

# Washington Digest

## Proposes Rural Social Security Minus Red Tape

Simple Stamp Plan Evolved to Record Modest Beneficiary Payments and Avoid Complicated Bookkeeping Duties.

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There are 7,148,422 specimens of wildlife in the United States—not as represented by the recently vindicated Esquire magazine—but big game animals like deer, buffalo and mountain goats. The fish and wildlife service counted them, canvassing the wide open spaces to do it.

Prof. Murray R. Benedict of the University of California has been doing some counting too in the wide open spaces, or at least down on the farm, and he came up with the conclusion that in 1939 more than half the farm owners in the country raised less than \$750 worth of products on their land. Consequently these low-income farmers, and a great many other farmers in only slightly higher income brackets, find it almost impossible to save money toward the time when they can no longer work. They are harassed by a feeling of economic insecurity—the kind of economic insecurity which President Truman recently said was tending to break down family life in this country. Mr. Truman suggested that perhaps we ought to have a "Bill of Rights" for the family as well as for the individual.

Professor Benedict doesn't suggest a Bill of Rights for the farmer, but in a pamphlet entitled "A Retirement System for Farmers" he does suggest that the farmer be included in the federal social security system.

The farmer earning no more than \$750 from the sale of products would be listed as a self-employed worker making an assumed net income of \$400. He would pay into the social security fund 2 per cent of his income each year, and to make the yearly payments a little easier to take, the farmer would use a stamp book, buying social security stamps to paste in whenever he had some spare cash.

Farmers who earn \$750 or more can follow the same procedure. They are given a standard deduction based on how much they earn. For example, those farmers earning between \$750 and \$1,000 get a \$300 deduction; there's a \$400 deduction for the next highest group and so on. They take their deduction, make the simple report of net income, and that's that.

But some farmers may insist that their expenses exceed the deduction allowed them. That's okay with Mr. Benedict. For them, he would provide a separate form so the farmer could list his actual expenses and deduct them.

### Farm Hands Also Covered

All this applies to farm-owners. But perhaps the farm owner, Jake Duncan, has a helper, Tom. Tom is a farm wage-worker, and if Mr. Benedict has his way, farm wage-workers like Tom would be treated much the same as industrial workers, insofar as social security is concerned. That means Jake, the employer would deduct Tom's 1 per cent from his wages, add his own payment of 1 per cent to Tom's 1 per cent and transmit to the government at the end of each quarter, the funds and a certified statement of wages paid.

Here again, Mr. Benedict wants to save Jake, the employer, from long nights spent at the rolltop desk pouring over social security records. He suggests as one way to eliminate paper work, a stamp book system. Tom would get a stamp book from the post office. Each time Jake pays Tom off, Jake would affix and cancel the proper stamps. That's a painless way of recording payments.

Mr. Benedict doesn't think that nine million farmers and farm-workers can be brought into the social security system overnight. Neither does he predict smooth sailing right from the start if they were brought in. It will take time and a far-reaching educational program.

The idea of including farmers under the social security plan is not a new one. Most of the important farm organizations have okayed the idea; both presidential candidates en-

dorsed it in the last election campaign, the social security board last month broached the subject to congressional attention once again, and there is a bill which would accomplish it—the Wagner-Murray-Dingell bill. This bill was sent to the house ways and means committee on May 24, 1945, and it's still there, gathering dust. It is doubtful that the committee will take any action unless some pressure is brought to bear by interested parties.

Of course, there is opposition to the idea in some quarters. Some persons who oppose including farmers, and other workers not now insured, advance the nation-can't-afford-it argument. They say that as more and more persons in occupations covered by social security reach the retirement age, the amounts paid into the trust fund aren't going to be sufficient to pay them off, unless the treasury digs down and adds public funds.

In 1939, the lawmakers thrashed this out and came up with a plan to make the fund continuously self-supporting. They decided to make the contributions high enough so that the government would not have to help out. They agreed to keep the present 1 per cent from employee and 1 per cent from employer rate until 1943. After that, they'd increase it to 2 per cent each; then to 2.5 per cent; then to 3 per cent from 1948 on. However, congress deferred the rate increase during the war, and hasn't ever gotten around to upping it. Unless rates are increased, undoubtedly the treasury will have to shell out in future years, when the system gets into full swing. And if farmers and other presently uninsured workers are brought in—undoubtedly the treasury will have to shell out more.

