

# BLACK DIABOLISM, HUT C. O. ON PEACE BASIS, A DISSENT IN MESSAGE TO CONGRESS

## Combat Cost of Living, Establish Budget System, Reorganize Taxation

## RECOGNIZE WAR VETERANS AND GIVE THEM FARMS

## Enlarge Program for Rural Development in Recognition of Farmers' Work in War

Washington, Dec. 2.—President Wilson today sent the following message to Congress:

To the Senate and House of Representatives:

I sincerely regret that I cannot be present at the opening of this session of the Congress. I am thus prevented from presenting in as direct a way as I could wish the many questions that are pressing for solution at this time.

Happily, I have had the advantage of the advice of the heads of the several executive departments who have kept in close touch with me in their detail and whose thoughtful recommendations I earnestly second.

In the matter of the railroads and the readjustment of the affairs growing out of federal control, I shall take the liberty at a later day of addressing you.

meeting the favorable balance of trade in peace times: By imports into this country of gold or of goods, or by establishing new credits.

**Europe Can't Ship Gold**

Europe is in no position at the present time to ship gold to us nor could we import gold into this country without concern. The time has nearly passed for international governmental loans and it will take time to develop in this country a market for foreign securities.

Anything, therefore, which would tend to restrict our exports or to settle for our exports by shipments of goods into this country could only have the effect of preventing them from being made.

The productivity of the country, greatly stimulated by the war, must find an outlet by exports to foreign countries, and any measures taken to prevent imports will inevitably curtail exports, force curtailment of production, lead to the bankruptcy of the country with credits to carry unsold products and produce industrial stagnation and unemployment.

If we want to sell, we must be prepared to buy. Whatever, therefore, may have been our views during the period of growth of American industry, we must now adjust our own economic life to a changed condition growing out of the fact that American business must find a market for its goods in the greatest capitalist in the world.

### Urges Budget System

I hope that Congress will bring to a conclusion at this session legislation looking to the establishment of a budget system. That there should be one single authority responsible for the making of all appropriations and that appropriations should be made not independently of each other, but with reference to one single comprehensive plan of expenditure properly related to the nation's income, there can be no doubt.

I believe the burden of preparing the budget must, in the nature of the case, be placed on the secretary of the treasury and responsibility concentrated instead of divided, rest upon the executive.

The budget so prepared should be submitted to and approved or amended by a single committee of each House of Congress and no single appropriation should be made by the Congress, except such as may have been included in the budget prepared by the executive or added by the particular committee of Congress charged with the budget legislation.

The problem is not an easy one. A fundamental change has taken place with reference to the position of America in the world's affairs.

### Economy Audit Needed

Another and not less important aspect of the problem is the ascertainment of the economy and efficiency with which the moneys appropriated are expended. Under existing law the only audit is for the purpose of ascertaining whether expenditures have been lawfully made within the appropriations. No one is authorized or equipped to determine whether the money has been spent wisely, economically and effectively. The auditors should be highly trained officials with permanent tenure in the Treasury Department, free from obligations to or motives of consideration for this or any subsequent administration, and authorized and empowered to examine into and make a report upon the methods employed and the results obtained by the executive departments of the government. Their reports should be made to the Congress and to the secretary of the treasury.

### Must Simplify Taxation

I trust that the Congress will give its immediate consideration to the problem of future taxation. Simplification of the income and profits taxes has become an immediate necessity. These taxes performed indispensable service during the war. They must, however, be simplified, not only to save the taxpayer inconvenience and expense, but in order that his liability may be made certain and definite.

With reference to the details of the revenue law, the secretary of the treasury and the commissioner of internal revenue will lay before you for your consideration certain amendments necessary or desirable in connection with the revision of the law—recommendations which have my approval and support. It is of the utmost importance that in dealing with the details of the revenue law should not be disturbed so far as regards taxes for the calendar year 1920, payable in the calendar year 1921. The Congress might well consider whether the higher rates of income and profits taxes can in peace times be effectively productive of revenue, and whether they may not, on the contrary, be a destructive of business activity and productive of waste and inefficiency. There is a point at which in peace times high rates of income and profits taxes discourage energy, remove the incentive to new enterprise, encourage extravagant expenditures and produce industrial stagnation, with consequent unemployment and other attendant evils.

### Public Should Come First

The prejudice and passions engendered by decades of controversy between two schools of political and economic thought—the one believers in the protection of American industries, the other believers in tariff for revenue only—must be subordinated to the single consideration of the public interest in the light of utterly changed conditions.

Before the war America was heavily the debtor of the rest of the world, and the interest payments she had to make to foreign countries on American securities held abroad, the expenditures of American travelers abroad and the ocean freight charges she had to pay to others, about balanced the value of her pre-war favorable balance of trade.

During the war America's exports have been greatly stimulated and increased prices have increased their value. On the other hand, she has purchased a large proportion of the American securities previously sold abroad, has loaned some \$3,000,000,000 to foreign governments, and has built her own ships.

Our favorable balance of trade has thus been greatly increased and Europe has been deprived of the means of meeting it heretofore existing.

