 1949, under the present law, is sharply increased to help cover the cost of materially greater benefits.

An important recommended change, aiming at economy as well as convenience, would

create a single national social-insurance system with only one contribution necessary for all the insurance provisions, thus requiring single payments by employers and workers, only one wage record for each worker, and one local office to serve all employers and workers.

[From the Washington News of September 29, 1943]

FIGHT FOR SECURITY.

(By Fred W. Perkins)

If you are 1 of about 40,000,000 American earners of wages or salaries, you have a social-security card that promises you an old-age pension after you are 65 and retired—not enough to maintain you in country-club style, to be sure, but enough to avoid the drab necessity of going on the county.

But if you are 1 of about 20,000,000 other Americans, also working, you do not have such a card or promise, because when Congress enacted the Social Security Act in 1935 it excepted—a number of large classes of employment.

In the present effort to extend the Social-Security System, one objective is to bring the missing 20,000,000 under the old-age insurance plan, which not only guarantees payments to the retired worker himself but provides for payments to his family after his death.

Under the present law, the old-age and survivors' insurance plan covers business and industrial jobs—that is, those in factories, shops, mines, mills, stores, offices, banks, hotels, restaurants, laundries, telephone and telegraph offices, and other places of business or industry operated by private firms, corporations, or individuals.

The broad classes at present excluded from these benefits, and which social-security advocates hope to bring in without unnecessary delay, are agricultural labor, domestic service, public employment, service for non-profit and Government institutions, and self-employment.

Today a printer who works for a commercial publishing company is covered. Also a janitor who sweeps out a grocery store, and a stenographer employed by an industrial concern. But a printer for a religious organization is not covered. Neither is a janitor in an educational institution, nor a stenographer for a charitable group.

Agricultural and domestic workers were left out largely because the periodic and sometimes itinerant character of their employment was believed to make it too difficult to report their wages and collect taxes on them. It is now believed that this problem can be met successfully through the stamp-book plan adopted in Great Britain and other countries. The employer buys wage stamps, and when he pays off his help he deducts for the proper amount of stamps. The stamps are placed in the worker's stamp book, and when the book is full it is deposited with the social-security office and credited to his social-security account.

An apparent injustice to farm and domestic workers is that they frequently shift over for short periods into employment that is covered by the old-age insurance system. They are required to pay into the system, but in many cases they return to the noncovered occupations without having built up enough credits to entitle them to benefits.

A main reason for exclusion of employees of nonprofit institutions (including religious, charitable, educational, scientific, literary, and humane organizations, and students and student nurses) was the belief that many were already covered by private pension plans. But the Social Security Board has now found that this is true only with respect to one-third of workers in these classes.

It says that "a fourth of the regular clergy are without retirement protection; retirement plans of at least 15 religious organizations do not cover their lay employees; jan-

tors, charwomen, telephone operators, and other maintenance staffs of educational institutions seldom receive the benefits to which professional staff members are entitled."

It is pointed out also that private pension plans usually provide only retirement benefits for the employee, with no further provision of benefits for his family.

Many nonprofit institutions and their employees have changed their views on this subject, says the Board, which recommends that social-insurance protection be extended to them but with a provision against loss of other kinds of protection they now hold.

The self-employed group in the United States, estimated at 11,000,000, is made up mostly of independent farmers or businessmen, but includes also such extremes in economic status as professional men, on the one hand, and persons who make a living by renting rooms, dressmaking, selling magazine subscriptions, taking in washing, and selling newspapers at street corners. Many low incomes are included, and the Social Security Board has found other reasons why they need social insurance as much as the people attached to a regular pay roll.

As to governmental employees, the Social Security Board reports that only about half of those in the State and local agencies are covered by public retirement systems, and that in the Federal service large numbers of civilian war workers may lose the protection they earned in private employment without acquiring comparable protection in their Government jobs. The Board's recommendation is that full coverage be extended to these groups without harm to any protection they now have.

[From the Washington News of September 30, 1943]

FIGHT FOR SECURITY  
(By Fred W. Perkins)

The Wagner-Murray-Dingell bill, now pending in Congress and proposing a great extension of the Social Security System, uses 19 of its 90 pages to outline legislatively what it calls "Federal medical, hospitalization, and related benefits"—an enterprise which some opponents describe as socialized medicine, and which an unfriendly organization of physicians calls totalitarian medicine.

