

FOR RELEASE AT 1:30 P.M., TUESDAY, MAY 13

"ECONOMIC EDUCATION--OR ECONOMIC DISASTER"

An Address by

The Honorable Owen Brewster

United States Senator from Maine

Delivered before the
Luncheon Session,
Institute of Economic Education
Tuesday, May 13
Lake Shore Club, Chicago

Sponsored by
Public Relations Society of America, Chicago Chapter
and
Medill School of Journalism, Northwestern University

Mr. _____, Mr. Chairman, Ladies and Gentlemen:

I want to thank Northwestern University and the Chicago Chapter of the Public Relations Society of America for the opportunity to address this luncheon session. The life of a Senator is brightened by many invitations to speak before people who are contributing their talent to public affairs and the community welfare. This invitation, however, holds a very special interest for me. "Economic Education-- or Economic Disaster". In those five words, the sponsors of this Institute have selected a theme that is of enormous importance to every American--a theme of momentous significance in a day when it seems that only a well-informed public can possibly bring to a halt the fiscal follies that are swiftly leading the Nation toward economic chaos.

I congratulate the Public Relations profession for recognizing the imperative need for economic education. I congratulate it for taking positive and intelligent action to rally public opinion behind those in Congress who seek to restore sanity and sound principles to the operation of Government. The fact that the public at large knows as much as it does about the economic facts of life is due in very large part to the excellent work of public relations men and women, and to the support they are given by enlightened business and professional and other leaders.

I am told that this Institute is predicated upon a feeling that the Public Relations profession, as the representative of business, industry and the professions, has a great obligation to the public welfare and the common good, an obligation which is inseparable from its obligations to its clients. I consider that the best example of public relations in the public interest that I have seen. Discussions such as those being held in your session today can do a great deal toward reviving responsible individual participation in our local, State and National Governments.

During the very short time I have been in Chicago today, I have had the opportunity to meet only a few of you personally. Yet I do not feel like a stranger here. I feel that I know quite a bit about you.

For example, I know that on the average you and your family pay \$700 annually in hidden taxes--those pernicious little levies that start out on somebody else's ledger and always end up in our bills. I know that nearly 650 of such taxes were included in the cost of your house. That spring bonnet, which was such a bargain, and which looks so handsome on the lovely lady here, carried 150 taxes of which you may be unaware--34 more than your husband's suit. I know that the cost of that loaf of bread that was delivered this morning includes 151 hidden taxes. The egg you had for breakfast accounted for an even 100 taxes. If you cooked it for three minutes, by the time it was ready the National Government had spent \$360,000, of your money, and collected \$288,000 in taxes.

The Government is cooking its golden eggs at a fantastically high rate of speed. It hasn't yet quite cooked its own goose, but it has the oven going full blast.

The problem of tax reform is just one of the many problems in economic education which we face today. It is one of the most pressing--and one that requires more knowledge on the part of the citizen. As the New York Herald Tribune once said about hidden taxes, and I quote: "It is to the advantage of the individual that he sees through the tax smokescreen which the experts have laid down--that he feels the pain of what has been devised to be painless". End of quote.

Inextricably entwined with the problem of tax reform is the problem of Government economy. Already the Federal Government uses up 71 cents out of each tax dollar. And it is seeking more. The National debt stands at 260 billion dollars--nearly a billion dollars for every person in this room! A profligate Government hurts all of us. It depletes our savings; it mortgages our children's future; it lowers our standard of living; it endangers our National defense. It represents a very real, very present problem in economic education.

Congress must accept its share of the responsibility for the perilous situation in which we find our country today. So must the public. Congress must strive to keep the public aware of the economic situation. The public must seek to learn. Democracy requires the active participation of every citizen in the affairs of Government--but only an informed citizen can participate intelligently. There is where you in the Public Relations profession have your greatest opportunity, your greatest responsibility, your greatest challenge. If the Public Relations profession can help to build an informed, articulate public opinion, we in Congress will have a strong weapon with which to face the forces of extravagance, the forces of socialization.

I often have been asked whether there really is any use in talking with or writing to your Congressmen--whether members of Congress actually use recess periods to report to their constituents, and to learn from them what they want Congress to do both for their local areas and for the Nation. Believe me, yes, we do. Congressmen have to be good public relations people or they will be ex-Congressmen. We have a twofold obligation--to listen as well as to speak.

Americans will forgive a man who differs with them, but they will not forgive him for a lack of courage. Americans will select a forthright man who differs with them on some points rather than one who uses weasel words to win support. Unfortunately, there is a class of politician who feels that opportunism and compromise are the tools of political success. Such politicians attempt to be all things to all men. That theory of political survival is fading, I am happy to say. And the theory on which this conference is based--the simple, sound theory of real public service has become the nemesis of political opportunism.

We often hear people express doubt about the real effectiveness of trying to create or mold or change public opinion. Don't ever sell short the power of your voice--if it is backed by real conviction. Don't ever let bureaucrats convince you that the right of petition no longer is yours. That is the route to dictatorship. One place where the public, like Congress, occasionally has failed, was when it has slipped into a feeling of hopelessness, and let its own powers go by default. In today's complex civilization, we cannot afford to be part-time citizens. If we disapprove, we must protest. We must conscientiously and continually watch the operation of our Government. We must keep ourselves well informed on the economic facts of life.

Yes, we in Congress do listen to our constituents. We are grateful for and pay close attention to your letters. I have heard it said that if every American wrote one letter a year to his representatives in Congress, we would not need to fear for our freedoms. Your letter, like your vote, does count. You can take that from a man who is running for re-election.

The Senate of the United States and the British Parliament are the two greatest forums in the world today. Although the policies enunciated there may at times diverge from the direct line of true public opinion, the feelings of the great majority of citizens usually are expressed by their representatives in those two legislative bodies.

In these forums many of the great decisions on international affairs are made even though there has been an unfortunate and dangerous disposition on the part of the National Administration in this country to act without Congressional authorization or consultation in these matters. It is a shameful thing that there are those today in this country who would remove foreign policy from the realm of open discussion, and who would bar it as an issue in the coming election campaigns. The American public is entitled to a full, fair airing of our international activities, and you may be sure they are going to get it.

