

THE CHATHAM RECORD

O. J. PETERSON
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Chatham county had a soustring rain Friday, though it was not peculiar to Chatham, as it seems to have covered a large part of the State. If it fell in Union county, however, it was a "souger," and not a souser.

THE SERIES COMPLETED

The article in this issue closes our series on economic conditions and trends. The series grew out of an editorial in the issue of May 2, which read by Attorney B. C. Beckwith of Raleigh, brought the request for a discussion of remedies for the condition shown to be confronting the country. Accepting the challenge, we started with an unprejudiced mind to think through the subject and let come whatever grist should be furnished by our thinking mill. If we had hoped to find a panacea for conditions in any form of governmental restrictions, we should have been disappointed. We have simply found what was to be found, we believe. Our pursuit of the subject has been a sane one, we hope, and we feel sure that what we have written will stand the test of reason on the large scale in which our conclusions are to apply. Many specific contradictions may be found, as for instance to the statement that the loan or investment of capital in European countries is practically a gift to those countries, but as a general principle, howsoever novel the proposition, we believe it a logical one. Argument to the contrary would be welcomed. Likewise, the statement that the great insurance business is an economic monstrosity will probably not be readily accepted. But we have tried to go under superficialities, and have not been deterred in expressing a conclusion because it runs counter to generally accepted opinion.

We appreciate the encomiums that have come from some of the brightest minds in the State. Mr. Beckwith himself says that if his challenge is responsible for the series, all our subscribers are under an obligation to him. But we disagree with him there. We have not hoped for the articles to be appreciated by all our subscribers. J. W. Bailey is nearer correct when he says that few will understand or appreciate them, but that that fact should not deter us. In fact, as stated formerly, we are satisfied if two hundred have read and appreciated the articles. That number exceeds the audience of the average minister or political speaker, and is enough to assure the passing on of the thought lines. A fire started in the remotest corner of a grass field may sweep the whole field. Similarly, our isolation does not imply all it might seem to imply. The chief value of the articles are not in their content but in their effect in promoting thinking on the part of others.

COMPLIMENTS MANN'S CHAPEL CONGREGATION

From the North Carolina Christian Advocate the following complimentary reference to Mann's Chapel M. E. church is clipped:
"Mann's Chapel on the Haw River circuit, six miles south of Chapel Hill, is a substantial country church with some of the best people to be found in all the land. Last Sunday afternoon, following a most thoughtful and stimulating sermon by the pastor, Rev. E. A. Brown, this congregation increased the Advocate list by nine new subscribers. This one church more than put the circuit on the honor roll. But this is just what those who know would expect this people to do. They have added Sunday school rooms and so improved the church that one who knew it in other days scarcely recognizes the place. With this young pastor to lead this people ought to accomplish much in that community. It was a rare privilege to be with them once more and renew the acquaintance of twenty years ago."

THE DOG IN THE MANGER WILL HAVE TO BE GOOD

Howsoever correct the Malthusian theory, the saturation point has been thrown back ten thousand years. Malthus when he foresaw the time when the land would fail to support any further increase in population, did not foresee the banishment of the horse and mule and the release of tens of millions of acres for the production of food for men; he did not foresee the harnessing of the rivers and through that means the conversion of the nitrogen of the air into ammonia for the enrichment of the soil, nor the utilization of the by-products of the mines for the same purpose. He did not foresee the improvement in the quality of food plants and the creation of new ones, nor the modern conversion of the very wood of the trees into clothing. The last forty years have instituted a new era, and Malthus' theory is no longer the world's worry. The problem now is to keep consumption up to that point where all may be kept busy—but not for the old-time 14-hour day.

The time has come when a man working half the hours of the old time day can produce enough to satisfy his own needs and allow him much that was formerly considered impossible luxuries. The problem of keeping all busy, then, resolves itself into the problem of securing and maintaining a maximum consumption. The old-time laws of thrift must give way to newer conceptions. There is no need for stinting in a world that may be made to overflow with milk and honey. Stinting through either necessity or inclination, results in a shortening of the demand for the products of the efficiently employed, the shutting down of industrial plants, the amassing huge surpluses of farm products, and in hard times generally.

