

JOHN L'S RETURN HAILED BY AF OF L AS HOPEFUL SIGN

Miami, Fla., Jan. 26—(U.P.)—With John L. Lewis and his United Mine Workers back in the fold, the American Federation of Labor today forecast a period of growth, unparalleled in labor's history since formation of the CIO.

Members of the AFL executive council, although worried by the thought of jurisdictional wars that are bound to come if Lewis keeps control of UMW's district 50 believed that the AFL might soon catch even more independent or CIO organizations.

Brewery and soft drink workers, suspended by the AFL in 1937, were believed on their way back to the fold. They have asked for a conference with the council next week. Lewis, now on his way to Miami, will be here to take his newly-won seat on the council by that time.

Hopeful council members thought that some CIO unions might follow their old chief, Lewis, back into the federation and thus begin bridging the split in labor which Lewis himself caused a decade ago when he walked out of the AFL. He formed the CIO, made it a powerful, fighting opponent of the federation, then left the new organization to wage his own battles as an independent.

Once Refused Gun, Marine Breaks All Rifle Fire Records

San Diego, Cal. — (U.P.) — A marine recruit from Texas, Pvt. Louis Kirk Relyea, 23, whose parents once refused to permit him to own a rifle, recently shattered all recruit records for firing the 30-caliber rifle.

Firing at Camp C. B. Matthews, Cal., rifle range, Relyea compiled a score of 333 out of a possible 340 to surpass all previous marks for recruits on both coasts. The all-time marine standard, however, still stands at 337 out of 340.

Despite his parents' aversion to firearms, Relyea managed to get plenty of practice during his school days by joining first his high school team and later two college rifle teams — North Texas Agricultural College and Southern Methodist. In these instances the teams furnished him with a rifle.

"After that my folks relented a little bit and let me buy an old 410 shotgun," the marine related. "But after I got it fixed I found there was no ammunition available, so that gun is still at home on the wall in my room. It makes a nice decoration."

Before entering the service, Pvt. Relyea was an engineer with the General Electric Co. in Dallas, Tex. His parents, Mr. and Mrs. Percy F. Relyea, live at 429 Bowser St., in Dallas.

CHINA DEMOCRATS IRKED BY SEARCH

Chungking, Jan. 26 — (U.P.) — Work of the political consultation council called to unite China appeared endangered today by a democratic league announcement that it would boycott the meeting because of a police search of the home of one of its delegates.

Democratic League Leader Lo Lung-Chi said the nine league delegates would abstain from further council meetings until Generalissimo Chiang Kai-Shek gave promises that the personal safety of FCC delegates would be assured. Lo also demanded a report from Chiang on concrete

steps to implement promises made at the council's opening Jan. 10 when Chiang announced a four-point program of political equality, release of political prisoners, freedom of speech and abrogation of secret police activity.

CLOTHES PICKUP OFFERED IN CITY

Hinkle Parcel-Delivery has volunteered to call at any place in the city to pick up old clothes for the Victory Clothing Drive, according to C. L. Fidler, publicity chairman. The delivery service will respond to any call within the city limits and deliver the clothes to the USO, drive headquarters. Last day of the drive is Jan. 30 and those who have not done so are urged to turn in their old clothes before that time.

The Jackson county drive is still slightly below the quota and a "last minute" rush is needed to put it over the top, Fidler said.

Carey Thomson, drive chairman, has expressed thanks for cooperation given the drive by the city and county school systems, P. T. A. organizations, church groups, granges and the general public and urges their support in the last few days of the campaign.

OREGON DIRECTOR
Salem, Jan. 26—(U.P.)—Chairman James Chambers of the state civil service commission announces that Lieutenant William Colman of Washington, D. C. has been named Oregon director of civil service.

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1946 WE PLAN FOR THE NEW YEAR ECONOCRACY - PEACE TIME JOBS

By J. C. Barnes

ECONOCRACY—THE INSTITUTION, IN A STATE IN WHICH PRODUCTION OF WEALTH IS CARRIED ON UNDER A SYSTEM OF FREE ENTERPRISE, OF THE GOVERNMENTAL MACHINERY NECESSARY AND THE ENACTMENT OF THE LEGISLATION REQUIRED TO INSURE THE ESTABLISHMENT AND STABILIZATION OF FAMILY UNIT PURCHASING POWER AT A LEVEL HIGH ENOUGH TO, AT ALL TIMES, INDUCE AND BALANCE CAPACITY PRODUCTION OF MATERIAL MEANS TO SATISFY HUMAN DESIRES, WITHOUT SACRIFICING MAINTENANCE OF CAPITAL EQUIPMENT.