Congress was conceived by the founding fathers not only as a legislative body, but also to serve as a brake against Administrative excesses and as the people's "hair shirt" for the executive. Just as Congress keyed a great public protest against an earlier Administration's attempt to pack the Supreme Court, so is it today the sounding board for public protest against the current Administration's assumption of inherent and untouchable power to seize private property.

I assure you, ladies and gentlemen, that the majority of the Senate will never stand idly by while any President dons the mantle of "divine right" and attempts to put himself above the Constitution. Only if Congress--and the people--lose or abdicate their powers, will the Executive Department become too strong, too irresponsible to the wishes of the people it serves.

The Senate was created not only to represent the will of the majority, but also, by the distribution of its membership, to give a strong voice to the minority and to prevent the concentration of too much power in one man or in certain areas of population. How well the Senate has measured up to this responsibility, I leave to you to decide. We cannot deny, I fear, that it has failed in some instances during the past two decades.

During the past twenty years, the Congress, in my opinion, often has gone along too willingly in permitting an "emergency" type of Government to exist and to continue. On some occasions, I fear, it may have deserved the criticism that it had become a "rubber stamp" for the executive. Although many of the almost dictatorial actions by the Executive Department resulted not so much from an abdication of power by Congress as from a usurpation of power by the executive, nevertheless, there have been times when we in Congress failed to act as the catalyst which might have produced strong public opinion against such actions.

I sincerely believe, however--and the record proves--that Congress is beginning to reassert its prerogatives. I also predict that after next November's elections you will see a great deal more independence and aggressive leadership on Capitol Hill.

In my home State we refer to common sense and common decency in Government as the "Maine idea". In Washington I have tried to make that my main idea, and together with a steadfast group of legislators have advocated and pleaded for sound economics in the Federal Government. During the so-called rubber stamp era, however, despite the efforts of those in both parties who fought for economy, the Congress continued to authorize millions upon millions of dollars for unnecessary, wasteful expenditures. Now, though, and to its everlasting credit, Congress is scrutinizing carefully the never-ending demands for more and more tax funds out of the pockets of the people.

The problem of Governmental efficiency and economy is, of course, not solely the responsibility of Congress. The people must elect Presidents who believe in such sound philosophies too-- for the executive has great power in fiscal affairs and also has the power of veto over Congressional action.

If the people are to help Congress bring about economy and solvency--and if they are going to elect executives and legislators who recognize that objective--they must know the basic facts about our economic life. All of us must realize that in our complex, modern civilization, we are in much greater danger of spending our way into Socialism, dictatorship and loss of liberty than we are of losing it through foreign aggression.

Have we reached the limit of our economic ability as a Nation, to pay? How much longer can our National economy stand the strain? Should there be a specific limit on the Federal income tax rate?

Some there are who feel that 25 per cent of income should be the statutory limit on taxes. Whatever may be the maximum and proper limitation, it is imperative that we understand the dangers of continuing the philosophy of "tax and tax, spend and spend, elect and elect." Government itself cannot create wealth. In fact, it has reached the point in our time when, by ruinous taxation and wasteful spending, the Government actually is destroying real and potential wealth for all the American people. It is not only great industries that feel the strain. Little business and every individual on a payroll feels the increasing pinch as well.

Bureaucratic Government feeds on those who maintain it. It not only strives to retain its powers; it constantly reaches out for more powers and it continually increases in size. Instinctively, it abhors economy. The aristocracy of bureaucracy is determined by bigness--bigness in size and in expense. As Government grows, the people pay the price in increasing taxes, both direct and hidden--and what comes back to them in eventual services or benefits is tragically disproportionate to the money that originally poured into the Federal Treasury.

The general misuse of the people's money is the result of having too much. We know that individuals can't buy happiness--that a person who acquires too much money too easily is likely to lose a sense of values, a sense of responsibility, the will to work and the will to improve. The same is true of Government. During the past twenty years the Government has been striking it richer and richer, with too little protest from the public and with too few strings attached to the windfall. As a result, there has been not only reckless, unwise spending, but also a dangerous disregard for the fundamental laws of economics.

These are laws which neither a family nor a Government can ignore except at its own peril. These are laws which every citizen can understand as well as he can understand that he can't live on caviar and buy champagne for the neighbors if his income calls for hamburgers and coffee.

It's as simple as that--and you men and women of the Public Relations profession know better than any group in the United States, how to clarify complex problems, how to state them in simple, understandable terms.

That's why I am talking to you today.

Let me give just a few examples of some of the major developments and symptoms which should provide adequate warning of the dangers ahead, which thinking, capable citizens must find means to clarify and discuss and resolve.

In March of 1929 the Federal Government had 587,665 civilian employes. Today the Federal Government has 2,530,891 civilian employes--an increase of almost a full 2 million in the past 23 years.

Furthermore, during March of this year the number of Federal civilian employes was increasing at the rate of about 500 every day.

Think what that means. Look around you. If the Government hiring was done around the clock, by this time today there would be a group of new employes equal to the size of this audience. By the end of the day, the Government would have employed another group of similar size. And that sort of payroll padding has been going on, day after day, for a long period of time.

The American people now are paying nearly thirty per cent of the National income in Federal taxes, and in the past twenty years a total of one-fourth of the National income has gone into the Federal Treasury. In those same twenty years the Federal Government has spent the equivalent of thirty per cent of the National income.

The Federal debt amassed in that twenty-year period amounts to double the assessed value of all real and personal property in the United States. Moreover, on the basis of official Government budget estimates, the National debt on July 1, 1954, will be close to \$300 billion--and all of this, mind you, is happening during years of prosperity.

The budget for fiscal 1953, which was presented in January of this year, will give us the eighteenth Federal deficit in twenty-one years.

The number of people who live wholly or partially off public funds is constantly increasing. About 17 million Americans today are receiving regular payments of one kind or another directly from the Federal Government. An additional eight million are on the rolls of the States, Counties and cities. That makes a total of 25 million persons, who with their families constitute an alarmingly high proportion of the population.

