



## Abba Hillel Silver Collection Digitization Project

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### **MS-4787: Abba Hillel Silver Papers, 1902-1989.**

Series I: General Correspondence, 1914-1969, undated.

Sub-series A: Alphabetical, 1914-1965, undated.

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Reel  
58

Box  
21

Folder  
1410

Unemployment insurance, including undated AHS draft, "Our National Debt to the Unemployed" and article by Jacob Billikopf, "What Have We Learned About Unemployment?"; also includes anonymous letter re: AHS's stand concerning hotel employees controversy an, 1930-1931.

CHARLES T. HENDERSON  
EDITOR THE BYSTANDER  
CLEVELAND

September 24 1930

Dear Rabbi Silver:-

Thanks for your interest in what I am trying to teach, and for your prayer in behalf of those "who have to be" servants of Capital "S" Society. I assume that I was included in this pious act of intercession on your part.

But if it is not too late, may I hope that the plea, as it affected me, was for help and not for guidance?

More seriously, I can assure you that what compulsion there is in my servitude as alluded to in your letter is not economic - nor is the reward. The big money is in fooling the people, not in telling them the truth. As the Hearst billboards put it: circulation talks!

As for Long, I would not know him if I saw him, although I have met him. If he condoned aggressive physical violence, however, I would be as quick to denounce him and his social morals as I am to criticize those on your side who do so. Surely, if it be wrong to wave a flag as an excuse for breaking men's heads, it must be wrong to break men's heads while waving a union label as an excuse.

Or are you like Peter Witt, who tells me that he is "for the under dog, right or wrong" - but this rule seems to apply only when it's Pete's dog that's under?

In any event, and whatever be my condition of servitude, or the cause of it, be assured of my most genuine regard and admiration for you personally, even when I disagree with you. I retire, now, to share with William Frew Long the joint excommunication which you have pronounced against us because we don't believe the same way you do toward labor "unions".

Very truly,

*Charles Henderson*



# The Consumers' League of Ohio

341 ENGINEERS BUILDING, CLEVELAND

MAIN 3025



MISS ALICE P. GANNETT  
PRESIDENT

PROF. W. M. LEISERSON  
FIRST VICE PRESIDENT

MR. MARVIN C. HARRISON  
SECOND VICE PRESIDENT

MISS JEAN FESLER  
SECRETARY

MR. GEORGE E. WHITMAN  
TREASURER

MISS ELIZABETH S. MAGEE  
EXECUTIVE SECRETARY

October 1, 1930

## MEETING OF UNEMPLOYMENT INSURANCE COMMITTEE

Most of the members of the Unemployment Insurance Committee were present at the interesting meeting on July 31st with Professor Paul H. Douglas. Since then progress has been made in the drafting of model bills by both the American Association for Labor Legislation and the Conference for Progressive Labor Action. We are, accordingly, having a meeting for further discussion of a bill for Ohio, on Friday evening, October 10, at 7:30 o'clock in the parlor of the Temple, 105th and Ansel Road.

I hope you can be present.

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary

# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

October 13, 1930.

Rabbi Abba H. Silver,  
The Temple,  
Cleveland.

My dear Rabbi Silver:

You are doubtless familiar with the unemployment situation which faces Cleveland this fall and winter. It will require the combined efforts of our local governments, our social and charitable agencies and civic organizations, employers and individual citizens generally to cope adequately with this human problem.

You know about the "work" program which Council has started in the City Parks Department. We are finding jobs that need to be done and putting men who need work on those jobs. If a similar effort were made by all citizens of Greater Cleveland in their homes and places of business, I am confident that it would help to tide many needy families over the winter.

In order to enlist the cooperation of neighborhood business concerns, housewives, and individual citizens generally in this project of providing work, I am organizing a committee of those who are familiar with the problem and can present it effectively to all parts of the community, to churches, clubs and organizations of all kinds. It is planned to begin the program in about two weeks and to continue it throughout the winter months. As far as possible speakers will be selected from the neighborhood in which the address is to be made. It is expected that most of the meetings to be addressed will occur at lunch time and in the evening. Speakers will be supplied with material for their speeches, if it is needed, and with "application for work" cards.

I would greatly appreciate it if you would serve on such a committee and be prepared, when called upon, to address clubs and other organizations which request speakers on this subject. Will you kindly let me know at your early convenience whether you will be able to do so?

Very truly yours,

DEM/S

*Daniel E. Morgan*



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SECRETARY

MR. GEORGE E. WHITMAN  
TREASURER

MISS ELIZABETH S. MAGEE  
EXECUTIVE SECRETARY

October 15, 1930

Dear Rabbi Silver:-

As was agreed at the meeting of the Unemployment Insurance Committee last Friday night, we are preparing a list of persons to be asked to serve on a large Cleveland committee to back our unemployment insurance bill. We are eager to have as many suggestions as possible from members of the committee, and will be grateful if you will send in a list of people whom you think might be willing to serve.

We are sending out the questionnaire to the 300 candidates of the legislature this week.

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary

Rabbi A. H. Silver  
The Temple,  
Cleveland, Ohio



# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

October 17, 1930

To members of the Employment Committee:

I am calling a meeting of the  
members of this Committee for Tuesday, October 21,  
at 4:00 P. M., in my office at the City Hall.

I hope very much that you will  
be able to attend.

Very truly yours,

*Daniel E. Morgan*  
City Manager.

Cleveland Commission  
on U.S.

Ohio Legislature

# The Consumers' League of Ohio

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MR. GEORGE E. WHITMAN  
TREASURER

MISS ELIZABETH S. MAGEE  
EXECUTIVE SECRETARY

October 20, 1930

Rabbi A. H. Silver  
The Temple  
Ansel Rd. & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

I am enclosing the pamphlet on unemployment insurance which was mentioned at the committee meeting last week. I am sure you will find it interesting. The last number of the Labor Legislation Review contains a number of answers to the pamphlet.

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary



Oct. 24th, 1930

Miss Elizabeth S. Magee,  
341 Engineers Bldg.,  
City.

My dear Miss Magee:-

I would suggest the following names  
for membership on the Unemployment Insurance Committee:

E. M. Baker  
A. A. Benesch  
Louis S. Bing  
N. L. Dauby  
I. F. Freiburger  
S. P. Reinthal  
Paul Feiss  
S. H. Halle  
Julius Tuteur  
Walter Weil  
Sylvester Flesheim  
Max Myers

Union Trust Bldg.  
Society for Savings Bldg.  
514 Prospect  
The May Co.  
Cleveland Trust Co.  
6118 Kinsman  
2149 W. 53d St.,  
Halle Bros. Co.  
1734 Ivanhoe Rd.  
6700 Grant Ave.  
2565 Norfolk Rd.  
Hanna Bldg.

I am not at all sure that they are all in  
sympathy with the cause, but it is well worth a try to get  
them.

With kindest regards and best wishes, I am

Very sincerely yours,

AHS/IR

# HONORARY VICE PRESIDENTS THE CONSUMERS' LEAGUE OF OHIO

DR. ROBERT H. BISHOP, JR.  
DR. HENRY E. BOURNE  
MRS. JAMES R. GARFIELD  
MRS. F. H. GOFF  
RT. REV. W. T. LEONARD  
MR. SAMUEL MATHER  
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DEAN IRMA VOIGT, ATHENS  
PROF. ALBERT WOLFE, COLUMBUS  
PROF. HARVEY WOOSTER, OBERLIN

33

November 1, 1930

To Members of the Executive Board  
and  
The Unemployment Insurance Committee

We are sending to you for your information the results of our questionnaire sent to candidates for the legislature, asking their stand on the principle of state unemployment insurance. We are not endorsing these candidates, but we believe that you will be glad to know their position.

Those who expressed themselves definitely in favor are:

### Candidates for the Senate

Joseph N. Ackerman  
John P. Corrigan  
Ralph W. Edwards  
Charles E. McKisson  
Charles J. McNamee  
James A. Reynolds

### Candidates for the House

Fred C. Alber  
Joseph E. Cassidy  
John Evans  
James C. Foster  
Charles Louis Kunz  
Tim Long

Joseph Martinek  
A.A. Rutkowski  
W. J. Zoul

We received non-committal answers from the following:

### Candidates for the Senate

W. H. Annat

### Candidates for the House

Sarah E. Hyre  
Perry B. Jackson  
Keith Lawrence  
William R. Pringle

Joseph Schumacher  
Frank R. Uible  
Herman S. Vail

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary



GOODRICH SOCIAL SETTLEMENT  
1420 EAST 31st STREET  
CLEVELAND

November 5, 1930

Rabbi Abba H. Silver  
The Temple  
East 105th Street & Ansel Road  
Cleveland, Ohio

My dear Rabbi Silver:

At the meeting of the Consumers' League Board the suggestion was made and unanimously accepted that you be asked to take the Chairmanship of the big City Committee for the Unemployment Insurance bill.

I do hope you will consent. Miss Magee and I will, of course, continue to help as we have in the past, and I am sure you will not find it a great additional burden.

We all feel that your name will be of great value in winning support for the movement.

May I hear from you soon, please, and in the affirmative?

Very sincerely yours,

*Alice P. Sammett*

Headworker

APG:EO



card ✓

Nov. 6th, 1930

Miss Alice P. Gannett,  
Goodrich Social Settlement,  
1420 E. 31st St.,  
Cleveland, Ohio.

My dear Miss Gannett:-

Permit me to thank you for your kind  
letter of November 5th.

I appreciate very much the thoughtfulness  
of your Board in suggesting that I take the chairmanship  
of the City Committee for the Unemployment Insurance Bill.

As you know I am very much interested in  
the subject and I would not hesitate at all to take on  
this additional responsibility but for the conviction that  
I have that the Committee should be headed off by a laymen  
and preferably a representative businessman in the community.  
I believe that such a move would greatly help our cause.  
It might be difficult to find such a man but it would be  
well to spend a few weeks in tracking down a prospect.  
If you do not succeed, please communicate with me again.

With kindest regards, I am

Very sincerely yours,

AHS/IR

# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

November 10, 1930

To Members of the Committee on Employment:

The Manager is calling a meeting of the Committee for Thursday, November 13th at 4:00 P. M. in the Manager's conference room, City Hall. At that time the plans of the Sub-committee will be presented in full and final instructions will be issued in preparation for the speakers campaign.

The Manager hopes you will be able to attend.

Very truly yours,

*Carl L. Mace*

# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

November 11, 1930

To Members of the Committee on Employment:

Due to conflicting engagements the meeting of the Committee will be held next Thursday, November 13th at 11:30 A.M. instead of at 4:00 P.M. as originally arranged. The place of meeting remains the same - in the Manager's conference room, Room 202, City Hall.

Sincerely yours,

*Clark Mock.*

Cleveland Employment Commission



# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

November 14, 1930.

To the Members of the Committee on Employment:

Enclosed is a copy of the material for speakers and the "application for help" card, adopted at yesterday's meeting of the committee. The material for speakers contains the additions suggested at that time.

"Applications for help" cards, in the amount required, will be delivered to the speaker or to the place where the address is to be made in advance of the meeting.

