

Stop That Welfare State

BY HENRY BERNE

A SUGGESTION that business take the initiative away from the government in providing welfare and security for its employees is brought forth by Russell W. Davenport in the current issue of "Fortune."

In his article entitled "The Greatest Opportunity on Earth" Mr. Davenport calls attention to a trend in the United States that runs parallel with the socialistic trend in Britain and Europe. He points out that the mounting tax-excess required to meet welfare costs, the rigidity of the economy, the destruction of open markets and the growth and concentration of government power are leading to socialism.

As an alternative to the "welfare state" Mr. Davenport suggests that business can provide the necessary elements for the "right of life" as embodied in the Declaration of Independence. He maintains that this right means more than merely the opportunity to breathe, but has an economic connotation. The principle underlying this conception of "the right to life" is "to protect the worker, at the economic level, from risk and human vicissitudes that could otherwise ruin him. Through such measures he is given a chance to live in his society on a continuing basis and in a confident way."

THIS CONCEPT is in line with the idea of decency that is included in the American way of life.

Its maintenance and implementation is also one of the best arguments in favor of our system as against those of other, less free, nations in the world.

Various companies in Cincinnati have plans through which they are trying to accomplish what Mr. Davenport advocates. One of the most outstanding programs, both in its aims and in its practical effects, is that of the Proctor & Gamble Co. We can trace it briefly here as an example of what can be done and is being done by certain companies. However, the officers of P. & G. are quick to point out that their particular program is not the cure-all for every company, nor that it is the only plan that is worthwhile. They do, however, feel that it may serve as a model for efforts by other firms to work out plans for themselves.

First of all, and probably most important, is the company's policy of stabilized employment. Basically, the company guarantees an hourly-rate employee 48 weeks work, or its time equivalent, in the calendar year. Included in the 48 weeks are paid vacations, holidays with pay and time lost for personal reasons emergencies, etc.

Stabilized employment was not achieved overnight at P. & G.; but, through a carefully worked out process of even selling, good storage facilities and, thus, even production, it was made possible. The theory behind the program was that soap and shortening are consumed evenly all year 'round by the housewife. Therefore, there must be a way to produce them evenly and reduce the waste of plant and the turnover of labor.

PLANT CAPACITY has been reduced from 140 per cent of demand to 105 per cent. An article in "Printers' Ink" points out that if the company still had to maintain that extra plant capacity to meet the demands of "feast and famine" production, an additional plant investment of \$100,000,000 would have been needed.

Labor turnover has been reduced greatly. In 1919 the plant at Ivorydale had 1,250 separations resulting from layoffs, in 1920, 1,116. But, when stabilized selling was started in 1921, the separations fell to 430. In 1923, the year when guaranteed employment was inaugurated, only 106 men were separated and in 1924 and continuing to the present, no permanent employee has been laid off. Trained employees, and improved morale bring savings that are difficult, if not impossible, to compute in dollars and cents, but the officials of the company feel that they have been great.

A SECOND FEATURE in Proctor & Gamble's program is profit sharing. The company and the

employees each make contributions to a fund which is administered by a board of trustees, appointed by the company. Another fund is set up to which the company alone makes contributions. A share of the profits of the company goes to each employee who participates in the plan.

Thirdly, the company maintains a pension plan by which it supplements Federal old age benefits. Beginning on January 1, 1948, the company began to contribute, quarterly to the pension fund, 5 per cent of the base wages or salaries of all participants in the plan and is continuing to do so for 10 years. Thereafter the contribution is to be 3 per cent. This plan, too, is administered by a board of trustees appointed by the Directors of the company. A death benefit of \$360 is paid to any beneficiary the participant may name.

A disability benefit plan is maintained. The fund of this plan receives contributions from each participating employee at the rate of 1 per cent of his yearly aggregate earnings, to the limit of earnings amounting to \$3,000. The company also contributes to the fund. For the first year of disability the fund pays the employee at the rate of 66 2/3 per cent of his wage rate at the time of disability, not to exceed \$2,000. The second year, benefits are 50 per cent. If the disability continues after two years a graded scale of benefits is paid, the amount depending upon the employee's length of service.