Many very sincere people feel that in spite of this tumultuous growth of Government--in spite of the urgent need to bring under control a bureaucracy running amuck--we should not turn our faces homeward now, but should concentrate on the welfare of the world. No one, I dare say, has more pride in America's role of world leadership, than I. I am fully aware of our Nation's great destiny of helpfulness to its neighbors, and its God-given ability to help. I do not shun our country's responsibilities as a member of the world community. But I do submit, ladies and gentlemen, that whatever form it may take, whatever philosophy it may espouse, no sound and equitable foreign policy can be built upon a weak and inequitable domestic structure.

Destruction of our capacity to maintain decent living standards and freedom for our own people is the inevitable result of excessive taxation and spending, of burgeoning bureaucracy and unrealistic fiscal policy. With that capacity destroyed, how can we hope to withstand aggression from abroad? What will it avail the world if we dissipate our sovereign strength, if we blindly tear away the material and moral solidity that has made America the last great fortress of freedom? No, our greatest obligation to the world is to remain strong.

Remaining strong is in large part the responsibility of American citizens. Sound Government and sound economy, like charity, begin at home. As individual citizens we are close to the grass roots of our Government. As individuals in your home community, you know what costly tax-financed projects are truly necessary, and which ones are not. You can sense the very real concern felt by charitable and religious groups over the way in which the noble work of charity more and more is being discarded and taken over by socialistic Government agencies. The more we turn to paternalistic bureaucracy, the more we dull our God-given incentive to care for our own.

There is a sound, basic philosophy of American Government that every spokesman in this room for a business, a profession, a labor group, an industry, or an institution of any kind should preach every day of his life: "Never go to Government for something you can do for yourself."

Have courage in opposing wasteful Federal expenditures, even though they may be popular among many of your fellow citizens. If we turn all our problems over to Government, then we haven't yet begun to see high taxation--or bad Government--or loss of our liberty.

One of the major reasons that the United States has not gone as far down the road to Socialism as England, is that business, industry, and the professions have sought to earn and maintain good public relations.

Unfortunately, of course, a few members of the Public Relations profession, like some members of Congress, still have only a parochial understanding of their responsibilities. It is one of the great vices of bureaucracy that the taxpayers' money can be misused to propagandize the bureaucrats into even greater power. There are more than 4,000 public relations people employed by our Federal bureaus, and their major purpose in life sometimes seems to be to convince the rest of the country that their bureaus are untouchable, that the Nation would fall, and heaven knows what cataclysm would follow if their precious budgets were trimmed. Fortunately, that is not the public relations conception of all of these highly articulate people.

But in too many cases, the hatchet men of Government make it their business to abuse and malign the business world with its own tax money. They are attacking the initiative system by which we--and they--live. Recently we have had in Congress the sorry spectacle of attempts to hamper industry in its important work of institutional and educational advertising--one of the finest means of communicating to millions a better understanding of economic facts. As you undoubtedly know, removal of such advertising from the tax-deductible classification, has been suggested. Certainly such an act is in no way justified.

Such actions, you in the business world and in education, and in public affairs, should view with alarm. Of this I can assure you: No majority in the Senate is going to keep business from using its own funds to defend its own rights. But public relations people have a great responsibility to maintain the integrity of their profession--to prevent the misuse of the communications media for selfish, destructive ends, or for any use inimical to the public good.

I want to read a statement with which those of you in the profession may be familiar. It appears in the Journal of the British Institute of Public Relations, and is part of a memorandum outlining suggestions for the formation of an International Public Relations Association--a most noteworthy project, by the way. The paragraph I refer to reads in part, and I quote:

"In the government section of society the....information officer....is not an advertising man in government service; neither may he preach a gospel of government propaganda. His task is to give information on the facts and motives of government policy, to avoid misunderstanding and to promote general understanding; not to kill criticism, but to further discussion". End of quote.

Let me repeat: "Neither may he preach a gospel of government propaganda....His task is to promote general understanding; not to kill criticism, but to further discussion".

That is a superb statement of ideals. It is an extension into the Governmental field of public relations a code that is the goal of all high-minded PR men and women in every field. No public relations program serves its client well if it does a disservice to its community. This is the first community-wide public relations conference I have seen. I believe that the objectives of this conference are significant and highly important to Chicago and the Nation. Those objectives indicate that your profession has found it can continue to perform a remarkable job for American institutions--its clients--and at the same time make a solid contribution to the public good. I believe that conferences such as this are the most significant and important move in public relations today, for this pattern discloses a constantly widening horizon and a real understanding of the principles that make all American institutions possible.

Public relations is the youngest of all professions, but no profession has a greater obligation, or a greater opportunity, to advance the welfare of the American people. It can do much to achieve that universal understanding that will bring men of good will closer together than any formal, legalistic organization could ever do.

To you in the Public Relations profession I say: Raise your standards high. Place your code of ethics upon the highest level of human morality. In your role as economic educators, keep integrity and truth as your most precious possessions. It won't hurt business. It will strengthen the most wonderfully wrought way of life the world has ever seen. Without economic education, we shall have economic disaster in this country. But with effective economic education, we can continue free and strong--and as the successful defender of liberty in a troubled world.

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United States Senate

MEMORANDUM

You will note Baxter says "they will be glad to take care of any expense in mailing."

Memo

Pamphlet
form.

From

OWEN BREWSTER
United States Senator

See enclosed is speech
which Turksen inserted
in record May 19. 52

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everywhere, at all times and under all forms of government.

PRINCIPLES OF TOTALITARIAN COMMUNISM

Compare these principles with the doctrine of totalitarian communism. Communism wears a humanitarian cloak and poses as the messiah of social justice. Communism is always concerned with the present, by glowing promises to the people of today of the wonderful utopia of tomorrow. In reality communism is not at all interested in the future. It has given rise to the most reactionary regime of our time. It is based on barbarism, brutality, slavery. Its doctrine is immoral, founded in malice, setting man against man, class against class, and all men against God. The doctrine of communism extends far beyond civil government and political considerations. Communism claims the whole of man: his mind, his heart, his soul, his body. Communism denies to man all spiritual values, his inalienable rights, and his faith. Communism seeks to transform all human beings created by God in His image, into soulless biological units. Communism creates automatons of men and fits them into a military and propaganda machine designed to create and keep operating world revolution. Communism is opposed to all human rights, the free expression of the individual and all fundamental concepts of freedom.