Very truly yours,

*Clark Mock*

Clark Mock  
Cleveland Employment Commission:

# Application for Help

Kind of Work	Probable Number	Number Workers Wanted	Sex
	Hours ----- (or)		
----- (write here or check on other side)	Days -----	-----	-----

Date and Hour to Begin -----	Probable Wages -----	cents per hour
---------------------------------	-------------------------	----------------

Name -----	Address -----
------------	---------------

Phone -----	Directions for reaching job from City Hall -----
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Remarks:

Speaker -----

# Suggested Jobs

- I. Steady work in Homes, Stores, Shops and Offices.
- II. Temporary and Odd Jobs in Homes, Stores, Shops and Offices, such as:

Take down, repair, paint and store screens and awnings.  
Paint, repair, put up storm doors. Store porch and garden furniture.

Remove ashes-rubbish  
Wallpaper rooms  
Remodel garage  
Patch plastering  
Weatherstrip windows  
Repair tools & equipment  
Chop wood for fireplace  
Rake leaves  
Spade flower beds  
Grade and weed lawns  
Trim, transplant shrubbery

## Clean:

furnace  
basement  
drain pipes  
garage  
wallpaper  
windows  
walls  
rugs

## Paint:

house (exterior)  
walls (interior)  
woodwork  
floors  
furniture

Washing  
Ironing  
Scrubbing  
Mending  
Laundry-work  
Waiting on table  
Tending children  
Cooking  
Driving car  
Sewing:  
dresses  
curtains

## Repair:

doors  
furnace  
plumbing  
electrical fixtures  
sidewalks  
driveways  
roof  
spouting  
floors  
foundations  
furniture

## Whitewash:

basement  
garage





# **Employment Commission**

**Room 202 City Hall**

**Cleveland, Ohio**

LABOR

Nov. 18th, 1930

Mr. John B. Andrews,  
American Association  
for Labor Legislation,  
131 E. 23d St.,  
New York, N. Y.

My dear Mr. Andrews:-

Complying with your request  
I am enclosing herewith a few paragraphs on the  
subject of Unemployment. I trust that they will  
be found satisfactory.

me to remain

With kindest regards, permit

Very sincerely yours,

AHS/IR

# HONORARY VICE PRESIDENTS THE CONSUMERS' LEAGUE OF OHIO

DR. ROBERT H. BISHOP, JR.  
DR. HENRY E. BOURNE  
MRS. JAMES R. GARFIELD  
MRS. F. H. GOFF  
RT. REV. W. T. LEONARD  
MR. SAMUEL MATHER  
MR. DANIEL E. MORGAN  
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DEAN IRMA VOIGT, ATHENS  
PROF. ALBERT WOLFE, COLUMBUS  
PROF. HARVEY WOOSTER, OBERLIN

33

November 28, 1930

Rabbi A. H. Silver  
The Temple  
Ansel Road & East 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

We are helping Dr. Andrews of the American Association for Labor Legislation with the arrangements for the dinner meeting on the evening of December 30th at which I understand you are to lead the discussion. Dr. Andrews has asked us to secure a number of patrons for the dinner, and it occurred to me that perhaps you and Mrs. Silver would be willing to be among them. Being a patron carries no financial obligation, but your names will appear on the invitation. Can you have your secretary let me know whether you are willing to do this?

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary



# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

December 1, 1930

Rabbi Silver  
The Temple  
Ansel Rd. and E. 105th St.  
Cleveland, Ohio

My dear Rabbi Silver:

Through the courtesy of WHK the Mayor and Manager's Committee on Private Employment is broadcasting a series of two employment talks each day beginning December 1 and continuing through December 13. The object of these talks is to stimulate housewives, homeowners and small business concerns to have odd jobs and work of all kinds done which perhaps is being held up because of the present depression and the tendency to cut down on expenditures generally.

We have the following engagements open and would be pleased if you could make a two minute talk at one of these times: Monday, December 8, 7:15 P.M. to 7:17 P.M.; Tuesday, December 9, 10:15 P.M. to 10:17 P.M.; Thursday, December 11, 10:31 P.M. to 10:33 P.M.; Saturday, December 13, 7:13 P.M. to 7:15 P.M.

WHK is located on the top floor of the Standard Bank Building, Ontario and St. Clair, as you doubtless know.

Will you kindly advise us at your early convenience whether you will be able to assist us in carrying out this program and what time will best suit your convenience.

Sincerely yours,  
CLEVELAND EMPLOYMENT COMMISSION

*Clark Mock*

Clark Mock, Secretary  
Committee on Private Employment

CLM:ET

1/ Un. here - always -

2/ Indifferent - assumed - inherent  
- relief

3/ Overlooked Social Menace

1. Irregular habits - shiftlessness  
- morale - character built  
upon security

2. Loss of pride - Self-respect

3. Discourages Thrift

4. Discrupts families

5. Panbrazation - forces  
1000's to doors of char-  
- humiliation

4/ Hurtful to Industry - cannot  
be loyal - Challenges to Capital

5/ Un. - not an insoluble problem  
- causes - ingenuity

6/ Insurance - as relief.

- (1) Excluded to that protection  
relief - first class on accident  
(2) Legitimate charge on Ind.

7/ Our Bill

(1) Per net & Study careful.

(2) To est. Un. Ins. Fund  
Similar to Workmen's Comp. Fund  
created & main. by payment  
of premiums

(3) Employers 3 or more will  
pay in prem. in proportion  
to payroll - vary - classifica.  
& industry + part. emp. within  
indust.  $3\frac{1}{2} - \frac{1}{2}$ . Total 270

(4) Employers  $1\frac{1}{2}$



# HONORARY VICE PRESIDENTS THE CONSUMERS' LEAGUE OF OHIO

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MISS ELIZABETH S. MAGEE  
EXECUTIVE SECRETARY

33

December 8, 1930

C O P Y

## EXECUTIVE BOARD

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MRS. A. T. BREWER  
MR. HOWARD F. BURNS  
MRS. HENRY WHITE CANNON  
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PROF. ALBERT WOLFE, COLUMBUS  
PROF. HARVEY WOOSTER, OBERLIN

You are of course familiar with the distressing extent of unemployment and its disastrous effects on thousands of families, leading to ill health, loss of morale, and sometimes to family disintegration. The necessity for action in the direction of constructive dealing with this problem seems self-evident.

A committee appointed by the Consumers' League has been making an intensive study of unemployment insurance during the last six months. As an outgrowth of this study the League has decided to sponsor a bill for unemployment insurance in the Ohio Legislature. At the request of the Executive Board I have agreed to be chairman of the Cleveland Committee for Unemployment Insurance. Will you not join with us in furthering this movement by becoming a member of the committee?

We are calling a luncheon meeting (cafeteria service) in the Conference Room of the Women's City Club on Monday, December 15th, at 12 o'clock, at which Mr. Marvin C. Harrison will present a draft of the proposed bill, and there will be opportunity for questions and discussion. I trust that you can be present. You will find a postal card enclosed for your reply.

Faithfully yours,

(Signed) Abba Hillel Silver

### Members of Unemployment Insurance Study Committee

Prof. Henry M. Busch	Miss Clara A. Kaiser	Mr. Carl Rudolph
Prof. Frank T. Carlton	Mr. Charles Kreindler	Mr. B. C. Seiple
Rev. Cyprian Emanuel	Miss Elizabeth S. Magee	Rabbi A. H. Silver
Miss Alice P. Gannett	Miss Grace E. Meyette	Mr. Walter L. Solomon
Mr. Marvin C. Harrison	Miss Helen Phelan	Miss Marie R. Wing
Mr. Max S. Hayes		

# City of Cleveland

DANIEL E. MORGAN  
CITY MANAGER  
ALBERT I. CORNSWEET  
SECRETARY

December 9, 1930

Rabbi Abba Hillel Silver  
The Temple  
Ansel Road and E. 105th St.  
Cleveland, Ohio

My dear Rabbi Silver:

I am asking the pastors of some of the larger Cleveland churches to meet with representatives of the Committee on Private Employment to discuss ways in which we can work together to develop jobs for our unemployed during the winter months. The meeting will be held next Thursday, December 11th at 4:00 P. M. in my office, Room 202 of the City Hall.

I would like very much to have you attend and give us the benefit of your counsel. As you are a member of the employment committee I am particularly hopeful that you can attend.

Sincerely yours,

*Daniel E. Morgan*



## WHAT CLEVELAND FACES

45,000 persons unemployed (on November 1st), according to the best estimates obtainable. If this number of men were employed at full time over a period of four months their wages would total \$15-\$20,000,000.

15,000 persons on the active applicant list of the State-City Employment Bureau. An additional 20,000 have made application for work in recent months. Many others are unemployed who have not applied at the State-City Bureau.

2,800 families received relief from the Associated Charities in September.

Because of the prolonged depression, thousands of people are now forced to ask for help in finding work who have never had to ask for it before.

This condition is not confined to Cleveland. It is nation- and world-wide.

With winter approaching the situation is bound to become more serious. It calls for a Community-wide effort to provide work - more work and work for more people - embracing local governments, industry, employers large and small and the individual citizens of Greater Cleveland.

## THE PLAN

A community wide effort to provide work. Work, even in limited amounts, will enable many individuals and families to go through the winter without outside assistance. In many other cases it will reduce the amount of outside assistance required. While the best of efforts to provide work can not prevent the relief demands from increasing this winter such efforts will help to meet the situation.

The City: Cleveland has already issued \$200,000 worth of bonds for distributing work in the parks and has voted \$350,000 in bonds for street paving and sewers. It is also putting into operation all possible unexpended bond balances. With these appropriations it is providing part time work for more than 6,000 persons.

The City Council will also consider the passage of further councilmanic bond issues.

Work rotation is being carried on by the City to the greatest possible degree. The passage of bond issues and tax levies on November 4th will provide additional jobs.



The Cleveland Board of Education: The Board is starting \$200,000 worth of maintenance work to be continued during the winter months which would normally not be done until spring and will involve \$120,000 worth of labor and \$80,000 worth of material. This will provide 25-30,000 days' work. Bids have been asked for additional school building construction.

The County: The County is pushing road work to the utmost and is specifying in contracts now being let that all possible men, residents of Cuyahoga County, must be employed during the winter months. The passage of county bond issues and tax levies on November 4th will provide additional work.

The Metropolitan Park Board is now rotating its forces and expects to add to them.

Industry: The foregoing program, extensive as it is, will supply work to only a relatively small part of the thousands of men out of work. Therefore, industry has been asked to rotate its work as much as possible. Many of Cleveland's employers have adopted this as a policy and by this means will absorb some of the unemployed. A definite program is going forward to interest employers in an even wider extension of this policy.

General Community: Immediate cooperation by every individual citizen in this community wide program will go a long way in this emergency toward lessening the total misery of our fellow citizens.

One of the causes of the present depression is that all of us restrict not only our purchases of various articles, but also cut down unduly on expenditures for work in our homes, offices, and places of business thinking that these jobs can wait. In many cases, particularly where maintenance is involved, this is false economy. Deterioration sets in and the ultimate cost of repair and maintenance is increased. At the present time plenty of competent workers are available which may not be true at a later time.

#### OUR PART OF THE JOB

Thousands of odd jobs are waiting to be done in homes and small business establishments. In addition there are thousands of jobs which normally would be done next spring that can be done this winter.

It is the object of this Committee to get these jobs done now and to bring workers and jobs together.

A comprehensive speaking campaign is being undertaken for this purpose which will embrace small business organizations, social, civic, neighborhood groups and churches. Speakers will present the subject, distribute "application for help" cards, gather them together after they have been signed and forward them immediately to the office of the Cleveland Employment Commission, Room 202, City Hall, where they will be recorded and handed to the State City Employment Bureau.