EMPHASIS is also placed on working conditions, with both safety and morale taken into consideration. Recreation facilities are provided and employees are trained in safety measures to help them avoid injury while at work.

Richard R. Deupree, Chairman of the Board of the company, in a talk entitled "Management's Responsibility to Employees" before the Alumni Conference of the Harvard Business School in 1948, stipulated what he believed to be the five most important responsibilities of management to employees. They are (1) A successful business—one that earns regular profits. (2) Steady employment. (3) The opportunity of the individual employee to develop to the fullest extent of his abilities. (4) The employee's chance to become a capitalist. (5) Good working conditions.

Mr. Deupree amplified each of these points, beginning with the first. He explained that a profitable business was necessary to employee's benefit and security. Without profits with which to expand the business and, thus, establish new jobs, and with which to pay wages there would be no benefit to the employees.

He enumerated the various plans by which the company extends benefits to its employees. He pointed out that a man who is secure in his job, who is paid according to his ability to produce not only does a better job, but also gains confidence in himself and becomes a better and happier citizen. He can plan on long term projects, such as buying a home and educating his children. Such a man is an asset to a community.

In conclusion, Mr. Deupree said that the most important of all, improved working conditions for the people of America represent the best possible insurance of the continuance of a free man society

and our way of life, which has proved its superiority over any other known to mankind.

Proctor and Gamble's experience proves that there are alternatives to government sponsored welfare and its consequent loss of individual freedom.

THE OPPORTUNITY is here, and there is an alternative to a welfare state, an opportunity to provide more than any total state has or even will be able to provide. Business has to run efficiently to stay in business. The benefits accruing from efficient management of welfare benefits can be much greater than those provided by inefficient government agencies relying upon what some people seem to think is a never ending supply of tax dollars.

Along with industry's contributions, made in the American spirit and made without loss—but with possible gain of profit, some co-operation should be extended by the government, in its fiscal policies. Perhaps an arrangement whereby tax exemptions are granted for at least part of the expense of honest and generous company welfare programs can be worked out.

If management can acquire the confidence of its employees by showing them that the company considers them important as human beings and not as just so many dollars and cents, and if government will put aside certain antimanagement policies when this is done, the greatest industrial nation on earth can move ahead into an era of prosperity and happiness such as the world has never seen. The basis of our democracy will be sound and the envy of it in the hearts of people all over the world will be as effective a barrier against totalitarianism as anything we can produce in the way of arms and munitions.

All this can't happen overnight, but it can happen. If we start now, it may not be too late. —Reprinted from the Cincinnati Enquirer, Sunday, October 9, 1949.

Wolfpack Cagers Favored To Take Fourth SC Crown

Coach Everett Case's North Carolina State College Hardwood Quint Expected To Rule Southern "Roost" Again

RALEIGH, N. C.—For the past three years Everett Case's North Carolina State basketball squads have ruled the Southern Conference with an iron hand and followers of the Wolfpack have come to expect nothing less than a winner at the hands of the grey-thatched little man who hails from Anderson, Ind.

This year finds State once again hailed as the team to beat in the loop case for the hardwood title and Case, himself, is willing to admit that his 1949-50 aggregation will be a potent crew.

But as optimistic as things appear to be on the surface, Case needs the answer to the problem of reserve strength. True, such as All-Southern Forwards Dick Dickey and Sam Ranzino pro-

vide the Pack with the front-line scoring punch and the five other letter winners, Centers Warren Cartier and Paul Horvath, Guards Joe Harand and Vic Bubas and Forward Charlie Stine look like enough material to make the Wolfpack a shoo-in for the conference flag.

Case, however, has been deeper in reserve materials in previous years and in many instances these reserves have played key roles in seeing the Wolfpack through their long-season grind. This season the reserve material must come from the ranks of five promising sophomores and while each is a clever player in his own right they each lack the knowledge of the Case-system, which is an intricate part of the Wolfpack's successful attack.