Europe can have only three ways of

### economic lines, to improve marketing, and to make rural life more attractive and healthful, is obvious.

The proposed program for farm management studies and crop estimates.

**Develop Natural Resources**

I would urge, also, the continuance of federal participation in the building of good roads under the terms of existing laws and under the direction of present agencies; the need of further action on the part of the states and the Federal Government to preserve and develop our forest resources, especially through the practice of better forestry methods on private holdings and the extension of the publicly owned forests; the support for country schools and the more definite direction of their courses of study along lines related to the existing rural conditions; provision for sanitation in rural districts and the building up of needed hospital and medical facilities in these areas.

Perhaps the way might be cleared for many of these desirable reforms by a fresh, comprehensive survey made of rural conditions by a national conference composed of representatives of the farmers and of the agricultural agencies responsible for leadership.

I would call your attention to the widespread condition of political restlessness in our body politic. The causes of this unrest, while various and complex, are superficial rather than deep seated.

### PRESIDENT'S CHIEF PLEAS IN MESSAGE TO CONGRESS

Refers to peace treaty by saying "causes for unrest arise from or are connected with failure on part of our government to arrive speedily at a just and permanent peace."

Budget system for finances of the nation.

Reorganize taxation system and simplify income and excess profits.

Readjust tariff system, if necessary.

Recognition and relief for veterans of the world war.

Foster the dyestuffs industry built up during the war.

Enlarge program for rural development.

Measures "to remove the causes of political unrest in our body politic."

Renews plea for legislation to deal effectively with "those persons who by violent methods would abrogate our time-tested institutions."

Extend food control law to peace times for emergency.

Law to secure "competitive selling and prevent unconscionable profits."

Definite program to bring about an improvement in conditions of labor.

"Let those beware who take the shorter road of disorder and revolution."

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### Justice to Both Sides

Labor not only is entitled to an adequate wage, but capital should receive a reasonable return upon its investment and is entitled to protection at the hands of the government in every emergency. No government worthy of the name can "play" these elements against each other or there is a mutuality of interest between them which the government must seek to express and to safeguard at all cost.

### Right to Strike Inviolable

The right of individuals to strike is inviolable and ought not to be interfered with by any process of government; but there is a predominant right, and that is the right of the government to protect all of its people and to assert its power and majesty against the challenge of any class. The government, when it asserts that right, seeks not to antagonize a class, but simply to defend the right of the whole people against the irreparable harm and injury that might be done by the attempt by any class to usurp a power that only government itself has a right to exercise as a protection to all.

### Way to Industrial Peace

The establishment of the principles regarding labor laid down in the covenant of the league of nations offers us the way to industrial peace and conciliation. No other road lies open to us. Not to pursue this one is longer to pursue the road of bitterness and antagonism which in the end only leads to industrial and social disaster.

The unwilling workman is not a profitable servant. An employee whose industrial life is hedged about by hard and unjust conditions, which he did not create and over which he has no control, lacks that fine spirit of initiative and initiative which are the necessary ingredients of a great producing entity. Let us be frank about this solemn matter. The evidence of world-wide unrest which manifest themselves in violence throughout the world bid us pause and consider the means to be found to stop the spread of this contagious thing before it saps the very vitality of the nation itself.

### Do we gain strength by withholding the remedy?

Do we gain strength by withholding the remedy? Quis it not the business of statesmen to treat these manifestations of unrest which are on every hand as evidences of an economic disorder and to apply constructive remedies wherever necessary, being sure that in the application of the remedy we touch not the vital tissues of our industrial and economic life? There can be no recession of the tide of unrest until the economic instrumentalities are set up to stem that tide.

### Right to Bargain Collectively

Governments must recognize the right of men collectively to bargain for humane objects that have at their base the mutual protection and well-being of the community. In all countries, labor must not be longer treated as a commodity. It must be regarded as the activity of human beings, possessed of deep yearnings and desires. The business man gives his best thought to the repair and replenishment of his machinery so that its usefulness will not be impaired and its power to produce may always be maintained.

### Must Recognize Labor's Aims

The great unrest throughout the world, out of which has emerged a demand for an immediate consideration of the differences between capital and labor, bids us put our own house in order.

Frankly, there can be no permanent and lasting settlements between capital and labor which do not recognize the fundamental concepts for which labor has been struggling through the years.

The whole world gave its recognition and its assent to these fundamental purposes in the league of nations. The statesmen gathered at Versailles recognized the fact that world stability could not be based on the industrial standards and conditions against which the average workman of the world had revolted.

It is expected, therefore, that the task of the statesmen in this new day of change and readjustment is to recognize world conditions and to seek to bring about through legislation conditions that will mean the ending of age-long antagonisms between capital and labor and that will hopefully lead to the building up of a comradeship which will result not only in greater contentment among

### Ask Funds for Publicity

As I pointed in my last message, publicity can accomplish a great deal in this campaign. The aims of the government must be clearly brought to the attention of the consuming public, civic organizations and state officials, who are in a position to lend their assistance to our efforts. You have made available funds with which to carry on this campaign, but there is no provision in the law authorizing their expenditure for the purpose of making the public fully informed about the efforts of the government.