The State City Employment Bureau will send out to the job workers who are both competent and in serious need of work. This bureau has the confidence of local employers, labor and the great number of housewives and homeowners whom it has served, and has direct contact with the Associated Charities.



During the past four years it has placed more people in work than have been placed by the employment services of any other city in the country. During 1929 it placed 79,000 persons including all types of help. Its 10 departments provide male workers, including skilled and unskilled, boys, clerical, technical and sales and farm help; female workers including day and casual help, domestic, institutional, hotel and restaurant, factory and clerical and professional help.

After distributing the cards and before collecting them the speakers should offer suggestions as to the work which might be done, such as:

SUGGESTED JOBS

I. Steady Jobs in Homes, Shops, Stores and Offices.

II. Temporary and Odd Jobs in and around Homes, Shops, Stores and Offices, such as:

Take down, repair, paint and store screens and awnings.  
Paint and put up storm doors  
Paint and store garden and porch furniture  
Sort, paint and store away poles and stakes

Weather-strip windows	Beat rugs
Wall paper rooms	Lay linoleum or carpets
Patch Plastering	Remove ashes and rubbish
Shovel coal	Chop wood for fireplace
Remodel garage	
put in new shelves (in kitchen, bathroom, closets or basement)	
Make window boxes or bookcases	
Make needed changes in partitions, doors or windows	

Repair and Renew  
storm doors  
furnaces  
plumbing and heating  
electrical fixtures  
sidewalks  
driveways  
furniture  
roofs  
spouting  
floors  
foundations  
bicycles  
wagons  
baby buggies  
Paint  
house  
interior walls  
woodwork  
floors  
furniture

Clean  
house  
furnaces  
drain-pipes  
wall-paper  
windows  
walls  
Clean and Whitewash  
basements  
garages  
Housework (women)  
washing  
ironing  
scrubbing  
mending  
sewing  
remake dresses  
make curtains  
darn clothes  
housecleaning  
wait on table  
cooking  
caring for children



### SUGGESTED JOBS (Continued)

Trim, transplant and set out shrubbery and trees  
Repair tools and flats  
Grade and weed lawns and gardens  
Spade up flower beds  
Move heavy articles  
Cut down and burn old flower stalks and foliage  
Plant seeds and bulbs, where possible  
Dig up summer flowering bulbs (gladiolus, cannas, dahlias), dry  
and store for winter  
Collect and remove stones or make rock garden  
Protect box hedges, bushes and recently planted evergreens  
Mulch gardens and plantings      Clear wood lots of brush  
Wash used pots      Prune trees of dead growth  
Lay drainage tile in lawns and gardens

Attention should be called to the need of giving not simply one day's work but, if at all possible, one or more days' work each week.

If persons in the audience wish to have work done but are in doubt about some detail the speaker should have them write their name, address and telephone number on a card with such other general information as they can give and hand it in. A telephone call will be made from the State City Employment Bureau to get any other information that may be needed.

Speakers are also urged to collect all cards given out, including the unfilled cards. However, if persons wish to keep the card, they may do so if they feel fairly sure of finding work to be done.

### "Application for Help" card.

"Kind of work"	- Write this in space provided or check on other side of card.
"Probable Number Hours"	- Write this if less than one day.
"Probable Wages"	- No rate is suggested specifically though payment of prevailing rates is expected. Any adjustment of the rate offered that may be necessary will be handled by the State City Employment Bureau.
"Speaker"	- Write here the name of the person securing the cards.
"Remarks"	- Indicate here if work is to be repeated weekly or at regular periods. Indicate here if any preference is expressed for colored or white persons.

A contact man or woman or committee should be appointed by each group addressed and the name sent to headquarters by the speaker. This will facilitate any followup or further effort that the group may wish to make and help headquarters to keep in touch with the situation.



## Further Information for Speakers

### Essential Steps

- (1) Arrive at least 5 or 10 minutes before time set for speech.
- (2) Find out time allowance from the chairman of the meeting and plan to keep within it. (Allow fully 10 minutes for distribution, explanation and collection of cards.)
- (3) Make sure that the "application for help" cards and pencils or pens are on hand. (Carry a few extra pencils with you.)
- (4) Present the subject to the audience.
- (5) Distribute "application for help" cards.
- (6) Read and explain list of jobs.
- (7) Explain "application for help" card.
- (8) Collect cards.
- (9) Secure appointment of contact man. (This can be done in advance.)
- (10) Forward cards promptly to commission headquarters, Room 202, City Hall, Cleveland, with name of contact man or woman, and any suggestions, questions or valuable information you receive.

This program is in line with efforts of a similar sort now being carried out by other cities throughout the country. In Cleveland the organization and work of the committee has been denuded of red tape and reduced to the essentials.

Meeting of Cleveland Committee for Unemployment Insurance  
December 15, 1930 - 12 Noon

Rabbi A. H. Silver, presiding.

AGENDA

Introductory - - - - - Rabbi Silver

History of Effort - - - Miss <sup>Alice P.</sup>Gannett

Presentation of bill - Mr. <sup>Marvin C.</sup>Harrison

Discussion of bill

Organization of committee work

Motion empowering chairman to appoint committees

Distribution of slips

- 
1. Serious depression but us face to face - 4-5. Recurrent -  
1921 = 3 1/2. - 1914 - as bad - In 15 yrs. 1902-17 : 2 1/2
2. Our intell. looked only Relief
3. Social menace - suffering - mistake - shopkeepers -  
- discourage thrift - disrupt family -  
① Move to Charity
4. We cannot solve problems - Unemployment - tech. progress -  
over-prod. - fold reserves -
5. Our concern to meet the fact of unemployment - in an  
intell. way - to save strain upon those who  
do unemployment - to help them by making them  
help themselves - to keep them from charity - better  
relief manner.



THE FIRST UNITARIAN CHURCH

Euclid Ave. at East 82nd Street  
CLEVELAND

DILWORTH LUPTON  
PAUL HARMON CHAPMAN  
*Ministers*

December 16th 1930

Rabbi A. H. Silver  
The Temple  
Ansel Road and 105th Street  
Cleveland, Ohio

Dear Rabbi Silver:

I regret very much that I  
was unable to attend the meeting of the  
Cleveland Committee for Unemployment Insurance,  
on Monday, the 15th.

Of course, I will be very glad  
to be connected with this movement.

Faithfully yours,

*Dilworth Lupton*



Mooney, Hahn, Loeser, Keough & Beam

Attorneys at Law  
National City Bank Building  
Cleveland

M. P. MOONEY  
AARON HAHN  
NATHAN LOESER  
EDGAR A. HAHN  
IRWIN N. LOESER  
WILLIAM C. KEOUGH  
FRANCIS H. BEAM  
PARKER K. FULTON  
MONROE A. LOESER  
EUGENE H. FREEDHEIM  
IRAD D. LUCAL  
RAY L. ALEXANDER

December 18th, 1930

Rabbi A. H. Silver,  
Cleveland, O.

Dear Rabbi:

I do not know whether you saw the enclosed article in the New York Times of Monday, but thought it would be of interest to you in connection with the work you are undertaking relating to insurance against unemployment.

Sincerely yours,

*Mate*

NL-K

# QUALITY CHEMICAL SPECIALTIES

Manufacturers of

## Household Chemicals

1487 East 55th Street

CLEVELAND, O.

Sunday 12-21-30

In Classified Section P.D. 10

Explains bill for Jobless Insurance.

Dear Mr. Silver. I am a Scotchman

and a Roman Catholic age 71-0

Just read the above article.

I want to compliment you as a most

liberal man. I have read much about

you in the Press News papers.

Regarding the above - Here is what I see.

My business is very small. but I do an

Interstate bus - That lets me out.

(I don't want to be left out)

Those who have been guilty of misconduct

are left out. Every man I know can

be charged with misconduct.

What is the offense who is the Judge

of what is misconduct (over)

(You see what I mean)

If this hint is of value use it -

You need not answer this letter -  
You are busy. However I would  
consider it an honor and a privilege  
to meet you and if it will help  
any - Use my name when you  
wish

To a Stuart

WRHS



Original Document 2600112



# HONORARY VICE PRESIDENTS THE CONSUMERS' LEAGUE OF OHIO

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EXECUTIVE SECRETARY



December 22, 1930

Rabbi A. H. Silver  
The Temple  
Ansel Road & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

I have been neglectful in failing to send you a copy of the letter which we sent out in your name inviting people to join the committee. I am enclosing a copy of this letter. We now have a total of about 100 people composing our large committee. You will be glad to know that Mr. Harrison talked on the radio Saturday afternoon under the auspices of the Cuyahoga County Bar Association on Unemployment Insurance. The Cleveland Press has asked for a copy of the bill and is proposing that the Scripps papers endorse it officially. If their endorsement is secured it will mean a great deal in relation to publicity not only in Cleveland, but in all the cities of Ohio where there are Scripps papers.

We are notifying all members of the Executive Committee of the meeting at the Temple on the evening of January 2, at 7:45 o'clock. I hope that you will have time for a brief conference some day before that meeting, since there are a number of things which I believe it would be well to discuss. I will call your office for an appointment.

Very sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary

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PROF. W. M. LEISERSON, YELLOW SPRINGS  
DEAN IRMA VOIGT, ATHENS  
PROF. ALBERT WOLFE, COLUMBUS  
PROF. HARVEY WOOSTER, OBERLIN



# THIRD NATIONAL CONFERENCE

on

## UNEMPLOYMENT

in connection with

### TWENTY-FOURTH ANNUAL MEETING

of the

#### American Association for Labor Legislation



Joint sessions with American Economic Association, American Political Science Association, American Statistical Association, American Sociological Society, and local Cleveland groups.

Meeting at

CLEVELAND, OHIO

Monday, Tuesday and Wednesday

December 29-31, 1930



## 1914 \* 1921 \* 1930

THE picture on the front cover was used on the program of the First National Conference on Unemployment, called by the American Association for Labor Legislation in 1914. Immediately after that conference the Association made a survey to discover what 115 different communities believed ought to be done, and then published "Standard Recommendations for the Relief and Prevention of Unemployment." During the depression of 1921 a second survey was made and the "Standard Recommendations" were again published.

Late this year, for a third time, a country-wide checkup was completed. And there is striking agreement that those constructive recommendations are sound—and as badly needed—as they were in 1914 and in 1921. No apology is offered for reproducing on this program the sad picture from 1914.

In time of unemployment crisis the whole country turns feverishly to dole out millions in charity relief. It is "the American dole system." Each time when business revives our industrial managers and our political leaders promptly forget about unemployment, although it is increasingly a continuous industrial and social problem in America.

*By what methods may we hope to make responsible citizens think about stabilization of employment during the comparatively prosperous years which furnish the greatest opportunity for constructive accomplishment? The American Association for Labor Legislation hopes that its Third National Conference on Unemployment, through the open discussion of specific measures for a permanent unemployment program, will render a social service.*

JOHN B. ANDREWS, *Secretary.*

131 East 23rd Street, New York City.



# PROGRAM

Monday, 10:00 A. M., December 29 (Hotel Statler)

## I. Federal Aid in Labor Legislation

(Joint Session with American Political Science Association)

Presiding Officer: NEWTON D. BAKER, Cleveland Ohio.

