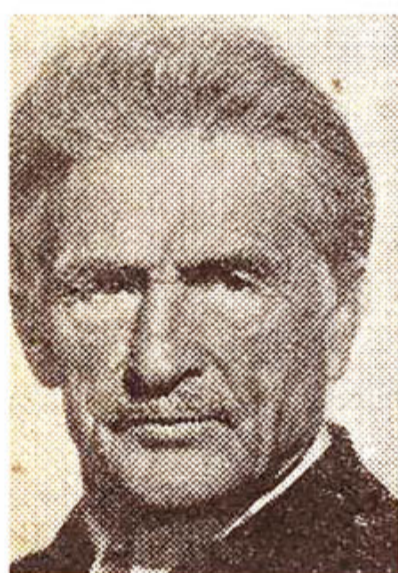


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Unparalleled Catastrophe -if the Government Takes Over Industry



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One of our New Deal officials stated in a recent address that it was up to industry to take care of the unemployment situation . . . that big-business leaders had planned the downward trend of business as a lesson to the present administration . . . and that if the situation did not improve, the New Deal was prepared to take over industry.

The present administration has made a ghastly failure of the business management of this government. It has increased the national indebtedness at the rate of five to ten million dollars every day. It has added more than twenty thousand millions to our national debt, and it probably has twenty million or more of our citizens on the dole, or in charity jobs, which is the dole in another form.

Our present national indebtedness is at an all-time high. Never, throughout our entire history, have we faced such a colossal shortage.

We often refer to the spending of a drunken sailor, but the way money has been handed out by this administration could be fittingly compared to the spending of a few million drunken sailors.

And the spending procedure was noted for appalling inefficiency and unparalleled wastefulness, and there was evidence of this ghastly situation in nearly every part of the country.

And now this government that has made such a heart-breaking failure of the management of its own business threatens to take over and manage industry.

Whenever the government takes over any part of industry, that particular business, instead of being a taxpayer, becomes a tax eater; and the expense of running that business, the losses associated with management due to government inefficiency, must be paid by the taxpayers. The tax load we are assuming at the present time in some instances is not far from confiscation, and if this wild threat to take over industry by the government is ever carried out, as a nation we will be facing an unparalleled catastrophe.

Many years of careful training are essential to acquire the ability to become a managing executive in any business, and when we give consideration to what might happen to an enterprise if favorite politicians, minus even the intelligence to run the government business, are placed in a position to direct industry—it is not unlike

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placing office boys in charge of an organization. In fact it might be far worse, because the office boys would have had at least some practical business experience and their decisions might be guided, to a certain extent at least, by their previous experiences . . . slight as they might have been.

The idea of government taking over industry may be a hysterical product of what we term American bluffing, and let us hope this supposition proves to be accurate, for there is no calamity that would be more disastrous than such a move on the part of the administration; for not only business leaders but the millions of workers whose families depend upon industry for health and life would also be affected.

The trouble with the present administration is its inability to learn from experience. It has the cocksure attitude of the inexperienced theorist.

During the first five months of Roosevelt's first administration, before claptrap Socialist theories were introduced, the business of this country improved more than in any similar period throughout our entire history. Wheat increased in value from 55 cents a bushel to \$1.17. Cotton increased from \$6.39 a hundred pounds to \$10.75. Steel production increased from 18 per cent normal to 58 per cent normal. The business barometer increased from 40 per cent normal to 83 per cent normal. Railroad stock increased from 39 per cent normal to 86 per cent normal. Public-utility stocks increased from 67 per cent normal to more than 100 per cent normal. But the upswing of business staggered and stopped for several months with the introduction of the NRA and various other Socialistic legislation.

If there had been intelligent consideration of these astounding figures by the officials of the administration, they would have discarded many of their Socialistic theories.

The miraculous progress of this country was made when government made every possible effort to encourage and not restrict or retard industry, and the continuance of such advancement can be assured if the government will at least learn how to attend to its own business and allow the business leaders of this country the same privilege.

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