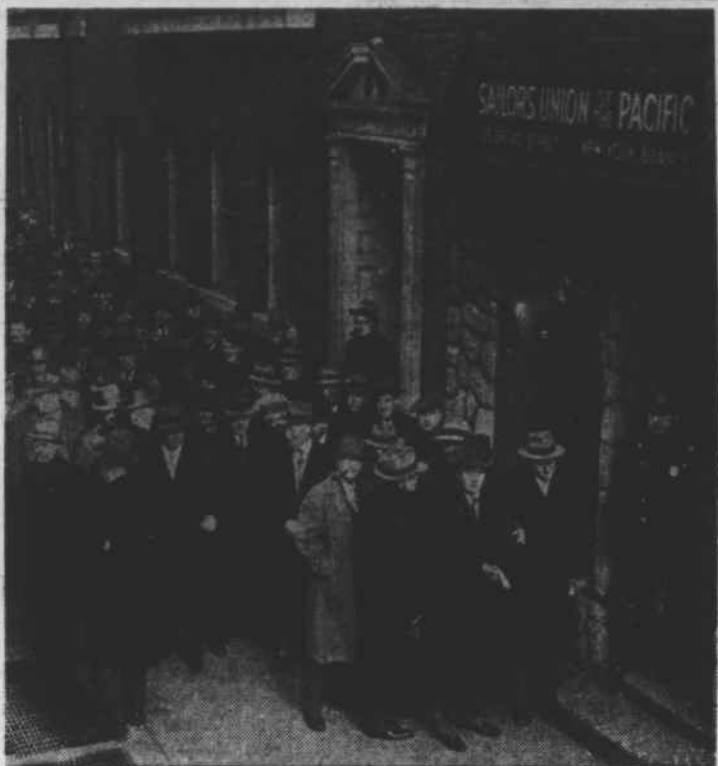
### Other Aid Now Tops Billion

Consider what the government is already handing out to support aged persons not covered by social security. The costs of old-age assistance and aid to dependent children from 1933 to 1944, to the country, added up to a tidy billion dollars. And costs will continue to go up as the average age of the population rises. All of which means the government has dispensed almost a billion dollars in charity to persons who might, had they been able to make regular social security contributions during their working years, have been able to get along without such charity.

Other opponents foresee the farmer bogged down in an avalanche of government questionnaires, financial reports, lists, ledgers and statistics, should he be made a participating member of the social security system. But under Mr. Benedict's plan, the farmer's duties to his government where social security is concerned are a minimum. He won't have to keep detailed farm records. The reports he does have to make are simple ones. As a matter of fact, if he uses the stamp plan to take care of his employee's social security payments, he won't have as much paper work as industrial or professional employers have.

Still another argument is advanced by people who predict gloomily that if workers are assured of a regular income from social security after retirement, they won't work; they won't save during the years they can work.

Mr. Benedict thinks that argument is as ancient as the reconstructed dodo in the Smithsonian institution. Social security benefits, as set up now, will certainly not buy retiring oldsters any mink coats or Cadillac coupes. The benefits are very modest ones. Any sensible person can see he'll have to have some other resources besides social security if he wants to live at any level above the barest minimum of subsistence when he reaches retirement age. He'll save money, try to accumulate property, perhaps carry private business insurance too. But if he can't save, and it's not only the farmers who can't, social security benefits in later years may keep him from becoming a public charge.



**TUGMEN VOTE ON COMPROMISE . . .** The 10-day tugboat tieup that shut off fuel supplies in New York City and curtailed nearly all business activity ended when the owners of the 400 tugs and the union agreed to arbitrate before a three-man board. Members of the union are shown outside their headquarters as they voted on compromise measure to return to work.



**THINK WE'RE GOING TO LIKE THIS PLACE . . .** Showing various emotions these three youngsters, shown shortly after their arrival from England. They will make their homes with their G.I. Dads in California. Left to right: Patricia Conn, bound for San Jose, Calif.; Thomas Hoeker Jr. and Frances Karman, who will both become citizens of Los Angeles.