This is probably the most controversial part of the bill. Its advocates see in it a blessing for the millions of low-income families whose members delay or neglect visits to physicians and hospitals because of the cost. Its foes say it would abolish private medical practice and set up a vast new bureaucracy under which the head of the Public Health Service, with \$3,000,000,000 a year to spend, would eventually become the employer of all the physicians in the country and the controller of all hospital beds.

However, doctors are divided. Some nationally prominent physicians support the general principles of this proposed legislation, and through their Committee of Physicians for the Improvement of Medical Care, Inc., have said it "provides a framework and a basis for discussion from which it is sincerely hoped that a constructive program for improved medical and health care of the American people may be developed."

Dr. George E. Bigge, Social Security Board member, says: "There is nothing in our recommendations or, so far as I can see, in the Wagner-Murray-Dingell bill, which would in any way affect the doctor or the hospital in their relations with their patients. The purpose of the proposal is simply to make sure that patients will have the money with which to pay their bills. I can see no reason why any physician should object to that."

The American Federation of Labor description of the proposed new health-insurance program is that it would extend "medical and hospital care to all persons covered under

old-age and survivors' insurance and for their dependents.

"The bill assures free choice of any regularly licensed general practitioner, arrangements for use of specialists' services, and varied methods of remunerating doctors, with emphasis on maintenance and development of the quality of medical care, and provision for grants to aid medical education and research."

The National Physicians' Committee declares: "The provisions are so sweeping that, if enacted into law, the entire system of American medical care would be destroyed."

Says the A. F. of L. committee on social security: "We have no desire to interfere in the scientific matters of the medical profession, in which doctors alone are competent, but we are concerned to make medical care available to those who need it."

As to the other end of the plan, the A. F. of L. committee says: "Voluntary hospitalization covers around 10,000,000 people, while hospitalization insurance under social security should cover something like eighty to one hundred million."

[From the Washington News of October 1, 1943]

FIGHT FOR SECURITY  
(By Fred W. Perkins)

Many Americans subscribe to private insurance policies under which, if disabled temporarily or permanently, they receive regular payments from the insurance companies.

The pending Wagner-Murray-Dingell bill, for expansion of the Social Security System, calls for payments by the Federal Government to the temporarily and permanently disabled—payments out of funds collected partly from employers and partly from workers. The potential beneficiaries would be much more numerous than those who now deal with the insurance companies.

This proposal is backed by the Social Security Board, as well as by the labor and other groups that are advocating immediate extension of social security.

The Social Security Board's position is that permanent disability should be handled as if it were premature old age, while temporary disability should be handled like temporary unemployment.

Says the S. S. B.:

"With only one exception (Spain), the United States is the only country which provides insurance against old age without also providing against the risks of chronic or permanent disability \* \* \*. There is no comprehensive system in the United States providing protection against wage losses due to temporary disability \* \* \*. Twenty-eight nations now provide insurance protection to their workers against temporary disability."

The American Federation of Labor says:

"When a man is permanently disabled his wife and children need help as much as if he had died. No wage earner can afford to buy enough insurance from private insurance companies to give his family the help they require if he becomes permanently disabled. Only social insurance can make it possible for all of us to buy this kind of protection at a price we can afford."

Some complications in benefits for temporary disability are pointed out by the A. F. of L.:

"People who are out of work because they are sick need an income to make up for their loss of earnings just as much as well people need their unemployment benefits.

"Much of our experience with insurance against temporary disability," the A. F. of L. continues, "has come from the trade union or fraternal sickness-benefit societies and from other local sickness funds. In these small employee societies where people were

acquainted with each other the trustees of the benefit funds knew when one of the members was laid up or too sick to go to work, and also when he was well again and able to go back to his job.

"When we exchange the personal relationships of the little group-sickness-benefit plans for the greater strength and security of a national social-insurance system, we have to substitute records for the members' knowledge of each other's affairs. In sickness insurance we have to know that the worker is sick, and not just taking a vacation or plain lazy. \* \* \* For this reason a doctor's certificate of illness is needed, with periodic reports if the sickness continues."

The A. F. of L. also recommends maternity benefits for working women, a proposal on which the Social Security Board has taken no stand.

[From the Washington News of October 2, 1943]

FIGHT FOR SECURITY  
(By Fred W. Perkins)

When Congress gets around to real work on the new Wagner-Murray-Dingell bill for extension of social security, it will expect a visit from State officials concerned about the bill's proposal to federalize the unemployment-compensation system, which is now a Federal-State enterprise.

The State argument will be that federalization of unemployment compensation would mean a further concentration of authority in Washington and a corresponding decrease in the States' authority.