### 1. "Practical Problems in Cooperation by the State"

JOHN J. LEE, Supervisor of Vocational Rehabilitation, Michigan.

### 2. "Hazards to Local Governments"

J. E. EDGERTON, President, National Association of Manufacturers.

### 3. "The Indestructible Union of Indestructible States"

NOEL T. DOWLING, Columbia University Law School.

Discussion led by: BERNARD L. SHIENTAG, Supreme Court of the State of New York; TRACY COPP, Federal Vocational Rehabilitation Bureau, Washington, D. C.; EDWIN E. WITTE, Legislative Reference Library, Madison, Wisconsin.

Monday, 2:00 P. M., December 29

## II. Accomplishments and Limitations of the Official Unemployment Committees

Reports by official committee representatives and informal discussion by citizens interested in a clear public understanding of the possibilities of constructive public action.

Among those reporting for official state committees will be BENJAMIN M. SQUIRES of Illinois and DON D. LESCOHIER of Wisconsin; for municipal committees EDWARD L. ISRAEL of Baltimore and S. PARK HARMAN of Rochester.

Discussion leaders:

MORRIS E. LEEDS, Philadelphia Chamber of Commerce.

G. D. ROBERTSON, Minister of Labor of Canada.

Monday, 6:00 P. M., December 29

### **III. Annual Business Dinner\*** (Women's City Club)

(Open to members, American Association for Labor Legislation)

**Presidential Address: "Legislative Drafting as a Factor in Labor Law Enforcement"**

JOSEPH P. CHAMBERLAIN, Columbia University.

**Reports of Secretary and Treasurer**

**Election of Officers**

**Why Don't We Prevent Needless Coal Mine Catastrophes?**

**Should We Have Separate Women's Bureaus in Departments of Labor?**

**Discussion of Immediate Legislative Program**

Tuesday, 10:00 A. M., December 30

### **IV. Industrial Changes and Unemployment**

(Joint Session with American Economic Association)

**Presiding Officer: PAUL H. DOUGLAS, University of Chicago.**

1. WILLIAM M. LEISERSON, Antioch College.
2. EVANS CLARK, Director, Twentieth Century Fund, Author of "Financing the Consumer" and "The Drama of Mass Credit."

Discussion led by: ISADOR LUBIN, The Brookings Institution; FLORENCE C. THORNE, American Federation of Labor; LOUIS A. WOOD, University of Oregon; C. H. MURRAY, American Rolling Mills Company; ELIZABETH BAKER, Barnard College; L. MARSH, McGill University.

\*Reservations for the dinner, price \$1, should be made through the Secretary as long in advance as possible.

Tuesday, 2:00 P. M., December 30 (Hotel Statler)

## V. How Can We Measure Unemployment?

(Joint Session with American Statistical Association)

Presiding Officer: OTTO T. MALLERY, Treasurer, American Association for Labor Legislation, Philadelphia.

1. **The Federal Unemployment Census**

E. DANA DURAND, U. S. Census Bureau.

2. **An Appraisal of the Unemployment Census**

MARY VAN KLEECK, Russell Sage Foundation.

3. **What We Knew Currently About Unemployment in 1930—Summary**  
BRYCE M. STEWART, Industrial Relations Counselors, New York City.

(With Graphic Presentation by CHARLES E. BALDWIN, U. S. Bureau of Labor Statistics; EUGENE B. PATTON, New York Department of Labor; ROSWELL F. PHELPS, Massachusetts Department of Labor and Industries; CASIMIR A. SIENCIEWICZ, Federal Reserve Bank, Philadelphia.)

Discussion by: D. D. LESCOPIER, University of Wisconsin; PAUL H. DOUGLAS, University of Chicago; MARGARET E. HOGG, New York City; CHARLES E. PERSONS, Washington, D. C.; R. H. COATS, Dominion Bureau of Statistics, Ottawa; FRED C. CROXTON, Ohio Department of Industrial Relations; R. D. CAHN, *Chicago Tribune*.

Tuesday, 6:30 P. M., December 30 (Dinner at Guild Hall\*)

## VI. Immediate Problems in Unemployment Legislation

(Joint Session with local Cleveland organizations)

Presiding Officer: JAMES COUZENS of Michigan, Chairman, U. S. Senate Committee on Education and Labor.

1. **"An American Plan for Unemployment Insurance"**

LEO WOLMAN, Member, Executive Committee, American Association for Labor Legislation.

2. **"What's On the Workless Worker's Mind"**

WHITING WILLIAMS, Investigator and Author, Cleveland.

3. **"Unemployment—A National Issue"**

SENATOR ROBERT F. WAGNER of New York.

Discussion led by: ABBA H. SILVER, Cleveland; VICTOR OLANDER, Secretary, Illinois Federation of Labor.

\*Reservations for this dinner, price \$2, should be made through the Secretary as long in advance as possible.



Wednesday, 10:00 A. M., December 31 (Hotel Statler)

## VII. Group Conflict in Social Legislation

(Joint Session with American Sociological Society)

Presiding Officer: JOHN A. LAPP, Marquette University.

### 1. "Public v. Private Employment Offices"

B. C. SEIPLE, Superintendent, State-City Employment Service,  
Cleveland.

### 2. "Conflict of Public and Private Interests in the Field of Social Insurance"

I. M. RUBINOW, Secretary, Independent Order of B'nai B'rith;  
author "Social Insurance."

### 3. "Effectiveness of Representative Advisory Committees in Ironing Out Group Conflicts"

JOHN R. COMMONS, University of Wisconsin.

Discussion led by: JOHN A. FITCH, author of "Causes of Industrial Unrest"; E. C. LINDEMAN, New York School of Social Work.



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## THE AMERICAN LABOR LEGISLATION REVIEW

VOL. XX

SEPTEMBER, 1930

No. 3

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SPECIAL OFFER: UNEMPLOYMENT NUMBER (contents above) FREE—  
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SAMUEL McCUNE LINDSAY	
<i>President, Treasurer, and Secretary</i>	

## HEADQUARTERS

The registration headquarters of the American Association for Labor Legislation (and of the American Economic Association) will be at Hotel Cleveland. Rates for single room with bath, \$3 and up; double room with bath, \$5 and up. Among other nearby hotels, with somewhat lower rates, are the Auditorium, Mecca, Fern Hall, and Colonial.

## TRANSPORTATION

Arrangements have been made with the various Passenger Associations to grant reduced rates to the allied Association members and their families, provided 150 are in attendance and present Certificates. When buying your regular one-way ticket (December 25-31) for the going journey, at least thirty minutes before departure of your train, request a CERTIFICATE, not a "Receipt." Certificates are not kept at all stations, but the local agent will, if necessary, give the nearest point on the way at which they can be obtained.

When you have registered, present your Certificate to F. S. Deibler, Secretary, American Economic Association, at Hotel Cleveland, for identification and endorsement. A railway official will be in attendance until the morning of December 31 to validate Certificates, whereupon you will be entitled, up to and including January 3, 1931, to a return ticket over same route at one-half of the regular one-way fares. But not on a limited train which does not honor such reduced-fare transportation.

## ALLIED ORGANIZATION PROGRAMS

Allied associations meeting at Cleveland on these dates, with the names and addresses of their secretaries from whom programs may be requested, include:

*American Economic Association*, F. S. Deibler, Northwestern University, Evanston, Illinois.

*American Statistical Association*, W. I. King, 236 Wooster St., New York City.

*American Sociological Society*, E. W. Burgess, University of Chicago, Chicago, Illinois.

*American Political Science Association*, Clyde L. King, University of Pennsylvania, Philadelphia, Pa.



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Earle Martin, Vice Chairman  
E. S. Bowerfind, Secretary  
Newton D. Baker  
Frank C. Cain  
Charles A. Carran  
William P. Carroll  
Walter E. Cook  
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D. E. Morgan  
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Dr. William E. Wickenden  
Edward A. Wiegand  
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Jerry R. Zmunt

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E. S. Bowerfind, Secretary  
J. O. Barnett  
J. J. Bernet  
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Mrs. Leyton E. Carter  
Claude E. Clarke  
J. M. Costello  
Charles H. Day  
Miss Alice Gannett  
Victor L. Gerfen  
Mrs. H. J. Gerstenberger  
S. Goldhammer  
George A. Green  
George E. Green  
Miss Mary A. Griffin  
Rev. Joel B. Hayden  
Miss Mabel Head  
Rev. Herbert B. Hudnut  
Miss Margaret E. Hull  
Miss Jane E. Hunter  
Perry Jackson  
Myron Jermain Jones  
John King  
Karl Kist  
Miss Violet Kittner  
A. G. Knebel  
Mrs. W. B. Laffer  
Rev. C. H. LeBlond  
E. D. Lynde  
P. L. Maher  
Rev. Robert W. Mark  
Miss Sabina Marshall  
Miss Florence Mason  
Rev. James A. McFadden  
Miss Leah Milkman  
Davis Morris  
Rev. Wm. C. Munds  
Mrs. H. B. Northrup  
Rev. Victor Obenhaus  
Charles E. Percy  
Miss Helen Phelan  
Geo. A. Rutherford  
J. M. Saunders  
Miss Ida Schott  
Roy Shanks  
B. C. Seiple  
Rabbi Abba H. Silver  
Major John M. Sneed  
Walter Leo Solomon  
Rev. Don D. Tullis  
Rev. Ralph Walker  
Whiting Williams  
Mrs. Louis Winch  
Frank P. Whitney  
Virginia Wing

# CLEVELAND EMPLOYMENT COMMISSION

202 CITY HALL

MAin 4600

December 30, 1930

Rabbi Abba Silver  
The Temple  
Cleveland, Ohio

My dear Rabbi Silver:

We were very glad that your Mr. Wolf could meet with us and pastors of Greater Cleveland churches at the City Manager's invitation to discuss the measures already being taken to meet the critical unemployment situation and to consider plans that are being developed. We are encouraged by the response received so far to believe we shall have the hearty and widespread cooperation of the churches in the campaign to develop jobs. In order that we may know what form the cooperation of your church will take, will you kindly fill out and return the enclosed postcard, making any comments that you think will be helpful.

We are enclosing a copy of the "Speakers' Material" and "application for help" cards prepared by the committee. If you wish additional cards or information they can be obtained by calling Mr. Mock at Main 4600 line 142.

We know of no better way of carrying the holiday spirit into the new year than finding or helping to find jobs - even temporary ones - for our unemployed. With your continuing interest and cooperation we are confident that a great deal can be accomplished along this line.

Sincerely yours,

*C. C. Arbuthnot*

C. C. Arbuthnot, Chairman  
Committee on Private Employment



*A. F. Whitney*  
President.

*J. A. Farguharson*  
Assistant President.

*W. G. Lee*  
General Secretary and Treasurer.

*Grand Lodge*

# *Brotherhood of Railroad Trainmen*



AFW-X

*General Offices, Cleveland, Ohio.* December 31, 1930.

Rev. A. H. Silver,  
The Temple,  
East 105th and Ansel Rd.,  
Cleveland, Ohio.

Reverend Sir:

I had the pleasure of being present at the banquet given under the auspices of the American Association for Labor Legislation in Guild Hall last evening, and was keenly interested in the few words you had to say at that time.