Specific recommendation has been made by the attorney general in this regard. I would strongly urge upon you its immediate adoption, as it constitutes one of the preliminary steps to this campaign.

### Cites N. J. Cold-Storage Law

I do not convey my recommendation that the Congress pass a law regulating cold storage as it is regulated, for example, by the laws of the state of New Jersey, which limit the time during which goods may be kept in storage, prescribe the method of disposing of them if kept beyond the permitted period, and require that goods released from storage shall in all cases bear the date of their receipt.

It would materially add to the serviceability of the law, for the purpose we now have in view, if it were also prescribed that all goods released from storage for interstate shipment should have plainly marked upon each package the selling or market price at which they went into storage.

By this means the purchaser would always be able to learn what profits stood between him and the producer or the wholesale dealer.

I would also renew my recommendation that all goods destined for interstate commerce should in every case, where their form of package

be at its height and kept in full vigor and motion. No less regard ought to be paid to the human machine, which, after all, propels the machinery of the world and is the great dynamic force that lies back of all industry and progress.

Return to the old standards of wage and industry in employment is unthinkable. The terrible tragedy of war which has just ended and which has brought the world to the verge of chaos and disaster would be in vain if there should ensue return to the conditions of the past. Europe itself, whence has come the unrest which now holds the world at bay, is an example of standstill in these vital human matters which America might well accept as an example, not to be followed but studiously to be avoided. Europe made labor the differentiator between capital and labor by means of peaceful processes. Surely, there must be some method of bringing together in a council of peace and amity these two great interests, out of which will come a happy and better peace and co-operation, a day that will make for more comfort and happiness in living and a more tolerable condition among all classes of men. Certainly human intelligence can devise some acceptable tribunal for adjusting the differences between capital and labor.

### America's Hour of Test

This is the hour of test and trial for America. By her prowess and strength and the indomitable courage of her soldiers she demonstrated her power to vindicate our foreign battlefields her conception of liberty and justice. Let not her influence as a mediator between capital and labor be weakened and her own failure to settle matters of purely domestic concern be proclaimed to the world.

There are those in this country who threaten direct action to force their will upon a majority. Russia today, with its blood and terror, is a painful object lesson of the power of minorities. It makes little difference what minority is; whether capital or labor, or any other class; no sort of privilege will ever be permitted to dominate this country. We are a partnership, and nothing is worth while. We are a democracy, where the majority are the masters, or all the hopes and purposes of the men who founded this government have been defeated and forgotten.

In America there is but one way by which great reforms can be accomplished and the relief sought by classes obtained, and that is through the orderly processes of representative

## Reference to Treaty Declares Unrest Arises From Failure to Arrive at Peace

## DEPLORES COMING OF RADICAL THEORIES FROM EUROPE

Five years led to war and disaster? America, witnessing the evil consequences which have followed out of such disputes between the contending forces, must not admit itself impotent to deal with these matters by means of peaceful processes. Surely, there must be some method of bringing together in a council of peace and amity these two great interests, out of which will come a happy and better peace and co-operation, a day that will make for more comfort and happiness in living and a more tolerable condition among all classes of men. Certainly human intelligence can devise some acceptable tribunal for adjusting the differences between capital and labor.

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## President Urges Action Against Reds

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government's recent injunction against the coal strike.

No Privileged Class

The message closed with a pointed reference to radicalism and Red doctrines, and referred to "Russia today, with its blood and terror" as a "painful object lesson of the power of minorities."

"There are those in this country," said the message, "who threaten direct action to force their will upon a majority. It makes little difference what minority it is; whether capital or labor, or any other class; no sort of privilege will ever be permitted to dominate this country."

Orderly processes, the message declared were the only ones by which relief and reform could be obtained.

"Those who would propose any other method of reform are enemies of this country," the message said. "Let those beware who take the shorter road of disorder and revolution."

## See All of Tomorrow's Papers for Full Announcement of Greatest Dress Sale Ever Held in Philadelphia

## 4384 Dresses to be Sold as Low as One-Fourth Their Actual Value

That means as much as three times the sale price to be saved by buying dresses in this great sale.

WE KNOW that that is a pretty broad statement, but so strong are the facts in the case that not only are we justified in making this statement with emphasis, but in addition can with confidence predict there will be more dresses sold in this sale in one day at one price than have ever before changed ownership in any store in two or even three days.

To say that we anticipate great crowds is putting it mildly indeed—so great response must this sale have that we have made the following special arrangements to facilitate 100% service—

- Two whole floors devoted exclusively to the sale.
- 100 Extra Experienced Saleswomen have been engaged.
- Six Special Wrapping Desks have been provided.
- Doubled Delivery Service has been arranged.
- An all-day advance display of the Dresses in our main Market Street window tomorrow—Wednesday.
- 2 special express elevators given over for the exclusive use of Dress Sale customers.

Come—See Tomorrow's Papers! Remember the Sale is Thursday!

THE VALUES SURPASS even those of our big dress event of about a month ago—the quantity of dresses involved nearly twice as many.

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