Communism destroys the institution of the family by a police-enforced collective way of life, by inordinate control over the children and their forcible indoctrination in communism, and by setting members of the same family against one another through fear and terror.

Communism abolishes all freedom of expression and of the press. The dictators control all publication and completely suppress all nonconformist movements and efforts. It abolishes the courts of justice, churches, and commercial operations by forcing their measures of Communist ideological indoctrination. The state is the law. The state is supreme. The state cannot be challenged. The state has complete authority over all individuals. The state is all-powerful. The leader of the state, the dictator, is higher than God. He is the master. This is communism.

SIGNIFICANCE OF CONFLICT TO TEACHERS

In view of the fact this philosophy of life is so completely opposed to our freedom and our system of government it is most important that this slave doctrine never infiltrates into our schools. Here is reason enough for the high standards of qualifications which must prevail for those who desire the honor of engaging in the teaching profession. The teaching profession is our first line of defense and we must carefully guard it to make certain it is made up of fine, loyal, able Americans devoted to the free way of life.

Communism is active. It is constantly working, constantly striving to spread like water seeping over dry ground. Communists are always working, always seeking every advantage. It is well to remember that communism thrives on destruction. It does not build. It tears down. Its abundant soil of operation is unrest, economic collapse, poverty, lethargy, and ignorance. If the free way of life, not only is to survive but prevail over this form of slavery we must not permit the soil of America ever to depreciate to the extent it embodies these elements.

Freedom, like communism, to be kept alive must be active. Democracy is an active sort of thing. You must teach it, experience it, live it at all times. You cannot sit back and leave it up to the other fellow and still participate in the workings, operation, and benefits of a democratic form of government. No one is more reprehensible than someone who complains about the evils of our government and our way of life and at the same time does not vote and does not participate in the patriotic activities of citizenship.

MEANING OF CITIZENSHIP

Our democratic form of government is both a privilege and a responsibility. Democracy is a privilege, not a right. It is not inherent. Since it is a privilege, it can be taken away from us. If it is not cherished and kept active and alive it can be lost. Since it can be lost, our form of government is a responsibility which each and every one of us must assume and must measure up to every day of our lives. It must be taught to the youth of the country by our teachers. It must be experienced. It must be lived. If our democratic processes and free institutions should fall into disuse, our country can become the victim of communism and any other ism that is lurking in our path of destiny ready to take over.

For my part citizenship means love for my country and the free way of life it represents. It means the protection of America and for our cherished and precious institutions. It means being alert to danger and a willingness to sacrifice in order to prevent that danger from overtaking us. It means the performance of our duties and responsibilities in a vigorous, efficient manner. It means holding fast to our faith for He who has begun a good work in us will go on completing it. It means we must continually go forward by constantly teaching and preparing our youth in the values of our precious institutions and form of government.

THE ELEMENTS OF THE CHOICE

In order to sharply compare the elements of this great conflict of civilizations, it is well to focus our sights squarely on the target. Under communism the state is supreme. Under our free way of life in America the people are supreme. Under communism the class is the effective unit of social growth. Under our way of life the individual is of surpassing worth. Under communism, individual liberty fades away and completely disappears. Under our democratic way, individual liberty is an inalienable right. Under communism man is the servant of the state while under the free way of life the government and the state is the servant of man. Under communism the iron curtain is dropped and the dictator god tells the people what they shall think and what and how they shall act and conduct themselves. In America under the free way of life each individual has the opportunity to present his own point of view. In America free public discussion of all subjects is of benefit to all of the people. Under communism the state under the complete authority of the dictator rules from the top down while under the American free way of life our Government serves the people from the bottom up.

THE CHOICE

After a careful examination of the elements constituting these two philosophies of government, as widely separated as the North and South Poles, it seems incredible that any individual having good sense and a free choice could possibly turn to communism. Unfortunately, however, there are a large number of individuals who have openly endorsed communism. A larger number endorses it secretly. Many of these people were born in other lands and emigrated to free America because they were dissatisfied with their former restrictions and methods of living. Many of these people are native-born Americans and have never experienced life under any other system of government. Some endorse communism because they have failed to succeed in obtaining some position or objective they have wanted to achieve. Others endorse communism because they consider it smart to belong to something subversive and enjoy being the object as well as the subject of conversation. Regardless of their reasons for endorsing communism and being active in Communist organizations, there is not any of them who would give up the advantages of our free way

of life and go to a Communist country like Russia to live under their endorsed way of life. It is my view, however, that all American citizens who endorse communism or engage in any activities of the Communist organization should be compelled by law to sacrifice their citizenship and be classified as aliens and subject to the laws regarding aliens.

Communism is a threat to our form of government and our way of life. It is active here in our own country. It is active here in our own Commonwealth of Massachusetts. Many who should have better sense engage in its activities. Its stock in trade is propaganda and false information designed to cause unrest and violence. It is sold to others by the medium of ideas and the attractive phrase.

CONCLUSION

In addition to the constant vigilance of your Government and the powerful work of our churches, religious leaders, and religious organizations our country must depend upon the loyalty and faith of our teachers. This is particularly true of the teachers of youth. Depending upon your ability as teachers to mold and build fine characters in the youth of today is the strength and morality of our country tomorrow. This great responsibility together with all that your work means to youth, to men, and women, to the communities all over the country, to democracy and the free way of life makes teaching a high—an honorable profession.

The educational system in America is the finest in the world. It is a free system in a free country and has progressed until today every girl and boy in the Nation has the opportunity for an education. This opportunity must be widened for within the free way of life every possible advantage must be developed. There is a need today for additional schools and an increase in our educational facilities throughout the country. If it is necessary for the Federal Government to assist in financing these needs it must do so but in doing so it must not become involved in any degree of control. The educational system must remain free for within this freedom is the strength and character that makes America great.