While I appreciate that your address was extemporaneous, the subject of your talk was of such interest to me that I am sure it will be of equal interest to the approximately 185,000 members of the Brotherhood of Railroad Trainmen, and I am, therefore, taking the liberty of asking if you will not be good enough to favor me with the substance of your talk at the meeting last evening with such additional matter as you may care to include, for the purpose of having it published in the February 1931 issue of our journal.

I am arranging to place your name on our mailing list, and will be glad to see that hereafter copies of our journal are sent to you.

Assuring you of my high personal regards, and with best wishes, I am

Sincerely yours,

*A. F. Whitney*  
President.

ESTABLISHED 1851

THE F. & R. LAZARUS & CO.  
COLUMBUS, OHIO

EXECUTIVE OFFICES

December 31st  
1930

Mr. Louis S. Bing, Jr.,  
The Bing Furniture Co.,  
Cleveland, Ohio.

Dear Mr. Bing:

I have your telegram of December 31st with regard to proposed State Unemployment Insurance Bill.

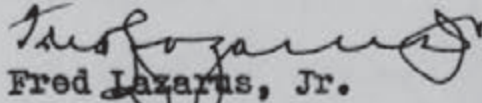
Mr. Sheridan's bulletin was of an informatory nature. He never takes any action on any fundamental legislation without definite direction by the Directors of the Council.

The meeting of the Council to discuss our policy for the present legislative session has been set for January 28th and we will welcome your attendance at that time.

Mr. Sheridan and I both appreciate the fact that this subject is a broad one with a good deal of argument on both sides of it and you may be assured of a very careful and attentive hearing should you be able to arrange to come.

With cordial regards and best wishes for a very Happy and Prosperous New Year, I am

Sincerely,

  
Fred Lazarus, Jr.



PRESIDENT  
FRED LAZARUS, JR., THE F. & R. LAZARUS & CO., COLUMBUS

VICE PRESIDENT  
EUGENE GEISMER, THE STEARN COMPANY, CLEVELAND

TREASURER  
F. H. RIKE, THE RIKE-KUMLER COMPANY, DAYTON

## OHIO STATE COUNCIL OF RETAIL MERCHANTS

C. E. DITTMER  
ASSISTANT DIRECTOR

GEORGE V. SHERIDAN, EXECUTIVE DIRECTOR

TELEPHONE ADAMS 3044  
175 SOUTH HIGH STREET

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J. B. CARSON, OHIO HARDWARE ASSOCIATION, DAYTON  
H. F. CAPPEL, CAPPEL FURNITURE CO., DAYTON  
N. L. DAUBY, MAY COMPANY, CLEVELAND  
JAMES W. KNAPP, OHIO FURNITURE ASSN., ZANESVILLE  
D. C. KELLER, DOW DRUG COMPANY, CINCINNATI  
ALFRED KOCH, LA SALLE & KOCH CO., TOLEDO  
ROBT. K. LEVY, OHIO RETAIL CLOTHIERS ASSN., COLUMBUS  
E. L. MCKELVEY, MCKELVEY COMPANY, YOUNGSTOWN  
JAMES P. ORR, POTTER SHOE COMPANY, CINCINNATI  
H. O. POLSKY, THE A. POLSKY CO., AKRON  
ROBERT POGUE, THE H. & S. POGUE CO., CINCINNATI  
OTTO SCHUELE, SR., FRIES & SCHUELE CO., CLEVELAND  
VICTOR SINCERE, BAILEY COMPANY, CLEVELAND  
C. J. STROUSS, STROUSS-HIRSHBERG CO., YOUNGSTOWN  
C. W. ZOLLINGER, OHIO RETAIL DRY GOODS ASSN., CANTON

### MEMBER ORGANIZATIONS:

THE OHIO HARDWARE ASSOCIATION  
THE OHIO RETAIL DRY GOODS ASSOCIATION  
THE OHIO VALLEY RETAIL SHOE DEALERS' ASSOCIATION  
THE OHIO VALLEY FURNITURE DEALERS' ASSOCIATION  
THE OHIO RETAIL CLOTHIERS' & FURNISHERS' ASSN.

COLUMBUS, OHIO

December  
Thirty-first,  
1930

Mr. Louis S. Bing,  
The Bing Furniture Company,  
Cleveland, Ohio.

My dear Mr. Bing:

Mr. Lazarus has appraised me of your telegram concerning my information bulletin on the unemployment insurance proposal.

These bulletins which go to the heads of our larger cooperating retail stores are intended solely to keep retail executives in touch with the general trend of legislative matters that might affect their business directly or indirectly.

Where the bulletins deal with a new subject which has never been acted upon by our Council, they are colored by my personal opinion. This, of course, is entirely true in dealing with the unemployment insurance proposal as this subject has never been presented either to our central Council or to any of our affiliated state organizations. The reason is that it has never been presented to our legislature. Earlier this week I advised Mr. Lazarus that I would like to have the subject discussed in our annual meeting here on January 28th, so that I and my executive staff might have definite direction when the matter comes before the Ohio General Assembly.

Fortunately for me, most legislative questions are recurrent. They have been discussed and acted upon by our central Council in former years, and in dealing with such questions I am, of course, guided entirely by our previous actions. I pointed out in my memo on the unemployment insurance proposal that such a system would have many advantages from a purely retail standpoint. These, of course, are apparent. I tried to emphasize the fact that the danger of such a proposal lies in loading our Ohio industries with charges which their competitors do not have. Nearly always in approaching matters of this type our Council has followed the policy that it is important to protect our state industries as retailers are so largely dependent upon their payrolls.

In my opinion a discussion of the subject by well informed retailers would be interesting. I am writing today to the Cleveland Consumers' League, requesting definite information as to their proposed bill so that I will have the facts available when Council meets here next month.

Sincerely yours,  
George V. Sheridan,  
Executive Director.

GVS:CBM






# The Bing Co.

EVERYTHING  
FOR THE HOME

514 PROSPECT AVE.

CLEVELAND, OHIO



January 2, 1931

Miss Elizabeth Magee,  
Consumers League of Ohio,  
Engineers Building,  
Cleveland, Ohio.

Dear Miss Magee:

The enclosed correspondence regarding the attitude of the Ohio State Council of Retail Merchants to the proposed Unemployment Insurance Bill will interest you. It hardly seems possible for one person to go to a convention in Columbus, and make very much progress in molding the opinion of a large group at that time, and I am wondering whether we could interest other Cleveland merchants in advance, principally Mr. N. L. Dauby, of the May Company, and Mr. Eugene Geismer of Stearn Company, both of whom are very intimate friends of Rabbi Silver.

Will you please inform me what steps you think should be taken in this connection.

Sincerely,

THE BING COMPANY

*Louis S. Bing*

LSB:JM  
Encl.



## CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable sign above or preceding the address.

# WESTERN UNION

NEWCOMB CARLTON, PRESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

## SIGNS

DL = Day Letter  
 NM = Night Message  
 NL = Night Letter  
 LCO = Deferred Cable  
 NLT = Cable Night Letter  
 WLT = Week-End Letter

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is STANDARD TIME.

Received at 2040 East 9th St., Cleveland, Ohio TELEPHONE CHERRY 1740, LINE 87

JB672 24 NL=LIMA OHIO 3

ABBA H SILVER=

CLEVELAND OHIO=

MAY I HAVE FOR USE JANUARY 7TH COPY OF YOUR UNEMPLOYMENT  
 COMMITTEE RECOMMENDATIONS AS GIVEN BY YOU AT THE DINNER  
 MEETING DECEMBER THIRTIETH=

DORIS CANGNEY FAMILY WELFARE ASSN.

*Read to  
 Miss McLeary 1/5/31  
 also message  
 about feathers*

THE QUICKEST, SUREST AND SAFEST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE



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 DR. HENRY E. BOURNE  
 MRS. F. H. GOFF  
 MR. SAMUEL MATHER  
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 MISS EMMA M. PERKINS  
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 RABBI A. H. SILVER  
 RT. REV. MONSIEUR JOSEPH SMITH

## THE CONSUMERS' LEAGUE OF OHIO

341 ENGINEERS' BUILDING  
 CLEVELAND  
 MAIN 3025

MISS ALICE P. GANNETT  
 PRESIDENT  
 PROF. W. M. LEISERSON  
 FIRST VICE PRESIDENT  
 MR. MARVIN C. HARRISON  
 SECOND VICE PRESIDENT  
 MISS JEAN FESLER  
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 TREASURER  
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 EXECUTIVE SECRETARY

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 MISS JUANITA DOWMAN  
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 PROF. C. E. GEHLKE  
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 MR. MAX S. HAYES  
 JUDGE BRADLEY HULL  
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 MRS. CHARLES H. MERCER  
 MRS. DANIEL E. MORGAN  
 MISS HELEN PHELAN  
 MISS JULIA RAYMOND  
 MR. WALTER LEO SOLOMON  
 MRS. HOWARD S. THAYER  
 MISS GERTRUDE UNDERHILL  
 MR. GEORGE E. WHITMAN  
 MISS MARIE R. WING

PROF. M. B. HAMMOND, COLUMBUS  
 MISS ELIZABETH HAUSER, GIRARD  
 PROF. W. M. LEISERSON, YELLOW SPRINGS  
 DEAN IRMA VOIGT, ATHENS  
 PROF. ALBERT WOLFE, COLUMBUS  
 PROF. HARVEY WOOSTER, OBERLIN

Saturday, January 3, 1931.

Dear Rabbi Silver,

I am enclosing the tentative budget which we have prepared on the basis of our discussion last evening, together with a copy of the minutes, since you may want them on file.

I am sure you will be interested in the material from the Retail Merchants' Board, which Mr. Brip sent in. He wired Mr. Lazarus as soon as he received the bulletin, and the correspondence is the result. Mr. Brip is willing to go to the meeting in Columbus, but hopes that

in addition, perhaps some of the Cleveland  
men on the Board may be induced to  
support it.

It's rather interesting that they think  
we are formidable, isn't it!

Sincerely yours,

Elizabeth S. Magee.





TENTATIVE BUDGET FOR CAMPAIGN FOR UNEMPLOYMENT INSURANCE FOR OHIO

For Four Months from January 1 - April 30, 1931

Total. . . . . \$5000

Salaries	
Publicity and organization help	\$1200
Stenographic help	500
Printing	1500
Travel	1000
Postage	350
Office Supplies	300
Telephone and Telegraph	150



From The Consumers' League of Ohio  
341 Engineers Bldg.,  
Cleveland, Ohio

January 5, 1931

A SHORT SUMMARY  
OF THE PROPOSED UNEMPLOYMENT INSURANCE LAW OF OHIO

The Unemployment Insurance Law of Ohio proposes to create an Unemployment Insurance Fund, somewhat similar to the Workmen's Compensation Fund. This fund will be created and maintained by the payment of premiums from employers and also from employees.

All employers of three or more employees (subject to exceptions as outlined below) will be required to pay into the fund, premiums in proportion to their payroll. The amount of these premiums will vary according to the classification of the industry involved, and the further classification of the particular employer according to its history of regularity of employment. In no event may the premium upon the entire payroll of all employers be fixed at more than 2% nor upon any individual employer, at more than  $3\frac{1}{2}\%$  or less than  $1\frac{1}{2}\%$ . The premium payable by employees will be a fixed amount, to wit,  $1\frac{1}{2}\%$  of their wages.

Farmers, domestic service, and all employees of railroads or of other employers subject to the jurisdiction of the Interstate Commerce Commission are excluded from the act.