**'IKE' TELEVISION STAR . . .** Smiling study of General of the Army Dwight D. Eisenhower, U. S. army chief of staff, was transmitted by television from Washington to New York City during the Lincoln memorial services. This was a test of the new inter-city coaxial cable, and proved the possibilities for television photographs for current news events.



**BOBBY HAS POSSUM PET . . .** Bobby Underwood, 8, Detroit, Mich., is always surprising his family by bringing home strange pets. They recently made him get rid of two cats, a rat, rabbits and a rattlesnake. The next day he showed up with the possum shown in his arms. Bobby's two-year-old dog does not intend to associate with a possum, according to his tilted chin.



**ICKES TAKES A WALK . . .** Harold L. Ickes, the "Old Curmudgeon," resigned from President Truman's cabinet, with bitter attack on California oilman, Edwin W. Pauley, nominee to naval post. Ickes warned of new "Teapot Dome."



**TASTES LIKE BREAD . . .** Clinton F. Anderson, secretary of agriculture, who recently issued dark bread order, is shown as he tried out the new 80 per cent rate bread. He says it looks and tastes like regular bread.



**REMAIN FOREVER . . .** Reports from Japan indicate that Emperor Hirohito will remain the permanent head of the Japanese government. Photo shows him in one of the few pictures in which he wore civilian attire.



**SOUTH ELECTS WOMAN . . .** Mrs. Helen Douglas Mankin, who was elected as Georgia's first woman representative in a special election to fill the unexpired term of Robert Ramspeck, who resigned. She won over 18 candidates.



**BLOLOCK YOUNGSTER . . .** Corky Emch, 2, Toledo, Ohio, who has been taken to Boston to undergo the famous Blolock operation. Doctors discovered that he had no vein leading from his heart to his lungs.



### STEEL CARTEL FILES

WASHINGTON.—Dozens of G.I. investigators have been working since the shooting war stopped to help win another war. This is a war against international big business, which recognized no national boundaries, which used countries only as market divisions for its products, and which at one time aided Hitler, Mussolini and Hirohito just as much as it did France and England.

What the G.I. investigators have uncovered in Germany is a tribute to Nazi thoroughness and to the gullibility of American big business. For what it amounts to is a world plan by which Germany expanded its industrial capacity for war while simultaneously curbing the industrial capacity of this country and other potential enemies.

And the names of the same men who have been dickered with Truman over steel—Ben Fairless, Eugene Grace, et al.—have turned up in European files as part of the cartel which unwittingly played into the hands of the Nazis. It is a story which the leaders of the steel industry would like to forget. But the justice department hasn't forgotten it.

American participation in the steel cartel was decided upon as late as 1937—when there was no longer any doubt regarding Hitler's warlike intentions. By that time he had already invaded the Rhineland, showed his hand by sending arms to Franco, and boasted openly in speech after speech that Germany would dominate Europe.

The steel cartel files, seized in Luxembourg, reveal that S. M. Bash of Bethlehem Steel and A. G. Mundle of U. S. Steel took the initiative in binding their companies to the cartel. Four months later an agreement to divide up world markets was reached.

### ANTITRUST ACT

The steel barons were careful about the Sherman antitrust act, however, and the minutes of the June, 1937, meeting reveal that no written agreement regarding U. S. markets was concluded.

In February, 1938, a delegation of European steel men came to the United States. "Our representatives," the Luxembourg files showed, "obtained a very clear declaration of responsibility for the agreements from" Messrs. Eugene Grace of Bethlehem Steel, Ben Fairless of U. S. Steel, Rufus Weyer of Republic Steel, Frank Purnell of Youngstown Sheet and Tube, M. Hackett of Jones and Laughlin Steel, Charles Hook of Arco International, William Holloway of Wheeling Steel, Robert Wolcott of Lukens Steel, and Ernest Weir of the National Steel corporation (Weirton and Great Lakes steel).

Also included in the American group were Inland Steel, Newport Rolling Mills, Pittsburgh Steel, Otis, and the Allan Wood company.

### RACE FOR WAR

What the steel barons agreed to was not only a division of markets but arrangements for price-maintenance. Quotas were set regarding the total production of each participating company, with fines levied against the firm if it exceeded its quota.