Two years ago I published the pamphlet, **ECONOCRACY—PEACE TIME JOBS**. Now again, at the beginning of this New Year I ask all thoughtful minded citizens of Jackson County to read this pamphlet and help in its distribution.

The atomic bomb in two terrifying seconds of time demonstrated in such a spectacular manner its power for destruction that all thoughtful individuals and nations, whether peacefully inclined or not are joining hands for one purpose—**TO OUTLAW WAR AND TO CONTROL THIS DESTRUCTIVE FORCE.**

In our economy there has developed a threat less spectacular, but no less certain, if uncontrolled, to destroy our way of life—**UNEMPLOYMENT**, with every new installation of labor-saving machinery, and with every improvement in methods of production and distribution, becomes more of a threat. This threat hangs directly over the heads of each one of our 50 or 60 million wage earners, and indirectly over the head of our farm family units and every other citizen of our country. For 50 years I have watched this threat become more menacing, more capable of fulfillment, more certain, if not checked by counter measures, to destroy our American system of free enterprise and our way of life.

Large scale unemployment in the United States would lead to the establishment of a totalitarian state in which a well organized minority forming an inner circle control would finally take over the government, establish state-ownership of capital equipment and manage each separate industry through government bureaus from offices located in Washington.

The unemployed problem would be solved, but in this planned economy the individual would lose many of the liberties he now enjoys.

There is a way to do away with unemployment, no matter to what extent robots are designed and installed to displace workers and still retain our free economic system. A balanced, compensatory economy can be set up so that employment of workers will be stabilized at a level high enough to at all times insure capacity production of national wealth.

The machinery it is necessary to set up is outlined in the pamphlet **ECONOCRACY—PEACE TIME JOBS**.

FIVE PROPOSALS

1. A NATIONAL EMPLOYMENT STABILIZATION COURT (N.E.S. Court) and a NATIONAL EMPLOYMENT STABILIZATION (N.E.S. Bank). This court to consist of nine members chosen in the same manner as the members of our Supreme Court are chosen, with the same tenure of office and salaries. The members of the court to be the directors of the N.E.S. Bank.
2. SPECIAL CONGRESSIONAL LABOR COMMITTEE, appointed by Congress to receive reports from the N.E.S. Court and make recommendations to Congress.
3. CONGRESSIONAL ACTION TO ESTABLISH AND PROVIDE FOR:
 - a—\$1.00 per hour minimum base wage for common labor to be a constant unchanging value to reckon other values from.
 - b—A labor congress to organize courts to fix and rectify wage rates.
 - c—A public works commission to blue print and have ready for contract public works.
4. LEGISLATION TO PROTECT ONE FAMILY FARM UNITS.
 - a—Stabilization of the price of farm products at parity with \$1.00 per hour wage base.
 - b—Embargo on the importation of farm products we can produce.
 - c—Tax on quantity production by any single farm holding.
 - d—Tax exemption.
5. \$100.00 PER MONTH OLD-AGE PENSION AND SOLDIERS' ADJUSTED COMPENSATION.

At this time I will not take up the discussion of the last four proposals.

I will try to show that the adoption by Congress of the first proposal the organization of a N.E.S. Court and N.E.S. Bank, a fourth branch of government, would tend to bring about a balanced, compensatory economy insuring continuous capacity production of national wealth.

FORMATION OF THE N.E.S. COURT AND BANK

As already set forth, the members of the Court and Bank would be chosen in the same manner as the members of the Supreme Court are chosen with the same terms of office and the same salaries. The court would in reality be a fourth branch of our government; it would have the same standing and prestige that our Supreme Court is now accorded.

DUTIES OF THE N.E.S. COURT

The N.E.S. Court would report to the Congressional Labor Committee (see Proposal 2) the 15th of each month and to Congress directly at the end of each quarter, the relationship that existed for the period covered in the report between family unit purchasing power and capacity production of consumer goods and services with all employable workers working full time, and would recommend Congressional action to restore any unbalance that appeared to be developing.

HOW IT WOULD OPERATE

Example I.

CONTRACTION OF SPENDING POWER IMPLEMENTED

Let us suppose the N.E.S. Court's charts indicated for say a three months period an unbalance, showing that there was developing an excess of family units spending power as compared with the amount of goods and services available to meet the demand or possible to produce with all workers working full time, a stress toward higher prices that is an inflationary trend, would be indicated.

In this example the N.E.S. Court would advise Congress to impose a tax on wage income and so reduce family unit purchasing power, advising Congress as to the amount of taxes to impose in order to re-establish the balance. The amount withheld by taxes from each workers' pay check would be credited to his individual account to be returned to him when the balance tipped the other way.

Example II.