Such employers as wish to do so, will be permitted to carry their own risk and pay their benefits direct to their employees. They will be required to post adequate bond to assure payment of benefits.

The actual administration of the law will be in the hands of a Commission of three members, appointed by the Governor. This Commission will have broad powers to make rules governing the administration of the law, and will be responsible for determining the amount of premiums and their collection; for hearing and deciding all claims for benefits for unemployed employees, and for paying the claims. In addition it will be charged with the responsibility of investigating and seeking to reduce unemployment, as far as possible, by registration, labor exchanges, etc.

The benefits payable will be fifty percent of wages, but not to exceed a maximum benefit for total unemployment of \$18.75 per week; nor for a period of more than 13 weeks in any one year. These benefits will be payable only to workmen who have worked and contributed their premiums for at least 26 weeks of the year preceding; and then only after a waiting period of two weeks, during which time there will be no benefits payable.

Furthermore, benefits will not be payable to anyone who lost his job thru his own misconduct, or who left it voluntarily, or left it because of a strike or lockout, so long as the trade controversy continues, or who fails to report as ordered, to the Commission.

The benefits will be payable only while the employee is able to work and available for work, but unable to secure employment at his customary wage rate, and under substantially similar conditions.



*My. William Father-Cox*  
*Sam Brip*

CLEVELAND COMMITTEE FOR UNEMPLOYMENT INSURANCE

Mrs. J. F. Allen  
Mr. Brent Dow Allinson  
Mrs. Newton D. Baker  
Miss Grace Berger  
Dr. Wm. W. Biddle  
Mr. Andrew T. Bilinski  
Mr. Louis S. Bing, Jr.,  
Rev. Philip Smead Bird  
Rev. F. Q. Blanchard  
Mr. Edward F. Bohm  
Miss Margaret S. Bourne  
Mrs. A. T. Brewer  
Mrs. Emil Brudno  
Prof. Henry M. Busch  
Mrs. Henry M. Busch  
Mrs. Henry White Cannon  
Prof. Frank T. Carlton  
Miss Mildred Chadsey  
Miss Nell F. Collopy  
Dr. J. F. Cutler  
Mr. Harry E. Davis  
Mr. W. B. Dillon  
Miss Jusnita Dowman  
Dr. A. Caswell Ellis  
Father Cyprian Emanuel  
Mr. Jules Eshner  
Miss Eleanor Ferris  
Miss Jean Fesler  
Miss Alice P. Gannett  
Prof. C. E. Gehlke  
Miss Clara Gehring  
Mrs. Jennie C. Grant  
Dr. E. C. Grover  
Mrs. Cora Miller Hanson

Dr. Henry Harap  
Mr. Marvin C. Harrison  
Rev. Joel B. Hayden  
Mr. Max S. Hayes  
Judge Bradley Hull  
Miss Jane E. Hunter  
Mr. Myron Jermain Jones  
Miss Clara A. Kaiser  
Mr. Stanley Klonowski  
Mr. C. E. Knoeppel  
Judge Julius M. Kovachy  
Rev. S. K. Kremer  
Mr. Chas. Kreindler  
Mrs. Albert D. Levy  
Mrs. Chas. H. Mercer  
Mr. W. H. McPherson  
Mrs. W. H. McPherson  
Miss Elizabeth S. Magee  
Rev. Robt. W. Mark  
Mr. Joseph Martinek  
Prof. J. C. Meyer  
Miss Grace E. Meyette  
Miss Ruth Mitchell  
Mrs. Anne Morgan  
Mrs. Daniel E. Morgan  
Mr. John G. Murphy  
Mr. Theodore Newcomb  
Mr. W. I. Newstetter  
Rev. Victor Obenhaus  
Mr. Amos Parsons  
Rev. Almon R. Pepper  
Mr. Ben Peppercorn  
Mr. Chas. E. Percy  
Miss Helen Phelan

Mr. David H. Pierce  
Mr. Carl Raid  
Miss Julia Raymond  
Mr. Arthur J. Reinthal  
Miss Florence K. Root  
Mr. Carl Rudolph  
Miss Mae Ryman  
Miss V. Freda Seigworth  
Mr. B. C. Seiple  
Rabbi A. H. Silver  
Miss Dorothy Smith  
Mr. Walter Leo Solomon  
Mrs. Evelyn F. Stires  
Mrs. Howard S. Thayer  
Miss Charlotte E. Townsend  
Mrs. Ralph S. Tyler  
Mr. Ralph S. Tyler, Jr.,  
Miss Gertrude Underhill  
Rev. Elmer E. Voelkel  
Miss Margaret W. Wagner  
*Mrs. Hazel M. Walker*  
Mr. S. Burns Weston  
Mr. Geo. E. Whitman  
Mr. Chas. W. White  
Mr. F. E. Wilson  
Mrs. Louis H. Winch  
Miss Virginia R. Wing  
Miss Marie R. Wing  
Mr. Wm. J. Winston  
Rev. Oldrich Zlamal









Self respecting men, worthy men, men - doing  
wonderful enforced virt. work -

3. Friends we must try to solve problem - a  
warfare social vision and courage -  
Some great states in our Union must  
make the start in attempt to cure the  
deadly malady in our Econ. system -  
We in the protest movement to the  
remedy of our entire Econ. system  
- Men do not desert unless they are  
defeated - How long will America  
wonder, hesitate, & finally to be  
retarded by warlike, war-like  
up their hands, why then, keep  
very to higher level, Econ. conditions,  
even improving their Econ. conditions -  
forcing them to humiliate, & pay at  
last, & charity - It is unthinkable  
that in a land - yet, I do see -  
men flustered with gold & silver but  
no reaching - fewest of men & exec.  
men, that be possible - The  
will not - they cannot see the actual  
condition -

This apparent dead, the 1st problem  
will not <sup>be</sup> solved until we see  
the other - This must be the case -



1. I speak --
2. Amazing - assumed - relief  
- Social menace -
3. This Bill will not solve -  
afford -
4. Grounded - legitimate
5. Practical - Takes into account
6. It is Insurance -  
- Beneficiary -  
- State
7. Burden on State
8. People - No new burdens -
9. Social Vision - Change -  
- Menace -
10. Security - Belonging  
- Movement -

- We still can readily understand  
balance & deliberate to solve the problem  
of the production & under consumption, &  
in a calm, deliberate manner -  
- There will be making a woman  
contribution to the cause by their  
nature when it comes this World  
Peace -

---





Jan. 7th, 1931.

Rabbi Louis L. Mann,  
4600 Grand Blvd.,  
Chicago, Ill.

My dear Lou:-

I had hoped to speak to you about the following matter when I was in Chicago but unfortunately it escaped my mind.

The Consumers' League of Ohio has initiated a movement to present at this session of the Ohio State Legislature an Ohio State Unemployment Insurance Bill. The Bill has been drafted after months of careful study in consultation with the American Association for Labor Legislation and outstanding economists in this country.

In order that the Bill might get a fair hearing among the legislators a certain small budget will be required for printing, traveling, publicity, etc. We estimate a total budget of about \$5000.

It has been suggested to us that the Rosenwald Foundation of Chicago might be interested in helping this movement along. If it succeeds in Ohio it will of course have its inevitable repercussions throughout the country and there is in Ohio quite a sentiment for unemployment insurance.

I wonder whether you are sufficiently close to the trustees of the Rosenwald Fund to bring the matter to their attention. I should be very happy to send them the fullest information and a complete copy of the bill to be introduced.

May I hear from you at your earliest opportunity?

With kindest regards to Ruth and to yourself in which Virginia joins me, permit me to remain

Very sincerely yours,

AHS/IR

Unemployment  
Insurance in  
Ohio

~~Unemployment~~

Ohio Commissioner  
on Unemp  
Report of the

Ohio



368,44  
688

20

Business



DR. LOUIS L. MANN  
RABBI



## Chicago Sinai Congregation

4600 SOUTH PARKWAY

January  
10th,  
1931

Rabbi Abba Hillel Silver  
The Temple  
105th At Ansel Road  
Cleveland, Ohio

Dear Abba:

I want to acknowledge your kind letter of January 7th and to tell you that I would hesitate asking the Rosenwald Foundation for help in putting the Unemployment Insurance Bill across in Ohio. The attitude that the Foundation has taken on similar projects has always been that a big and prosperous State like Ohio should not need outside help when so small a sum as \$5,000.00 is required. As a matter of fact, I share these sentiments strongly myself and would therefore not be the right person to approach them.

Again assuring you how much Mr. Schwartz, Ruth and I appreciated your masterly lecture at our Forum, I am,

Sincerely,

LLM:DS

*Louis L. Mann*

# HONORARY VICE PRESIDENTS THE CONSUMERS' LEAGUE OF OHIO

DR. ROBERT H. BISHOP, JR.  
DR. HENRY E. BOURNE  
MRS. F. H. GOFF  
MR. SAMUEL MATHER  
MR. DANIEL E. MORGAN  
MISS EMMA M. PERKINS  
MISS BELLE SHERWIN  
RABBI A. H. SILVER  
RT. REV. MONSGR. JOSEPH SMITH

341 ENGINEERS' BUILDING  
CLEVELAND  
MAIN 3025

MISS ALICE P. GANNETT  
PRESIDENT  
PROF. W. M. LEISERSON  
FIRST VICE PRESIDENT  
MR. MARVIN C. HARRISON  
SECOND VICE PRESIDENT  
MISS JEAN FESLER  
SECRETARY  
MR. GEORGE E. WHITMAN  
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EXECUTIVE SECRETARY

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MR. MARVIN C. HARRISON  
MR. MAX S. HAYES  
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MRS. DANIEL E. MORGAN  
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MISS JULIA RAYMOND  
MR. WALTER LEO SOLOMON  
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MISS GERTRUDE UNDERHILL  
MR. GEORGE E. WHITMAN  
MISS MARIE R. WING  
PROF. M. B. HAMMOND, COLUMBUS  
MISS ELIZABETH HAUSER, GIRARD  
PROF. W. M. LEISERSON, YELLOW SPRINGS  
DEAN IRMA VOIGT, ATHENS  
PROF. ALBERT WOLFE, COLUMBUS  
PROF. HARVEY WOOSTER, OBERLIN

33

January 13, 1931

Rabbi A. H. Silver  
The Temple  
Ansel Rd. & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

I have just been told by one of the members on our committee who lives in Collinwood, that several organizations are eager to put on an evening meeting in the interest of unemployment insurance, in the auditorium of the Collinwood High School early in February, provided that it is possible to secure you as speaker. They have suggested six possible dates: February 2, 3, 5, 9, 10, and 12th. My understanding is that they want to make this a community affair including various organizations such as the Parent-Teachers Association, the Y. W. C. A. etc. I wonder whether you can tell this far ahead whether any of these dates would be possible?

Very cordially yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Executive Secretary

*I am delighted to know that  
Mr. Frasier and Dr. Wright have been  
accepted appointment on the Executive Committee  
and that Mr. Frasier will be a vice-chairman.*



# FENN COLLEGE

of the CLEVELAND YMCA SCHOOL of TECHNOLOGY

2200 Prospect Avenue : Cleveland

DEPARTMENT OF ENGINEERING

DAY COOPERATIVE  
EVENING DIVISION

OFFICE OF THE DEAN

Phone: PROSPECT 2200

January 14, 1931

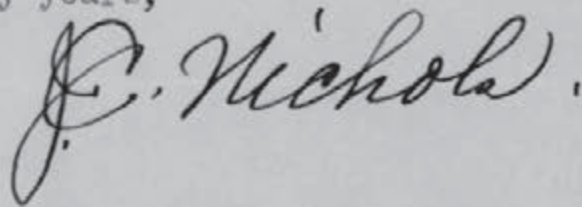
Rabbi Silver  
The Temple  
Ansel & East 105th St.,  
Cleveland, O.