The American Federation of Labor, backing the new bill, is lined up with the Social Security Board in advocating the shift to more Federal authority. The S. S. B., however, recommends that actual administration be "strongly decentralized, with representative advisory committees and appeals councils in all the States."

The A. F. of L. and the S. S. B. join in the view that State administration of unemployment compensation is so lacking in uniformity that a central coordinating agency is demanded.

After-war conditions are cited as probable reasons why the 48 States should not attempt to handle unemployment compensation without regard to the rest of the country; a Federal agency, it is argued, would have the broad view.

The same line of thought is back of the proposal for a national system of employment offices, about which there is less argument. Less spending of public money is involved in this case.

Numerous points of possible controversy are involved in the new social-security bill, which will come up first before the House Ways and Means Committee. Final congressional action on all phases of the measure can hardly be expected before the congressional elections in November of 1944.

Little if any opposition is expected for proposals to bring under the old-age pension system millions of agricultural and domestic workers and others not now covered.

There will be much opposition to a proposal that medical attention and hospitals be placed under Federal control. There will be congressional questioning also for proposals to set up a Federal system of payments for temporary or permanent disability of workers.

Despite the possible points of objection, A. F. of L. President William Green, declared:

"This is one of the most important legislative proposals of our times. It fortifies the American way of life against our great internal enemies—poverty, disease, and economic dislocation. Coupled with a program for vast expansion of our peacetime industries, it will constitute a guaranty that the American people will be spared from unnecessary suffering after the war is over.

"The great benefits of this bill are so manifest and so essential as to shame any petty, technical opposition into silence."

Much opposition is expected to center around the objection that social-security expansion should not be attempted in wartime.

"The answer to that," says Arthur J. Altmeyer, Social Security Board Chairman, "is that unless action is taken now there is grave danger that the post-war period will arrive before a well-rounded social-security system can be put into successful operation. It cannot be improvised overnight."

"The extension of social security now would not only not interfere with but would greatly aid in the successful prosecution of the war. The greater sense of security which would result would make the people of this great Nation more effective defenders of democracy. This has been amply demonstrated in Great Britain."

### More for Everybody of Everything

#### EXTENSION OF REMARKS

OF

#### HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, October 15 (legislative day of Tuesday October 12), 1943

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by the Honorable Edward Warren Brown, at Riverhead, Suffolk County, Long Island, N. Y., on Wednesday evening, October 13, 1943, to the Suffolk County Farm Bureau and other farm organizations. Let me add that Mr. Brown is president of the American Unity League, Inc.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We have two wars on our hands—a worldwide military war abroad and a socio-economic war at home.

Since our unpreparedness for war 2 years ago, we have rearmed heavily. We may now reasonably expect victory in the military war. All bets favor the United Nations against the Axis Powers.

The socio-economic war at home, however, has developed intense disunity and confusion, to the extent of threatening our military victory. Politics for the next year is expected to influence the official acts of Government and Congress to provide campaign material for the Presidential election in 1944.

The pressure groups of organized labor, agriculture, industry, finance, and the many interests concerned with commerce and the professions, are battling with Congress, and with each other, for selfish gains and advantages at the expense of all citizens.

It seems fitting at this time to revive the quotation by an outstanding figure in our early history, the illustrious Thomas Jefferson: "Equal rights for all, special privileges for none." Now is the time to organize a national movement which will assure unity of purpose and action.

Such action must be nonpartisan and nonsectarian, and with the aim to achieve genuine social justice and universal social security for every individual, regardless of race, color, and religion.

Otherwise, we cannot foresee the effects of disunity on the home front. Disunity at home usually is the cause of disloyalty on the fighting fronts. It might cause confusion and delays enough to favor the enemy and cause us to lose the military war, the

while we battle among ourselves on the home front, in our own socio-economic war. All signs now point to a multiplicity of group demands and strikes without end.

The kind of national movement I have in mind involves every family. The purposes and objectives of the national movement must be specific and definite, so that every individual will know what he and she stands for as an active participant in the crusade for right living. The incentives must be practical and adequate.

A comprehensive and practical economic master plan is the first essential. It should serve as our guide in our crusade for social security for every income group, from the bottom to the top of our social scale.

Please permit me to summarize our objectives for you by the reading of a pro forma full-page newspaper ad, which should be inserted by patriotic citizens in every community, to arouse the desire and determination in everyone to their duty toward their families and neighbors, and, also, to take the action recommended from purely self-interest motives:

"I firmly believe you, and every American, owe to yourself and to your family the opportunity to read the message of the surplus-wages system.