In view of these important responsibilities, the high standards and fine qualities required in a teacher are necessary. These requirements, together with an excellent education and training are possessed by the students and graduates of the Lowell State Teacher's College. The graduates of this fine institution are among the best of those anywhere in the country. It is for this reason this community is proud and I am proud of the Lowell State Teacher's College. It is for this reason we are so pleased you are going to have this wonderful new building. It is for this reason this is a happy reunion.

Just as our fighting men face up to the enemy, I know our country can depend on the graduates of the Lowell State Teachers College to face up to their duties and responsibilities. May God bless you with health and strong hearts and may His faith follow you in your daily tasks.

Economic Education or Economic Disaster

EXTENSION OF REMARKS

OF

HON. EVERETT M. DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Monday, May 19, 1952

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Economic Education or Eco-

conomic Disaster," delivered by the distinguished Senator from Maine [Mr. BREWSTER] before the Institute of Economic Education in Chicago, Ill., on May 13, 1952.

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

Mr. Chairman, ladies, and gentlemen, I want to thank the Northwestern University and the Chicago Chapter of the Public Relations Society of America for the opportunity to address this luncheon session. The life of a Senator is brightened by many invitations to speak before people who are contributing their talent to public affairs and the community welfare. This invitation, however, holds a very special interest for me. "Economic education, or economic disaster." In those five words, the sponsors of this institute have selected a theme that is of enormous importance to every American—a theme of momentous significance in a day when it seems that only a well-informed public can possibly bring to a halt the fiscal follies that are swiftly leading the Nation toward economic chaos.

I congratulate the public relations profession for recognizing the imperative need for economic education. I congratulate it for taking positive and intelligent action to rally public opinion behind those in Congress who seek to restore sanity and sound principles to the operation of Government. The fact that the public at large knows as much as it does about the economic facts of life is due in very large part to the excellent work of public-relations men and women, and to the support they are given by enlightened business and professional and other leaders.

PUBLIC RELATIONS

I am told that this institute is predicated upon a feeling that the public relations profession, as the representative of business, industry, and the professions, has a great obligation to the public welfare and the common good, an obligation which is inseparable from its obligations to its clients. I consider that the best example of public relations in the public interest that I have seen. Discussions such as those being held in your session today can do a great deal toward reviving responsible individual participation in our local, State, and National Governments.

During the very short time I have been in Chicago today, I have had the opportunity to meet only a few of you personally. Yet I do not feel like a stranger here. I feel that I know quite a bit about you.

HIDDEN TAXES

For example, I know that on the average you and your family pay \$700 annually in hidden taxes—those pernicious little levies that start out on somebody else's ledger and always end up in our bills. I know that nearly 650 of such taxes were included in the cost of your house. That spring bonnet, which was such a bargain, and which looks so handsome on the lovely lady here, carried 150 taxes of which you may be unaware—34 more than your husband's suit. I know that the cost of that loaf of bread that was delivered this morning includes 151 hidden taxes. The egg you had for breakfast accounted for an even 100 taxes. If you cooked it for three minutes, by the time it was ready the National Government had spent \$360,000, of your money, and collected \$288,000 in taxes.

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York Herald Tribune once said about hidden taxes, and I quote: "It is to the advantage of the individual that he sees through the tax smoke screen which the experts have laid down—that he feels the pain of what has been devised to be painless."

ECONOMY IN GOVERNMENT

Inextricably entwined with the problem of tax reform is the problem of Government economy. Already the Federal Government uses up 71 cents out of each tax dollar. And it is seeking more. The national debt stands at \$260,000,000,000—nearly a billion dollars for every person in this room. A profligate Government hurts all of us. It depletes our savings; it mortgages our children's future; it lowers our standard of living; it endangers our national defense. It represents a very real, very present problem in economic education.

PUBLIC OPINION

Congress must accept its share of the responsibility for the perilous situation in which we find our country today. So must the public. Congress must strive to keep the public aware of the economic situation. The public must seek to learn. Democracy requires the active participation of every citizen in the affairs of government, but only an informed citizen can participate intelligently. There is where you in the public-relations profession have your greatest opportunity, your greatest responsibility, your greatest challenge. If the public-relations profession can help to build an informed, articulate public opinion, we in Congress will have a strong weapon with which to face the forces of extravagance, the forces of socialization.

I often have been asked whether there really is any use in talking with or writing to your Congressmen whether Members of Congress actually use recess periods to report to their constituents, and to learn from them what they want Congress to do both for their local areas and for the Nation. Believe me; yes, we do. Congressmen have to be good public-relations people or they will be ex-Congressmen. We have a twofold obligation—to listen as well as to speak.

Americans will forgive a man who differs with them, but they will not forgive him for a lack of courage. Americans will select a forthright man who differs with them on some points rather than one who uses weasel words to win support. Unfortunately, there is a class of politician who feels that opportunism and compromise are the tools of political success. Such politicians attempt to be all things to all men. That theory of political survival is fading. I am happy to say. And the theory on which this conference is based—the simple, sound theory of real public service—has become the nemesis of political opportunism.

PART-TIME CITIZENS

We often hear people express doubt about the real effectiveness of trying to create or mold or change public opinion. Don't ever sell short the power of your voice—if it is backed by real conviction. Don't ever let bureaucrats convince you that the right of petition no longer is yours. That is the route to dictatorship. One place where the public, like Congress, occasionally has failed, was when it has slipped into a feeling of hopelessness, and let its own powers go by default. In today's complex civilization, we cannot afford to be part-time citizens. If we disapprove, we must protest. We must conscientiously and continually watch the operation of our Government. We must keep ourselves well informed on the economic facts of life.

Yes; we in Congress do listen to our constituents. We are grateful for and pay close attention to your letters. I have heard it said that if every American wrote one letter a year to his representatives in Congress, we

would not need to fear for our freedoms. Your letter, like your vote, does count. You can take that from a man who is running for reelection.