Dear Sir:

This letter will introduce Claud Sympson, Warren Silliman and Glenn Williams, - three boys studying engineering in the cooperative division at Fenn College.

Through our classroom discussions regarding employment and industrial conditions, these young men have become interested in the subject of Unemployment Insurance. It is our purpose in this school to give as much time as possible to up-to-date significant issues. They will appreciate very much if you can give them in a few moments of your time, some of the high points of the work you are doing here in Cleveland.

Sincerely yours,



JCN:S

Dean.

Jan. 15th, 1931

Mr. C. A. Stuart,  
1487 E. 55th St.,  
Cleveland, Ohio.

My dear Mr. Stuart:-

Please pardon the long delay in answering your kind letter. I have been out of the city a great deal.

I am glad to know that you are interested in the Proposal for Unemployment Insurance. Within the next week or ten days the Bill will be introduced in Columbus.

As regards your question about the employers on Interstate Busses. The Bill specifies that only those employers who are subject to the jurisdiction of the Interstate Commerce Commission are excluded from the Act.

With best wishes permit me to remain

Very sincerely yours,

AHS/IR



January 19th, 1931

Mr. A. F. Whitney,  
Brotherhood of Railroad Trainmen,  
Cleveland, Ohio.

My dear Mr. Whitney:-

Please pardon the long delay in answering your kind letter. I have been away from the city a good deal of the time.

It is very kind of you to ask me to give you the substance of the address which I delivered at the American Association for Labor Legislation for publication in the February issue of your journal.

I have made a brief outline of what I said at that meeting and have appended to it a summary of the Unemployment Insurance Bill which will in the very near future be introduced in the Ohio State Legislature.

Thanking you for interest and for your courtesy, permit me to remain

Very sincerely yours,

AHS/IR

Bulwer, Brotherton -

# Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

January 20, 1931

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REV. LOUIS E. WRIGHT

Dear Rabbi Silver:

It was certainly good of you to send me a copy of your book. I read most of it over the week-end, and found it very stimulating. I was particularly interested in the chapter on "The One and the Many."

You will forgive me for writing on business stationery but I felt sure you would wish to see the impressive list of our committee!

With warm regards, I am

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary

Rabbi A. H. Silver  
The Temple  
Ansel Rd. & E. 105th St.,  
Cleveland, Ohio



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President

*J. A. Furquharson*  
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*Grand Lodge*

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General Secretary and Treasurer

# *Brotherhood of Railroad Trainmen*



AFW-X

*General Offices, Cleveland, Ohio.* January 26, 1931.

Rev. A. H. Silver,  
The Temple,  
East 105th and Ansel Rd.,  
Cleveland, Ohio.

Dear Rabbi Silver:

Your valued favor of the 19th inst., enclosing outline of your address at the meeting of the American Association for Labor Legislation, is received and appreciated. Your address will be published in the March issue of "The Railroad Trainman".

Your statement on unemployment is indeed wonderful, but I find myself more or less in disagreement with you on the question of unemployment insurance. My thought is that "unemployment insurance" is not insurance at all - it is compensation. Unemployment prevention is what is needed. The rapid concentration of wealth in this country seriously interferes with the proper distribution of money, and the progress made in the development of automatic machinery has thrown millions of men out of employment and destroyed purchasing power. These factors, in my opinion, are largely responsible for the chaotic conditions confronting this nation today.

Mr. Whiting Williams, in addressing the American Association for Labor Legislation, at Cleveland, on the evening of December 30, 1930, said, in part:

"In all the world, there is no substitute for a job except another job. My observation is that that country is beginning to skid toward industrial decay whose public assumes that a person given fifteen dollars a week for idleness is anything like half as well off as a man earning thirty dollars at his lathe or bench. He may be better off than a starving man, but he is still morally starving. The reason is that a daily job feeds not only the physical self but the spiritual. Without it, self-respect is impossible."

Unemployment prevention is what is needed, but that cannot be brought about until business and other interests are big enough to admit the facts and take steps to distribute work without reducing wages. When this step has been taken, the purchasing power of our people will be increased sufficiently to take care of mass production, or at least more nearly equalize consumption and production. The "staggering of employment" does not accomplish this as it merely spreads the distress over more victims and no increase of compensation results, hence purchasing power does not improve.



Rev. A. H. Silver.

- 2 -

I have noted with interest that part of your statement with reference to the proposed Ohio unemployment insurance law, especially that part reading:

"Furthermore, benefits will not be payable to anyone who \* \* \* left it (his job) because of a strike or lockout so long as the trade controversy continues \* \* \*."

The distinction between the shutdown of a plant or the layoff of a number of men and a lockout is often very slight, and should the proposed law be enacted I feel there might be an abuse of this provision, with the result that the primary object of the proposed law, assistance to men who are thrown out of work, would be defeated.

I am very much impressed with your humanitarian attitude in this unemployment situation, and sincerely thank you for the contribution to our magazine.

Very sincerely yours,



*A. F. Whitney*  
President.

# Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

January 28, 1931

## EXECUTIVE COMMITTEE

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REV. LOUIS E. WRIGHT

Rabbi A. H. Silver  
The Temple  
Ansel Road & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

I am enclosing a letter which has just come from Bishop Schrembs in reply to our letter to him. I believe that I told you that his secretary telephoned asking us to send him a copy of the bill. I thought perhaps you might like to answer the letter telling him something of the kind of study which has gone into the preparation of our bill.

Tomorrow at the finance committee meeting we will show you a copy of the material for the pamphlet, for your criticism.

Very sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary

*Wasn't the article in this morning's  
Plain Dealer good?*



DIOCESE OF CLEVELAND  
605 GUARANTEE TITLE BLDG.  
815 SUPERIOR AVE., N. E.  
CLEVELAND

OFFICE OF THE BISHOP

January 24th, 1931.

Miss Elizabeth S. Magee, Secretary,  
Cleveland Committee for Unemployment Insurance,  
341 Engineers' Bldg.,  
Cleveland, Ohio.

My dear Miss Magee:

I have gone over the proposed bill for unemployment insurance most painstakingly. It must be evident to any honest student of economic conditions that some provision must be made to carry employees during times of general depression and unemployment.

Nearly all large industries lay up surpluses when business is good in order to carry the business through periods of depression. Such funds are used to care for equipment, machinery, etc. and this is considered just good business. No manufacturer would think of setting his machines on the streets and asking the Red Cross to care for them when they are idle; yet, the workers, the living, the vital element in the industrial world, in time of depression are laid off to shift for themselves and are made dependent on charitable agencies for their care and support.

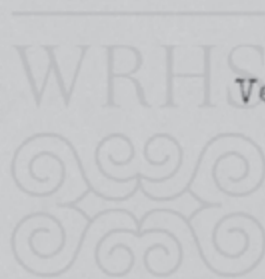
Clearly, then, some plan should be worked out to solve this difficulty and the State, undoubtedly, will be obliged to pass legislation making compulsory provision for such a destructive condition. Permit me to say, however, that I doubt whether this present bill is the correct solution. Personally I feel it would be better if, instead of passing this bill through the Legislature at this time with the small amount of study that has been given to it, the necessary legislation were passed to have the Governor appoint a Commission which would make a full and thorough study of the situation and later recommend some bill which would adequately meet the situation and merit general approval.

It seems very doubtful to me that enough study has been given to this bill to decide, for instance, as to the percentage of money that should be paid by the employee, as to whether one or one and a half per cent of the pay roll should be paid by the employer, and as to how much should be paid by the State for the administration of the Department. Everyone agrees, of course, that there must be some provision

but it should be made only after a thorough study of the problem so as to insure a reasonable solution of the difficulty.

Any interview given to the papers at this time to my mind should have for its ultimate purpose the development of a sound solution of the unemployment problem and therefore a careful preliminary study of the problem itself so as to make sure that it is properly solved. The present bill will become the subject of much controversy and a great deal of this controversy could be avoided if a proper study of the situation were made and the people were familiarized with the steps that were being taken to provide for the relief.

With kindest personal good wishes, I remain,



Very cordially yours,

*Joseph Schrems*  
Bishop of Cleveland.





CITY & COUNTY EMPLOYEES  
JOINT COUNCIL

MINNEAPOLIS,  
MINN.

1931

A. A. DURESEN, President

C. W. ANDERSON,

Secretary

J. E. ERICKSON, Treasurer

Jan. 27 - 1931.

Rabbi Abba Hillel Silver,  
The Temple,  
Cleveland, O.  
My Dear Sir:

Having read some matters pertaining to unemployment by you in the newspapers, I thought perhaps we could inquire of you regarding some concrete ideas on Unemployment Insurance, that might be used in the drafting of a Legislative measure. Of course you understand there are plenty of ideas here but I have been instructed by the Legislative Committee of ~~our~~ our Union to gather outside information and ideas. And if you can give us that we will sincerely appreciate it.

My personal opinion is that the present bad situation should not be allowed to pass, without some form of State or Federal Legislation being enacted to relieve unemployment with some form of insurance.

Is the state of Ohio considering such a proposal? If so, what are its best features and recommendations? What other states in that vicinity are proposing





## CITY & COUNTY EMPLOYEES JOINT COUNCIL

A. A. DURESEN, President

~~Wm. L. GUSTAFSON~~ Secretary

J. E. ERICKSON, Treasurer

unemployment insurance and what are its chances of passing? And other matters?

The City and County Employees Joint Council of Minneapolis and Hennepin County, Minnesota, is the parent organization which welds all our Public Service Employees Unions into one. Needless to say, this includes all, from the civil engineer down to the laborer. We have A. F. of L. affiliations. So you can readily see we are vitally interested in all political matters pertaining to Labor and Taxation.

Whatever information or suggestions you could offer, I know would be of great help in our work and deliberations with our State Representatives, now in session. With all good wishes and trusting to hear from you in the near future, I am

Very Truly Yours.

Chas. W. Anderson, Rec. Sec'y.  
1005 - 6 Ave. So.  
Minneapolis, Minn.



# Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

January 27, 1931

## EXECUTIVE COMMITTEE

RABBI A. H. SILVER  
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MISS ALICE P. GANNETT  
MR. MAX S. HAYES  
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MR. CARL RUDOLPH  
MR. B. C. SEIPLE  
MR. WALTER LEO SOLOMON  
MISS MARIE R. WING  
REV. LOUIS E. WRIGHT

Rabbi A. H. Silver  
The Temple  
Ansel Road & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

The Finance Committee will meet on Thursday at 12 o'clock in the Chamber of Commerce Club. The room will be posted under the name of Mr. Louis S. Bing, Jr.,

I believe I told you that we decided to have the abstract of the bill printed. Senator Reynolds is very pleased with these and is planning to give them out this week to the members of the Senate, since they can get the idea of the bill more quickly from this than from the whole bill. Our clipping bureau sent us quite a sheaf of articles from papers all over the state following the introduction of the bill. I will bring some of them to the meeting on Thursday.