Four lettermen are gone from the 1949 title team. Forward Jack McComas passed up another season of eligibility to sign a professional baseball contract and Center Bob Hahn has inked a pro contract with the Chicago Stags of the National Professional Basketball Association. Guard Bob Garrison transferred to the University of Tennessee and Guard Norman Sloan gave up the hardwood game to try his hand at football.

Thus Case must fill the shoes of four reserves with sophomore talent. But the picture is one of optimism.

From the 1949 frosh team which lost only once in 17 games,

Case has Forwards Bob Cook, a 6-4, 205 pounder from Columbus, Ind., and Joe Stoll, a 6-2, 165-pounder from Princeton, Ind. Both averaged 15 points per game as youngsters. At the guards Case has clever Lee Terrill, a six-footer from South Orange, N. J., Pete Jackmowski of Brooklyn, N. Y., and Harry Johnson, a set-shot artist from New York City.

If the reserve materials measures up State will be tough, if not, the Wolfpack might have a rough time retaining its conference title. The Pack has already opened their defense with a trio of SC victories.

Body Of Woman Found On Road

Mrs. Rosa Bell Hall Of Fayetteville Is Victim Of Tragedy In South Carolina; Husband Arrested

MYRTLE BEACH, S. C.—The nude body of a woman, scratched and bruised, was found on an ice-glazed highway Thursday and police arrested her husband after

hearing that the two had been in an all-night drinking party. The woman as Mrs. Rosa Bell Hall, about 30, of Fayetteville, N. C. She apparently had knocked unconscious and was on the road to die of exposure, coroner said.

Deputies arrested Charles W. Hall, in nearby Myrtle Beach. Another man, James W. Hall, was also picked up. Both were held as material witnesses, officers said.

Deputies said they were at a drinking party with other persons, near a church in rural Myrtle Beach. Hall admitted he was at the party but denied any connection with his wife's death.

The sheriff's office at Myrtle Beach is quoted as saying the woman was found out of a parked car on road and left there, unattended and stripped of her clothing. A bus driver, J. J. Hall, found her body as he was en route to pick up children for their classes.

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CATHOLIC INFORMATION

A Merry Christmas To You And Yours !

Merry Christmas! It's easy to say it; and it's easy to mean it when we say it to you, our readers.

We, your Catholic neighbors, feel that we owe you much for the reception you have given our little messages in the columns of this paper week after week—for the encouraging words of goodwill and interest which we have received by letter and word of mouth.

We feel sure that you now understand more about your Catholic neighbors and how they worship than you did before the commencement of our labor of love. We believe that you consider us people sincere in a faith, which, although not your own, has behind it goodness, authority, and reason which command, at least, respect. We are convinced that by

now you appreciate the singleness of purpose in our work of providing this information, thereby gaining mutual tolerance and understanding; and we think you have likely witnessed with us the good that this has accomplished among religionists of many types in this locality.

So in thanking you for your kindly reception of our articles, we wish to offer to you and to yours our most cordial wishes for a mighty merry Christmas, together with the prayer that you will receive in abundance the blessings and graces which the Christ Child brought out of Heaven for you and for us 1900 years ago.

"Peace on earth" is our prayer, now and always—"peace on earth to men of good will."

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1950 Tax Listing NOTICE

LIST YOUR REAL AND PERSONAL PROPERTY DURING THE MONTH OF JANUARY

All property owners and tax payers are required by law to return to the List for Taxation for the year 1950, all the Real Estate, Personal Property, Etc., which is owned on the first day of January.

All male persons between the ages of 21 and 50 years must list for Poll Tax at the same time, except those exempt by law for physical disability.

All persons to whom the foregoing applies who fail to list their Real and Personal Property, and/or Poll Tax will be guilty of a Misdemeanor and subject to a fine and imprisonment upon conviction.

LOCAL LIST TAKERS WILL POST NOTICE OF APPOINTMENTS IN PUBLIC PLACES—WATCH FOR SAME !!

The Board of Equalization and Review will meet at the Tax Office at Southport on March 20, 1950. Any complaint about valuation should be taken before the Board at that time.

PLEASE LIST YOUR PROPERTY WITH THE LIST TAKERS IN YOUR HOME PRECINCT

W. P. JORGENSEN

TAX SUPERVISOR

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