The Senate of the United States and the British Parliament are the two greatest forums in the world today. Although the policies enunciated there may at times diverge from the direct line of true public opinion, the feelings of the great majority of citizens usually are expressed by their representatives in those two legislative bodies.

EXECUTIVE USURPATION

In these forums many of the great decisions on international affairs are made even though there has been an unfortunate and dangerous disposition on the part of the National administration in this country to act without congressional authorization or consultation in these matters. It is a shameful thing that there are those today in this country who would remove foreign policy from the realm of open discussion, and who would bar it as an issue in the coming election campaigns. The American public is entitled to a full, fair airing of our international activities, and you may be sure they are going to get it.

Congress was conceived by the founding fathers not only as a legislative body, but also to serve as a brake against administrative excesses and as the people's "hair shirt" for the Executive. Just as Congress keyed a great public protest against an earlier administration's attempt to pack the Supreme Court, so is it today the sounding board for public protest against the current administration's assumption of inherent and untouchable power to seize private property.

I assure you, ladies and gentlemen, that the majority of the Senate will never stand idly by while any President dons the mantle of divine right and attempts to put himself above the Constitution. Only if Congress—and the people—lose or abdicate their powers, will the executive department become too strong, too irresponsible to the wishes of the people it serves.

The Senate was created not only to represent the will of the majority, but also, by the distribution of its membership, to give a strong voice to the minority and to prevent the concentration of too much power in one man or in certain areas of population. How well the Senate has measured up to this responsibility, I leave to you to decide. We cannot deny, I fear, that it has failed in some instances during the past two decades.

During the past 20 years, the Congress, in my opinion, often has gone along too willingly in permitting an emergency type of Government to exist and to continue. On some occasions, I fear, it may have deserved the criticism that it had become a "rubber stamp" for the Executive. Although many of the almost dictatorial actions by the executive department resulted not so much from an abdication of power by Congress as from a usurpation of power by the Executive, nevertheless, there have been times when we in Congress failed to act as the catalyst which might have produced strong public opinion against such actions.

I sincerely believe, however—and the record proves—that Congress is beginning to reassert its prerogatives. I also predict that after next November's elections you will see a great deal more independence and aggressive leadership on Capitol Hill.

MAINE IDEA

In my home State we refer to common sense and common decency in Government as the "Maine Idea." In Washington I have tried to make that my main idea, and together with a steadfast group of legislators have advocated and pleaded for sound economics in the Federal Government. During the so-called rubber stamp era, however, despite the efforts of those in both parties who fought for economy, the Congress con-

tinued to authorize millions upon millions of dollars for unnecessary, wasteful expenditures. Now, though, and to its everlasting credit, Congress is scrutinizing carefully the never-ending demands for more and more tax funds out of the pockets of the people.

The problem of Government efficiency and economy is, of course, not solely the responsibility of Congress. The people must elect Presidents who believe in such sound philosophies too—for the executive has great power in fiscal affairs and also has the power of veto over congressional action.

If the people are to help Congress bring about the economy and solvency—and if they are going to elect executives and legislators who recognize that objective—they must know the basic facts about our economic life. All of us must realize that in our complex, modern civilization, we are in much danger of spending our way into socialism, dictatorship, and loss of liberty than we are of losing it through foreign aggression.

WHAT IS THE LIMIT?

Have we reached the limit of our economic ability as a Nation to pay? How much longer can our national economy stand the strain? Should there be a specific limit on the Federal income-tax rate?

There are some who feel that 25 percent of income should be the statutory limit on taxes. Whatever may be the maximum and proper limitation, it is imperative that we understand the dangers of continuing the philosophy of "tax and tax, spend and spend, elect and elect." Government itself cannot create wealth. In fact, it has reached the point in our time when, by ruinous taxation and wasteful spending, the Government actually is destroying real and potential wealth for all the American people. It is not only great industries that feel the strain. Little business and every individual on a payroll feels the increasing pinch as well.

BUREAUCRACY KNOWS NO LIMIT

Bureaucratic government feeds on those who maintain it. It not only strives to retain its powers; it constantly reaches out for more powers and it continually increases in size. Instinctively, it abhors economy. The aristocracy of bureaucracy is determined by bigness—bigness in size and in expense. As government grows, the people pay the price in increasing taxes, both direct and hidden—and what comes back to them in eventual services or benefits is tragically disproportionate to the money that originally poured into the Federal Treasury.

The general misuse of the people's money is the result of having too much. We know that individuals can't buy happiness—that a person who acquires too much money too easily is likely to lose a sense of values, a sense of responsibility, the will to work and the will to improve. The same is true of government. During the past 20 years the Government has been striking it richer and richer, with too little protest from the public and with too few strings attached to the windfall. As a result, there has been not only reckless, unwise spending, but also a dangerous disregard for the fundamental laws of economics.

These are laws which neither a family nor a government can ignore except at its own peril. These are laws which every citizen can understand as well as he can understand that he can't live on caviar and buy champagne for the neighbors if his income calls for hamburgers and coffee.

It's as simple as that—and you men and women of the public relations profession know better than any group in the United States, how to clarify complex problems, how to state them in simple, understandable terms.

That's why I am talking to you today.

Let me give just a few examples of some of the major developments and symptoms which should provide adequate warning of

the dangers ahead, which thinking, capable citizens must find means to clarify and discuss and resolve.

In March of 1929 the Federal Government had 587,665 civilian employees. Today the Federal Government has 2,530,891 civilian employees—an increase of almost a full 2,000,000 in the past 23 years.

Furthermore, during March of this year the number of Federal civilian employees was increasing at the rate of about 500 every day.

Think what that means. Look around you. If the Government hiring was done around the clock, by this time today there would be a group of new employees equal to the size of this audience. By the end of the day, the Government would have employed another group of similar size. And that sort of payroll padding has been going on, day after day, for a long period of time.

The American people now are paying nearly 30 percent of the national income in Federal taxes, and in the past 20 years a total of one-fourth of the national income has gone into the Federal Treasury. In those same 20 years the Federal Government has spent the equivalent of 30 percent of the national income.