For the ideal condition to prevail in the world or even in one country, the world must become a unit economically. A stabilized universal currency must be created; all artificial restrictions of trade must be removed; and the industries of every quarter of the world put upon a modern and efficient basis. There is no equity, for instance, in an American missionary's being able to take 25 cents received by an American contributor for a dozen eggs and buying two dozen equally good Chinese eggs simply because of a difference in exchange value of the American and the Chinese money. The real value is in the commodity and not in the money.

A nation that is pauperized by disadvantage in exchange can not become a healthy factor in world commerce. Nor can a country the consumption of whose peculiar, or unique, contribution to the world's needs is curtailed by the hoisting of the price to the consumer beyond the ability of the masses to buy, by the tariff laws of the various countries, become a large consumer of the goods of the countries which thus impoverish her.

Provincial views must cease to prevail before the world as a whole, or even the individual industrial country, can attain its maximum of activity and prosperity. But, like the hope of seeing prosperity come to the masses through the refusal of individuals to reap where they have not sowed, the hope of such a broadening of the vision of the law-makers and the masters of industry must, we fear, be long deferred. The evolution of an idea is slow, especially when it runs counter to what is deemed the interest of the influential groups. Yet the prediction is here made that these two ideals, namely, the conceiving of taking and holding wealth without an adequate return in material or service as dishonorable, and the acceptance of the world as the unit of economic theory and of commercial and industrial development, will prevail before the famous Malthusian doctrine has been demonstrated in effect.

But if the provincial, or na-

tional, conception is to be taken as the dominant one for the period, it certainly betheoves statesmen and political economists to consider if some of the views they hold of national interest are not awry. Of course, a country is advantaged for the time being in having the advantage in exchange rates. But it is well within the province of the national interest to consider the probable consequence of lower tariff levels upon the world market for American goods. For instance, it will be hard to justify the impoverishing of Cuba by an extortionate tariff rate on sugar and the diversion of tens of millions of dollars of American consumers from expenditure for needed American products to pay the extra price of sugar. Why is a dollar added to the income of American sugar producers of more national value than the same dollar going into the coffers of the furniture, clothing, steel, or other American industry? And why should these other American industries, including agriculture, be deprived of the benefit of a full consumption of their products by Cubans because of their impoverishment, professedly in the interest of the American sugar producer?

If self-interest, or national interest, must prevail, let it be an enlightened one. The true national interest will be better conserved in extending the market for goods America can make cheaper than other countries can make them than by undertaking to foster an artificial competition in goods which other countries can produce and market here with less cost in capital and labor.

Before considering the means by which it is possible to secure a more general participation in the bounties of the earth-mother, whose sources of sustenance are so rapidly being monopolized by the few, it will be well to consider two or three economic, though apparently novel, principles. First, the world as a whole can not draw upon the future to any extent. Accordingly, the world is not in debt. Nor is any country in debt except in case of borrowing from other countries, and then in the case of debts due a country like this, whose exports exceed its imports in value, such a debt is practically uncollectible. Similarly, in America all public improvements are paid for. The labor has been done, the material has been provided, and the slate is clean. Not another hour's labor or a dollar additional of capital is required for the future because of the fictional debts which exist. Present and future consumption is that for which provision must be made. The food, the clothing, the labor, the skill, the material, everything used in the construction of the paved highway running hard by this office, for instance, were a draft upon the past and not upon the future.