EXPANSION OF FAMILY UNIT PURCHASING POWER IMPLEMENTED

Now let us suppose that the N.E.S. Court's charts indicate an unbalance, say for three months in the other direction. Unsold consumer goods have begun to pile up on the shelves of the stores and in the warehouses of the manufacturers. Manufacturers have begun to lay off workers to curtail production. The state of mind of the workers who have jobs in regard to spending their wages is affected, they begin to spend less. Unemployment is now on the increase. The N.E.S. Court's charts show the exact extent of this unbalance. Now the N.E.S. Court reports to Congress the extent of this unbalance and recommends that family unit purchasing power be immediately increased.

1. The taxes on wage income are lifted.
2. Money withheld from wages in the first example is returned in monthly installments to the workers from whom it was withheld.
3. Congress notifies the PUBLIC WORKS COMMISSION (See proposal 3-c) to immediately let contracts for the construction of government works already blueprinted.

HOW WOULD THE MONEY BE RAISED TO PAY THE BILL?

Congress would approve the issuance and sale of employment stabilization bonds bearing one-tenth of one per cent interest, in the amount necessary to restore the balance. These employment stabilization bonds would be sold to the N.E.S. Bank, the directors of which are members of the N.E.S. Court. The bonds would be deposited with the treasurer of the United States and the comptroller of currency would be authorized to have engraved and turned over to the N.E.S. Bank legal tender bank notes to the amount of the par value of the bonds deposited. This money would be used by the N.E.S. Bank to pay for the government bonds sold to the bank. (This is the orthodox way of increasing currency in the currency stream patterned after the national bank act, approved by Congress June 4, 1864).

In this way family unit purchasing power would again be built up to furnish a market for enough consumer goods and services to induce capacity production of national income without the government assuming a heavy interest burden. (The employment stabilization bonds only bearing one-tenth of one per cent interest).

WHEN WOULD THE BONDS BE REDEEMED?

When it was again necessary to impose a tax on wage income to curtail family unit purchasing power, that is when again weekly spending by the family units overbalanced production of goods and services, a tax would again be levied on wage income and as the currency was withdrawn from the currency stream, it would be used to cancel N.E.S. Bonds.

DOUBLE CHECK ON CURRENCY EXPANSION

Before employment stabilization bonds could be issued and sold to the N.E.S. Bank the N.E.S. Court would have to recommend their issuance and Congress would have to vote the bonds. This would provide a double check on the issuance of N.E.S. Bonds.

WOULD CONGRESS FOLLOW THE RECOMMENDATIONS OF THE COURT?

A N.E.S. Court organized in the manner herein provided for would soon establish a standing and prestige with the voters in each Congressional district so that it would not be likely that a Congressman would vote against a recommendation of the Court unless he could show good cause for his opposition. The burden of proof for his action would rest on him.

WOULD CONGRESS FOLLOW THE RECOMMENDATIONS OF THE COURT TO IMPOSE A TAX ON WAGE INCOME TO CURTAIL SPENDING?

Again, the standing and prestige of the court would tend to make the tax acceptable to the wage earner from whom a part of his wages would be withheld, but credited to his account.

The establishment of the N.E.S. Court and Bank is only one of the five measures that is necessary to be adopted to effect a balanced compensatory economy.

It is necessary to establish a \$1.00 per hour base wage for common labor to remain constant and the relative value of other classes of labor must be established and brought to rest, not through collective bargaining, but through collective determination. Our one-family farm units must be protected and retained as a part of our economic life.

In conclusion I want to state that Econocracy is a science based on the theory that whenever weekly family unit purchasing power spent for goods and services is less than enough to induce capacity production of national wealth resulting in unemployment, the State can profit by the circumstance through the issuance of additional currency to be used to pay for Public Works to increase spending this currency to be recovered from the currency stream through a tax on wage income when spending exceeds capacity production of national wealth. Wage rates and rates of profit are the weighty factors in determining the selling price of a good or service. The value of a dollar and rates of wages and the price of goods and services should continuously tend to become stabilized and brought to rest.

Econocracy provides for taxing unspent profits. On the other hand, it exempts from taxation profits spent that increases employment of workers regardless of whether the money spent is for goods and services for personal use or spent in the development of capital equipment.

We must not wait until 10 or 12 million workers are unemployed before we give proper consideration to making the necessary adjustments to prevent wholesale unemployment.

I want to take this opportunity to express my appreciation to those who have helped with their criticisms to formulate the proposals set forth in the pamphlet "Econocracy—Peace Time Jobs" and to those who since its publication have helped to distribute and interpret it.

Copies of this pamphlet can be had by calling at my real estate office at 31 South Front Street, or dropping a postal card addressed to J. C. BARNES, 20 North Peach Street, Medford.