The Federal debt amassed in that 20-year period amounts to double the assessed value of all real and personal property in the United States. Moreover, on the basis of official Government budget estimates, the national debt on July 1, 1954, will be close to \$300,000,000,000—and all of this, mind you, is happening during years of prosperity.

The budget for fiscal 1953, which was presented in January of this year, will give us the eighteenth Federal deficit in 21 years.

The number of people who live wholly or partially off public funds is constantly increasing. About 17,000,000 Americans today are receiving regular payments of one kind or another directly from the Federal Government. An additional 8,000,000 are on the rolls of the States, counties, and cities. That makes a total of 25,000,000 persons, who with their families constitute an alarmingly high proportion of the population.

WORLD WELFARE

Many very sincere people feel that in spite of this tumultuous growth of Government—in spite of the urgent need to bring under control a bureaucracy running amuck—we should not turn our faces homeward now, but should concentrate on the welfare of the world. No one, I dare say, has more pride in America's role of world leadership than I. I am fully aware of our Nation's great destiny of helpfulness to its neighbors, and its God-given ability to help. I do not shun our country's responsibilities as a member of the world community. But I do submit, ladies and gentlemen, that whatever form it may take, whatever philosophy it may espouse, no sound and equitable foreign policy can be built upon a weak and inequitable domestic structure.

STRONG AMERICA

Destruction of our capacity to maintain decent living standards and freedom for our own people is the inevitable result of excessive taxation and spending, of burgeoning bureaucracy and unrealistic fiscal policy. With that capacity destroyed, how can we hope to withstand aggression from abroad? What will it avail the world if we dissipate our sovereign strength, if we blindly tear away the material and moral solidity that has made America the last great fortress of freedom? No; our greatest obligation to the world is to remain strong.

Remaining strong is in large part the responsibility of American citizens. Sound Government and sound economy, like charity, begin at home. As individual citizens we are close to the grass roots of our Government. As individuals in your home com-

munity, you know what costly tax-financed projects are truly necessary, and which ones are not. You can sense the very real concern felt by charitable and religious groups over the way in which the noble work of charity more and more is being discarded and taken over by socialistic Government agencies. The more we turn to paternalistic bureaucracy, the more we dull our God-given incentive to care for our own.

There is a sound, basic philosophy of American Government that every spokesman in this room for a business, a profession, a labor group, an industry, or an institution of any kind should preach every day of his life: "Never go to Government for something you can do for yourself."

Have courage in opposing wasteful Federal expenditures, even though they may be popular among many of your fellow citizens. If we turn all our problems over to Government, then we have not yet begun to see high taxation—or bad Government—or loss of our liberty.

One of the major reasons that the United States has not gone as far down the road to socialism as England, is that business, industry, and the professions have sought to earn and maintain good public relations.

PROFESSION OF PUBLIC RELATIONS

Unfortunately, of course, a few members of the public relations profession, like some Members of Congress, still have only a parochial understanding of their responsibilities. It is one of the great vices of bureaucracy that the taxpayers' money can be misused to propagandize the bureaucrats into even greater power. There are more than 4,000 public relations people employed by our Federal bureaus, and their major purpose in life sometimes seems to be to convince the rest of the country that their bureaus are un-touchable, that the Nation would fall, and heaven knows what cataclysm would follow if their precious budgets were trimmed. Fortunately, that is not the public relations conception of all of these highly articulate people.

But in too many cases, the hatchet men of Government make it their business to abuse and malign the business world with its own tax money. They are attacking the initiative system by which we—and they—live. Recently we have had in Congress the sorry spectacle of attempts to hamper industry in its important work of institutional and educational advertising—one of the finest means of communicating to millions a better understanding of economic facts. As you undoubtedly know, removal of such advertising from the tax-deductible classification, has been suggested. Certainly such an act is in no way justified.

Such actions, you in the business world and in education, and in public affairs, should view with alarm. Of this I can assure you: No majority in the Senate is going to keep business from using its own funds to defend its own rights. But public relations people have a great responsibility to maintain the integrity of their profession—to prevent the misuse of the communications media for selfish, destructive ends, or for any use inimical to the public good.

I want to read a statement with which those of you in the profession may be familiar. It appears in the Journal of the British Institute of Public Relations, and is part of a memorandum outlining suggestions for the formation of an International Public Relations Association—a most noteworthy project, by the way. The paragraph I refer to reads in part, and I quote:

"In the Government section of society the . . . information officer . . . is not an advertising man in Government service; neither may he preach a gospel of Government propaganda. His task is to give information on the facts and motives of Government policy, to avoid misunderstanding and

to promote general understanding; not to kill criticism, but to further discussion." End of quote.

Let me repeat: "Neither may he preach a gospel of Government propaganda." His task is to promote general understanding; not to kill criticism, but to further discussion."

That is a superb statement of ideals. It is an extension into the governmental field of public relations a code that is the goal of all high-minded public-relations men and women in every field. No public-relations program serves its client well if it does a disservice to its community. This is the first community-wide public-relations conference I have seen. I believe that the objectives of this conference are significant and highly important to Chicago and the Nation. Those objectives indicate that your profession has found it can continue to perform a remarkable job for American institutions—its clients—and at the same time make a solid contribution to the public good. I believe that conferences such as this are the most significant and important move in public relations today, for this pattern discloses a constantly widening horizon and a real understanding of the principles that make all American institutions possible.

Public relations is the youngest of all professions, but no profession has a greater obligation or a greater opportunity to advance the welfare of the American people. It can do much to achieve that universal understanding that will bring men of good will closer together than any formal, legalistic organization could ever do.

To you in the public-relations profession I say: Raise your standards high. Place your code of ethics upon the highest level of human morality. In your role as economic educators, keep integrity and truth as your most precious possessions. It won't hurt business. It will strengthen the most wonderfully wrought way of life the world has ever seen. Without economic education, we shall have economic disaster in this country. But with effective economic education, we can continue free and strong, and as the successful defender of liberty in a troubled world.