"This system is a new method of creating a new national income to pay for the war and to reduce war taxes now, and after the war, thus assuring more for everybody of everything.

"As a democratic people we need this self-help method to aid our Government to win the war quickly, and to save many lives; to provide the means for continuous employment for every American; to realize the American prosperity brand of genuine social security—not the foreign poorhouse type of the dictators. The bases for my convictions are these:

"That a majority of the citizens must organize for this purpose to apply this, or any other, self-help method to our everyday ways of living, of working, and of doing business;

"That before real social security and lasting prosperity come, there must come a moderate reconstruction of our social order;

"That there must be no industrial, financial, or political revolutionary tactics used to accomplish our purposes;

"That we must hold fast to present constitutional and democratic principles of liberty and civil rights in any modification of present methods;

"That a majority of American citizens must unite and act upon a comprehensive program, which must provide reciprocal benefits between all economic groups, and at one and the same time, without sacrifice by any one group to benefit another group;

"That our action, methods, and agencies must be nonsectarian and truly patriotic;

"That otherwise we will continue to pay the penalties experienced since 1929 and the depression years. When peace is declared, no one wants to see the return of the conditions prior to the present war. Then about one-third of our families were on the poverty danger line, through no fault of their own. They were ready, willing, and able to work.

"After the war, we will come to that again unless we organize and prepare to put all to work on private pay rolls assuring wages, salaries, and incomes which safeguard the American standard of living.

"America's distress prior to the war was due to managerial incompetence and economic inadequacy—inequitable distribution of the national income—insufficient individual incomes denying 'right living' to more than two-thirds of us.

"With America's great stores of natural resources, modern farming and manufacturing methods, up-to-date factory plants and equipment, skilled manpower in the arts and sciences and ownership of more than two-thirds of the gold of the world, we lack only unity of purpose by all economic groups and

a sound method of operation to eliminate involuntary poverty.

"An organized, self-regulated, self-disciplined industry within society must succeed where political governments fail.

"With such rich human assets as we possess in America, I am convinced that there is a way to assure prosperity and social security to every American family.

"There is, however, no magic-wand or sweepstake-ticket route to our goal. Government has tried this but its many billions of money magic have failed.

"If we will recognize these facts, and organize properly and effectively for the big job ahead, I am confident we will succeed with the surplus-wages system.

"So I appeal to the good people of America, whether or not they are now employed, and however confident they are of their future, to wake up to the dangers we will face when the military forces of the world demobilize and bring about another critical economic situation.

"Read the message of the surplus-wages system in the book published by your own organization, the American Unity League, Inc. By doing this today you will serve your Government in the conduct of the war to a quick victory through unity of purpose and action by Americans of all income groups.

"And in addition to our own needs, do not forget that America must be strong and produce more and more for years to come to help the nations of the world in distress. We are the only hope for a war-torn world.

#### "THE SURPLUS-WAGES SYSTEM—WHAT IT MEANS TO YOU

"Farmers are assured adequate net incomes and expanding markets; workers are assured steady jobs at increasing wages and salary scales; old folks, freedom from economic insecurity and ample old-age pensions; youth, opportunities and advancement in private enterprises according to ability and ambition; business, steadily expanding demand for products and services yielding reasonable profits on invested capital; investors, safe investments and regular income with profit participation possibilities."

To the farmers and related industries of the country, it should become apparent that the surplus-wages system is a practical means of guaranteeing cost of production, plus a fair return on the capital and services used.

This principle must be followed, to benefit all the other income groups. Otherwise our farm population will have to pay disproportionate prices for goods they need, which they themselves do not produce on their farms. The problem of establishing ceiling and floor prices for farm and industrial products must be coordinated and reconciled to agree with the principles of humanity and democracy, which I again repeat in the words of Thomas Jefferson, "Equal rights for all, special privileges for none."

Now, gentlemen, you may have a mental picture of America's greatest war need—unity of purpose and action—and how the objectives desired by every income group may be realized.

The specific and definite ways and means which are embodied in the surplus-wages system involve many more hours of concentrated thought than we are able to give to their consideration at this meeting.

Therefore, I suggest that every member of your organizations obtain through your secretaries copies of my brochure entitled "War-time Edition—Surplus Wages (A New National Income)," and the sequel to same entitled "Catechism for the Surplus-Wages System."

These condensed outlines of objectives and methods will aid you to understand how your interests will be favorably affected when the system is adopted and applied.

Questions addressed to me at Blue Point, Long Island, N. Y., will be answered as rapidly as facilities permit.