This principle is cited in order to enforce the idea that the cost of public work is not a draft upon the future, but upon the immediate present, upon the day the work is done. Therefore, there is no such thing as impoverishing a country by the cost of public improvements, so long as the call for labor and material does not jeopardize the supply necessary for the production of the needs of individual consumption. And the experiences of the world war period demonstrate the extent of the waste of energy in normal times. With two millions of the most physically fit called to arms, with other armies providing material for war supplies, including cantonments and vessels, and still other armies engaged in the creation of those war necessities, the rest of the population produced enough to feed and clothe the American population, its armies abroad, and a large part of the people of Europe, and a surplus was found to exist at the end of the war! Only the oil, coal, and other ma-

terials of limited supply and the energy of the injured or enfeebled came over as a drain upon the future.

Accordingly, public work, when put upon a truly economic basis, does not create a drain upon the future, but merely represents a contribution from the excess of time and material of the immediate period. The foregoing being true, public work, the creation and maintenance of any kind of public utility, may be relied upon when men are idle and consumption lags to employ tens of thousands. The number employed need be limited, when the funds are drawn from the excess, only by the needs of industry.

And that there is now an excess of wealth unutilized by Americans is demonstrated by the tens of millions of loans and investments in foreign countries, which, as intimated above, are virtual gifts, since the present scale of exports exceeds the imports, and since a genuine collection of foreign debts must ultimately be made in goods. Settlement in any other medium amounts to little more than it would in the Indians' wampum. Every dollar sent abroad may be used in the purchase of American goods, but when our exports are paying for the goods received from abroad, a dollar sent here will serve to buy our goods but not Europe's. Accordingly, such a fortune as President Hoover's is virtually a gift to the foreign countries from which he derived it.

Goods, then, are leaving our shores that should rightfully be used here, and would have been so used if American consumption had been at the maximum. With the funds invested abroad giving employment to Americans many a family would have good beds and good food who now do not have them, and as the production scheme was not running at its maximum gait, with it speeded up, still a surplus for foreign investment would probably have accrued.

In addition to the wastage of time indicated by the World War illustration, unnecessary duplications of shops and jobs hold another million in what is equivalent to idleness. When two men and two lots of invested capital do what one might do and collect a living for both, one of them would as well be idle or employed in public work. Fortunately, one of the effects of the monopolization of business, of mass production and large-scale merchandising, is to eliminate in a measure this duplication of time and capital. Yet the process must go further before the waste will be in any great degree avoided. Over the same roads in the county wend the oil trucks of the several companies, when if the Standard Oil Company controlled the whole oil and gas business one truck would do the same work. Then, since the combinations and the practical monopolies have gone so far as to exclude competition from the new, the weak, or the little, it may well go further, since the cost of duplication is charged up to the public.

Unnecessary work is an economic loss till the time comes when everybody has plenty of everything. That such a time is not now is only too evident. The writer doubts if there is a comfortable chair in one-half the homes of this county of 25,000 population. That is an indication of the broad demand for goods, a demand that would be active if equality of opportunity for work at an adequate wage was general. The goods are made and given to foreigners, or could be made with production speeded up by the efficient employment of those who are now practically idle through inefficient employment, in duplicated tasks, and in unnecessary jobs, not to mention the actually idle.

But more is needed to bring consumption to a reasonable maximum and there maintain it. As stated above, stinting is an economic evil. It means, too, less joy, less of living, to the stinter. On the other hand, it has been shown that grasping more than one actually needs is the curse of the age, and of all ages. Both evils rise from the same cause,

are due to the same instinct, that of fear of the evil day, the proverbial "rainy day." "Safety first" is the idea that has created both the miser and the money king. The latter looks ahead to provision for a family as well as against the "rainy day" for himself.

As the fear of the future has resulted in the evils that we have deplored, the removal of that fear is the first great task. Millions and billions are being drawn from funds of rich and poor for insurance. The insurance scheme is, in truth, one of the greatest of economic fallacies, and in itself one of the means used in the monopolization of wealth, which has been so frequently shown to be progressing to menacing proportions. The ones who really need insurance most do not have it. Also millions of young people are applying the spare dollars from their income to pay for insurance at the very time they need every spare dollar for investment in a home or a means of living. The millions are piling up in the hands of the companies and form funds which are utilized to further the monopolization process. But so long as the fear against which insurance provides exists, it is only the foolish or the unfortunate that does not have it.

