

### LIBERTY AMENDMENT

On Monday evening, February 7, Mr. Bedford spoke to a group of students and faculty with special emphasis on Section 4 of the Liberty Amendment, which deals with the repeal of the income tax.

Mr. Bedford started by stating that the income tax, which was initiated in 1913 as the Sixteenth Amendment, is unconstitutional if the intent of the framers of the Constitution is taken into consideration.

The income tax was between  $\frac{1}{2}$  to 1% in its early stages with high income earners paying about 3%. During World War I the income tax skyrocketed to 25 - 30% for the average wage earner, the maximum tax being around 90% for the very wealthy. The tax was lowered after the war to around its pre-war level and stayed low until World War II when once again it skyrocketed. The income tax remained high after the war to pay for the Marshall Plan and has not been lowered to any significant degree yet.

The repeal of the income tax is financially feasible according to the financial figures cited by Mr. Bedford, if the government would "not engage in any business, professional, commercial, financial, or industrial enterprise except as specified in the Constitution." (Section 1 of the Liberty Amendment)

If the Liberty Amendment were passed and the income tax were repealed, the federal government would have a reduction in revenue of about \$38.5 billion (all figures are from 1959).

However, the government loses \$45 billion a year in operating the over-700 corporations it owns. The government would actually gain \$6.5 billion a year by repealing the income tax and getting out of business not specified in the Constitution.

Furthermore, people would have more money to spend if they no longer had

to pay income taxes, which would lead to an estimated \$9 billion increase in corporate and excise taxes. When added to the \$6.5 billion gain cited previously, this gives a \$15.5 billion surplus. When the 1951 budget deficit of \$13 billion is subtracted from this, it gives a surplus of \$2.5 billion to pay on the national debt.

Thus the national debt could gradually be paid off and the people of the United States would no longer be paying \$13 billion interest on the national debt annually.

Mr. Bedford and Mr. Cherry are forming a committee in Erie County for support of the Liberty Amendment and would like anyone who is interested to help them.

### JOB OPPORTUNITIES

The demand for two-year associate degree graduates of The Pennsylvania State University has increased markedly this year and early indications are that June graduates in these programs will have no difficulty finding jobs.

The students are also expected to find starting salaries attractive, in some cases up to 10 per cent as high as last year. And, in a few instances, the two-year graduates are being offered starting salaries equal to, or higher than, four-year baccalaureate degree students.

The number of company recruiters at Penn State's branch campuses -- where the two-year technical programs are offered -- is up nearly 50 per cent over last year, making it the largest increase in recruiters in any single year.

Penn State expects to graduate approximately 800 two-year technical students this June from 15 of its 18 Commonwealth Campuses. Three of the campuses are in their first year of operation and won't have graduates until next year. (Cont. Page 6)