The Next Step in European Recovery

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, May 19, 1952

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article prepared by me entitled "The Next Step in European Recovery." This article appeared in the February 1952 issue of Europe Today and Tomorrow, International Bulletin of the European Movement.

There being no objection, the article was order to be printed in the RECORD, as follows:

THE NEXT STEP IN EUROPEAN RECOVERY

(By Hon. HUBERT H. HUMPHREY)

(Senator HUMPHREY, Democrat, of Minnesota, is an outstanding liberal and one of the most internationally minded Members of the American Senate. The American Committee on United Europe attaches great importance to his views, as they are representative of that body of public opinion which is most dedicated to full American participation in international affairs.)

I think it is generally accepted that Americans have a great stake in Western Europe. We are bound to this strategic and historic area by ties of family, custom, law, economics, and politics. Even those who by their words and actions seek to isolate America from the Western European area find it impossible to ignore the close bonds between our peoples. The policy of our Government, as expressed through the laws of the Congress and through the action of our State Department, places us in intimate association and partnership with the Western European countries. Whether we like it or not, their problems are ours. Our actions influence their political and economic policies. Their accomplishments or failures either strengthen or weaken our position. We are as one, bound together in a common purpose for the foreseeable future. It is because of this evident fact of partnership, formalized by the North Atlantic Treaty Organization and underwritten by the Mutual Security Act and other policies and programs, that every American must take a keen interest in the Europe of today and tomorrow.

Recently the Congress of the United States accepted an invitation from the Council of Europe at Strasbourg for a joint meeting of the representatives of the Consultative Assembly and a delegation of the American Congress. It was at this historic conference between legislators that many of the complex problems of the relationships between the United States and Western Europe were frankly and openly discussed. There was none of the formality that comes with high-level meetings of foreign ministers and heads of state. It was the "give and take" of elected political representatives. It was best characterized by its frankness, its candor, and at times its pointed and incisive discussion of the political and economic frustrations of the free world.

It was here that such subjects as the economic impact of rearmament was discussed in all of its ramifications. It was at Strasbourg that representatives of the European Parliaments brought out into the open their doubts about political federation and economic integration. It was here where friendly, willing Congressmen and Senators from America stated in no uncertain words the imperative necessity of Western Europe to get together, to unite its political and economic forces, and to get on with the business of creating the strength that comes from unity.

I was privileged to be a delegate at that conference and subsequently spent several weeks in Europe visiting the political leaders and hundreds of the common folk of the Western European countries. I came away with definite impressions.

It is imperative that Americans and Europeans alike recognize the nature of the menace that seeks to destroy them, namely, totalitarian communism. Whether we like it or not, Russia has integrated her empire into one political and economic unit. She has done this through force and brutality, but she has done it. She brings to bear upon Western Europe and the free world the full weight and force of this tremendous empire under one command and with one objective. It appears to me that you cannot defeat a totalitarian monster by having uncoordinated, fragmented, separate, and distinct independent political and economic units.

Western Europe is potentially much stronger than the Soviet system. Western Europe, plus the United States, is immeasurably stronger in terms of industrial capacity, natural resources, and the skill and ability of its people than the Soviet satellite system. But we are not arguing theories nor can international communism under the direction of the Kremlin be defeated or checked by the eloquent logic of sound theory. The Soviet system represents power, the power of mili-

tary might, industrial production, and the power of an idea.

This power faces to the west as well as to the east. It presses hard upon the countries of Western Europe. It is a power mass pressing upon a loosely knit coalition of independent nation states—dependent and relatively uncoordinated economic systems. This is the "real politik" of Western Europe. These are the real facts of the political realities of the European Continent. On the one hand, there is a regimented, organized, disciplined, and directed power. On the other hand there is a free, disorganized, disunited, and semicoordinated group of nations.

It is because of the very existence of this political-economic picture of Western Europe that the Congress of the United States in the Mutual Security Act of 1951 has expressed the policy of our Government and our people as being directed toward the political federation and economic integration of our Western European partners. This is more than a pious hope or a formal political pronouncement. It represents official recognition of the one great weakness of our partnership. It is a call to action, and it may well be translated into a directive, insofar as the policy of the United States is concerned in its relationship in Western Europe.

Europe has made great strides since the end of World War II. Here is an area that was devastated by bomb and fire, its communication system wrecked, its capital dissipated, and its resources exploited and severely damaged. This was the picture of Europe at the end of World War II. It was to this set of circumstances that American economic aid was directed.

The rehabilitation of Western Europe is truly miraculous. Out of the ashes, cities have been rebuilt. Industry is back into production. The people are at work. But there is something wrong and that something must be corrected unless the investment which America and her partners in Western Europe have made to date in European recovery is to be lost. The reports of ECA, the statistical tabulations of the government ministries of Western European countries, tell us that in almost every instance production is above prewar levels and yet there is trouble, insecurity, and instability. Why? There is no ready or easy answer but there are certain factors which are revealing.

First, the population of Western Europe is expanding.

Second, the war drained off excess capital. Europe has no fat, no reserves. The years of Nazi occupation not only exploited the human resources of Western Europe but also the productive and natural resources of factories, mines, forests, and land. Added to all this is the sheer impact of physical shock and emotional fatigue which is the product of a world war. Then, to top it all, there is the constant relentless pressure of Communist infiltration, subversion, and the threat of military aggression. This is the picture that we see. These are the sources of weakness that are all too often covered over by the statistical tables and the production figures.

The great effort that has gone into replacing capital goods, destroyed by war and obsolete from age, has greatly curtailed improvement in living standards of the great mass of the people. In most countries there is relatively full employment but at low wages. The cost of living has shot up to dizzy heights. There seems to be plenty of food in the shops but very little on the tables of the workers. Big industry is producing but the people are not consuming. The purchasing power just isn't there. This is particularly true in France, Italy, Austria, and Germany. There is social unrest. There is an instability in the fabric of society which is reflected in the political institutions. The all-out effort, and it has been a remarkable one, to rebuild the basic plant and capital