Make living and assure the living that their families will not suffer if they die without adequate property, and the reason for insurance is largely abolished. The same process will also remove the cringing fear that causes stinting, and give the needed incentive to consumption and, consequently, to production. And here we have reached the crux of the matter.

Up to this point it has been shown that the wealth sources of the country are falling into the hands of a very small percentage of the people; that direct governmental interference can not be entirely, or even in any great degree, effective in changing the course of the drift to monopoly; that a great danger exists that, with the sources of wealth monopolized and mass production prevailing upon a modern machine basis, a large part of the population would be without means of livelihood and even the employed at the mercy of the industrial masters; that a moral reformation whereby men would come to deem it dishonorable to take and hold without an adequate quid pro quo would redeem the situation, but that such a change of heart is, unhappily, too remote to meet the threatened crisis.

Further, it has been shown that the earth and its riches belong to the race, and that every earth-born has an inherent right either to share in the sources of wealth, or if they are monopolized by the few to share in the product of those sources. The calf has a prior right to the owner of the cow. And now it is to be shown how the whole populace may still share in the abundance which modern industry and methods should provide.

First, the fourteen-hour day is no longer needed. A six- or seven-hour day will enable twice as many to secure employment in a plant by working double shifts, or if a day and night plant, four shifts might work.

Secondly, public improvements may employ an indefinite number.

Thirdly, a further socialization of the state must ensue which will ensure safety and

comfort, stimulate consumption and its concomitant, production, and thus provide more work, and at the same time make unnecessary the present waste involved in the insurance business with its army of employees and millions invested in business houses, also prevent the withdrawal of funds from small incomes.

The word socialization need not fright anybody. The state and nation have gone far in that direction. Education has been socialized. The state claims it to be its duty to see that every child has an opportunity to secure an education. The public foots the bills. Many of the states have already provided mothers' funds for the care of the widows and children without adequate funds. The state and the nation have long ago adopted the principle of pensions for public servants. England has adopted old-age pensions. England has adopted the principle of paying doles to the unemployed. Accordingly, little extension of already recognized and practiced principles is needed to meet the demands of the occasion.

1. Let the state socialize medicine as it has education. Surely, the normal health of the body is a requisite former to that of the mind.

2. Let sufficient funds be provided in case of disability.

3. Let old-age pensions be provided.

4. Let adequate provision be made for widows and orphans, and for all others become dependent through misfortune.

5. Let employment at a living wage be assured. When one's own efforts fails to secure a job, let him report to the state, and if he can not be located in any private enterprise, let him be assigned to a state job.

6. If it comes to the pass that men can not find employment in private enterprise or in public service, let the unemployed receive a living wage from the state, or an unemployment dole.

As formerly said, it makes little difference who owns the cow provided all get a proper share of the milk. The foregoing scheme applied assures all a share and, in addition, removes that paralyzing fear that so often destroys the efficiency of men and sometimes even leads to suicide. You ask where are the funds to come from. That is easy; they are to come from where they shall be. Remember the alternatives in last week's article were either that the monopolizers of the resources of the earth-mother shall consent to all the earth-children sharing in the wealth derived from those resources or face a revolution. If the milk from the earth-cow has been monopolized by those who think they own her, to their dairy must the state go for the people's share. As stated in the last article, no considerable portion of the people will suffer themselves to be deprived of an opportunity to make a living, or to collect one from those who monopolize the sources of wealth.

As the grabbers today are asking nobody's permission, so in the crisis that looms ahead the people will not consult the pleasure of the monopolizers. Yet nobody will be deprived of anything he needs. On the other hand, no one will be suffered to play the dog in the manger while the ox starves. He will have to be a good doggie.

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