However, here is the pay-off. The Germans always exceeded their quotas, after which they politely paid their fines and then kept on speeding their output of steel in the race for war. Meanwhile, American and British firms stayed within their quotas and kept down their war machine.

In contrast with the Germans, American firms, when they exceeded their quotas, were contrite and apologetic. For instance, here is an item from the steel cartel minutes of April 18, 1939, which read:

"In regard to a recent shipment by the American group to Belgium, i.e., a home market, the American representative stated that he was taking this matter up with his group in order to avoid a recurrence."

How the cartel worked is also illustrated by a cable sent by Eugene Grace of Bethlehem Steel to Sir Charles Wright in London, dated January 12, 1938, which read:

"Glad to have your message and talk with Elliot. I feel sure there will be no question about performance of member companies. Our only difficulty will come from outside and uncontrolled interests. It will be our hope to protect prices and bring all influence possible on uncontrolled interests."

### CAPITAL CHAFF

Bob Hannegan will soon launch an all-out drive to get the President's legislation, program passed on Capitol Hill. Hannegan's first target will be the minimum wage bill increasing minimum wages to 65 cents an hour. . . . President Truman has begun a major shake-up of the White House staff. The first to go was George Allen who becomes an RFC director. Next will be another Mississippian, the President's naval aid, Capt. James Vardaman Jr., who will become a member of the Federal Reserve board.

## CLASSIFIED DEPARTMENT

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Manufacturers! Circulars mailed. Guar. mail order buyers. \$1.50 per thousand. Each and below. Commission circulars accepted. Wm. L. Franklin, Box 342, Rock Hill, S. C.

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Happy Relief When You're Sluggish, Upset



WHEN CONSTIPATION makes you feel punk as the dickens, brings on stomach upset, sour taste, gassy discomfort, take Dr. Caldwell's famous medicine to quickly pull the trigger on lazy "inners" and help you feel bright and chipper again.

DR. CALDWELL'S is the wonderful senna laxative contained in good old Syrup Pepsin to make it so easy to take.

MANY DOCTORS use Pepsin preparations in prescriptions to make the medicine more palatable and agreeable to take. So be sure your laxative is contained in Syrup Pepsin.

INSIST ON DR. CALDWELL'S—the favorite of millions for 50 years, and feel that wholesome relief from constipation. Even finicky children love it. CAUTION: Use only as directed.

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feel old? back ache? SORETONE brings quick relief for muscle pains

due to fatigue, exposure, colds or overwork. Contains methyl salicylate, effective pain-relieving agent. 50¢ and \$1.00 Money-Back Guarantee Made by McKesson & Robbins or Sale by your druggist

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WHEN Functional Nervous Disturbances such as Sleeplessness, Crankiness, Excitability, Restlessness or Nervous Headache interfere with your work or spoil your good times, take

Dr. Miles Nervine (Liquid or Effervescent Tablets)

Nervous Tension can make you Wakeful, Jittery, Irritable. Nervous Tension can cause Nervous Headache and Nervous Indigestion. In times like these, we are more likely than usual to become overwrought and nervous and to wish for a good sedative. Dr. Miles Nervine is a good sedative—mild but effective.

If you do not use Dr. Miles Nervine you can't know what it will do for you. It comes in Liquid and Effervescent Tablet form, both equally soothing to tense and over-wrought nerves. WHY DON'T YOU TRY IT? Get it at your drug store. Effervescent tablets 35¢ and 75¢. Liquid 25¢ and \$1.00. CAUTION—Take only as directed.

## BARBS . . . by Baukhage

While the troubles of this world continue, our scientists insist on borrowing more, even if they have to go to the moon to do it. I suppose as soon as the United Nations abolishes war, we'll begin to have trouble with the Martians, and it will take another couple of millennia before we get the United Planets to sit down and talk things over peacefully.

During the senate questioning of Edwin W. Pauley (nominated for undersecretary of the navy) former Interior Secretary Ickes managed to anoint Pauley's head with oil—and not in the biblical sense.

Better Mouse Trap department: Latest invention . . . a comb that sprays hair tonic as it combs. Only the bald can live the simple life.