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary

(Enclose abstract)

# Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

January 30, 1931

## EXECUTIVE COMMITTEE

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CHAIRMAN

MISS ALICE P. GANNETT  
MR. MAX S. HAYES  
MR. WILLIAM FEATHER  
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MR. WALTER LEO SOLOMON  
MISS MARIE R. WING  
REV. LOUIS E. WRIGHT

Rabbi A. H. Silver  
The Temple,  
Ansel Road & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

The copies of the bill have finally come from Columbus, so I am forwarding one to you at once, under separate cover. Senator Reynolds will not be able to see me until tomorrow. I will get in touch with you after I talk with him.

The group in Collinwood approached me again about the possibility of your making a speech for them at Collinwood High School. I wonder whether your schedule will make this possible?

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary

*declined*



Excerpt from Letter of Dr. Andrews, February 2, 1931.

"I note that you are "firmly convinced that the non-contributory type (of unemployment insurance) has not the ghost of a chance in this country." This interests me but I should like to know on what you base your opinion. Have you promises from important organizations of employers that they will support the legislation provided the workers are compelled to contribute?"



\$250. sent to Louis S. Bing Jr.

to fund for Committee for Unemployment

Insurance 1/30/31





Feb. 3d, 1931

Mr. Charles W. Anderson,  
City & County Employees  
Joint Council,  
Minneapolis, Minn.

My dear Mr. Anderson:-

Permit me to thank you for your kind letter of  
Jan. 27th.

I am enclosing herewith the summary of the Bill  
which has been introduced in the Ohio State Legislation.

The Ohio Bill represents a very careful study of  
the whole unemployment situation abroad and in this country.  
We have endeavored to profit by the experiences of England and  
Germany and we have also studied carefully the model Bill which  
the American Association for Labor Legislation drafted.

At the meeting of governors, convoked by Governor  
Roosevelt of New York State the subject of unemployment insurance  
occupied a very prominent position and it was voted that a  
special meeting of the governors be summoned in the near future  
and devote itself entirely to this subject.

You will find considerable literature on the subject  
in the recent issues of The American Labor Legislation Review.

With kindest regards, permit me to remain

Very sincerely yours,

AHS/IR

February 5, 1931

Dr. John B. Andrews,  
American Association for Labor Legislation,  
131 East 23rd St.  
New York, N. Y.

Dear Dr. Andrews:

I have yours of the 2nd inst. As far as deletions in my manuscript are concerned, please don't take the manuscript seriously. I am not vain enough to worry about the paragraph being in or out. I have been an editor myself and have always insisted upon certain editorial prerogatives.

As to the non-contributory type of unemployment insurance legislation, that is more complicated matter.

You ask two questions: first, what I base my opinion on that non-contributory insurance has little chance of success, and secondly, whether I have any promises from important employers' organizations that they will support the legislation provided the workers are compelled to contribute. My definite answer to the second question, is, no. But of course there is, I think, in putting those two questions together, a certain logical error in saying that I do not think the non-contributory type has a ghost of a chance. I am not under obligations to prove that the contributory kind has already been accepted by employers. On the contrary, because of the very fact that I expect even the contributory kind to face a very serious opposition is the reason why I feel that the non-contributory kind has not a ghost of a chance--at this particular time, of course. I am saying nothing of the indefinite future.

Now then, back to the first question, As to the basis of my opinion, I am not, after all, altogether a novice in group struggles centering around labor legislation. I have learned something of the psychology of the employer during the last thirty years. As I tried to explain in my paper, all arguments flow from the fear of the cost to the employer and to the State. Most criticisms of your English and German systems emphasize the burden of industry. I know something of the history of compensation legislation, though perhaps not as much as you do. I know of the opposition to every in-



crease in benefits because of an exaggerated fear of the increase in cost.

Furthermore, I have spoken to numerous groups in this city and the vicinity. What makes the strongest appeal to any audience I address is the plea for application of the insurance principle, of the principle of a mutual fund to which all those contribute who are subject to the hazard and from which all those draw who were struck by the emergency.

After all, no matter what Mr. Green may say, the real reason for the objection of the A.F. of L. is the resistance to the contribution, the same motive. Fortunately, or unfortunately, employers exercise a great deal more influence upon our legislatures than the A.F. of L.

Finally, though that, I appreciate, switches the argument into another plane, the non-contributory scheme, as advanced by the A.A.L.L., just because it is non-contributory suggests a painful inadequate scale of benefits.

Unfortunately again, in the field of social action one frequently has convictions, even firm ones, the accuracy of which cannot be demonstrated mathematically. I must express my opinion that I think the Commons type of Bill as undesirable. The Ohio Bill and the California Bill, in my opinion, meet the situation better.

Cordially yours,

Secretary.

IMR/NS

# B'nai B'rith

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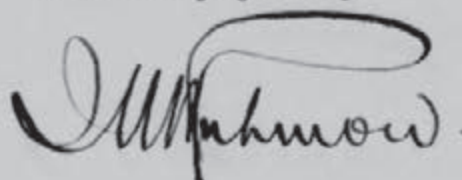
February 5, 1931.

Dr. Abba Hillel Silver,  
The Temple,  
East 105th St. at Ansel Road,  
Cleveland, Ohio.

Dear Dr. Silver:

In view of your interest in matters of unemployment insurance (in fact, you are charged with the main responsibility for the Ohio Bill) you may be interested in the enclosed correspondence between Dr. John B. Andrews and myself. I am very much interested in getting your reaction to the problem.

Cordially yours,



Secretary.

IMR/NS



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Madison, Wis.



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CHICAGO, ILL.

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Director Womens' Aux.  
Chicago, Ill.

February 11th, 1931.

Rabbi Abba Hillel Silver,  
c/o The Temple,  
East 105th St.,  
Cleveland, Ohio.

Dear Rabbi Silver:

Your letter of the 6th followed me to Chicago.

I am very glad, indeed, to know that you are coming to Columbus on the 17th to take part in the hearing on the Unemployment Insurance Appeal. Unless prevented by other duties I also hope to be there.

There may be some force to your argument against actively coming out in favor of both appeals at the same time, although it is likely that it would be two different committees.

I fully appreciate that at this moment the unemployment problem is attracting a great deal more public attention than the Old Age Pension Appeal, but, on the other hand, I imagine that the chances of success of the Unemployment Appeal are rather slight while the Old Age Pension Appeal, if pushed with more energy, may come through.

Perhaps you might see your way of running up to Columbus in defense of both.

Cordially yours,

*I. M. Rubinstein*  
Secretary  
B'nai B'rith

IMR\*SG



THE SHERWIN-WILLIAMS CO.  
EDWARD M. WILLIAMS  
CLEVELAND

February 16, 1931

Rabbi Abba Hillel Silver, Chairman,  
Cleveland Committee for Unemployment Insurance,  
341 Engineers' Building,  
Cleveland, Ohio.

Dear Sir:

I take pleasure in enclosing check for  
\$50.00 to use by the Cleveland Committee for Unemployment  
Insurance.

It is my belief that in the next few years  
(possibly fewer than some of us think) we will arrive at a  
situation where, unless we want some such scheme as Russia  
is working out, it will be necessary for us to prove that  
we have a better plan. This, I think we can do if we all  
unite in a sincere attempt to do so.

It is my opinion that unemployment insurance  
set up as a burden on both capital and labor, so as to obviate  
the kind of difficulty the country is going through now, will  
prove to be a fundamental essential.

Very truly yours,

*E. M. Williams*

EMW-L



WILLIAM G. MATHER  
CLEVELAND OHIO

1460 Union Trust Bldg.

February 16, 1931.

Rabbi A. H. Silver,

341 Engineers Bldg.,

Cleveland, Ohio.

Dear Mr. Silver:-

UNEMPLOYMENT INSURANCE.

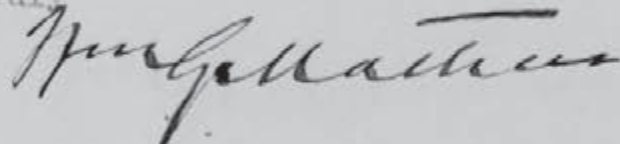
I have yours of the 13th.

The question of unemployment insurance seems to me one of such importance that I hesitate to enlist myself on the side of approving it without further thought. Such a method of alleviating the distress of unemployment may have its train such disadvantages as are apparent in the English "dole". I agree with Mr. William Green, President of the American Federation of Labor, that something should be done, but he himself did not approve of an unemployment insurance.

It is possible, though I have not given it thought, that limiting work to five days a week, or a certain number of hours per week less than is now in practice, might be a better method than unemployment insurance or the "dole".

WGM:F

Yours truly



**Ohio House of Representatives**  
**Columbus**

JOSEPH E. CASSIDY  
CUYAHOGA COUNTY  
1274 WEST 102ND STREET  
CLEVELAND, OHIO

1931-1932

Feb. 16th

Rabbi A. H. Silver  
Chairman, Cleveland Committee  
for Unemployment Insurance.

My Dear Rabbi Silver:

In answer to your letter on the hearing on the Bill for unemployment insurance, I might say that as a member of the organized labor movement of Cleveland, I heartily favor this proposal, and shall be present at the hearing.

It is a pleasure to write to you concerning legislation to help the unfortunate, because anyone who is interested in legislation of this kind knows how you feel for the working people, especially we in the Labor Movement. You have been of unestimable assistance from time to time to the organized workers of Cleveland, and I know that they feel grateful. I only wish that more denominations took the interest in the problems of the wage earner as the one does that you represent.

I hope that you will feel free to write me on any legislation that you might be interested in and you can feel assured that all the friends of Labor here in the assembly will exert every influence to see these bills enacted into law.

Respectfully yours,

*Joseph E. Cassidy*



MRS. WALTER H. MERRIAM  
2636 EAST OVERLOOK ROAD  
CLEVELAND, OHIO

Feb. 17, 1931

Rabbi A. H. Silver,  
Chairman Executive Committee  
Cleveland Committee for Unemployment Insurance,  
341 Engineers Building,  
Cleveland, Ohio

My dear Rabbi Silver:

Responding to your letter of February 13th with its statement concerning the suggested budget of The Cleveland Committee for Unemployment Insurance and contribution for same, May I say that I shall be very glad to contribute to this work. I am enclosing my check for one hundred dollars (\$100). I regret that many demands make it impossible for me to do more at this time.

May I take this opportunity to assure you of my deep interest in all that you and your committee are attempting to do and I do trust that something really constructive may be accomplished.

Most sincerely yours,

*Walter H. Merriam*  
Mrs. Walter H. Merriam



Feb. 18-1931

To the Board of Directors  
The Cleveland Chamber of Commerce

Gentlemen: Your committee, appointed to make a general study of the question of unemployment insurance and particularly to recommend what action, if any, the Chamber of Commerce should take with reference to legislation now pending before the Ohio Assembly in this field, begs leave to make the following report.

Legislation of the type now before the Ohio Assembly, with many differences in details and methods of administration, has in recent years been adopted and is now in force in many foreign countries, including Queensland(Australia), Austria, Belgium, Bulgaria, Czechoslovakia, Denmark, Finland, France, Germany, Great Britain, the Irish Free State, Italy, the Netherlands, Norway, Poland, Russia, Spain and Switzerland. In some instances such insurance is compulsory and not in others, in some participated in by state contributions and not in others, in some regarded as insurance and placed upon an actuarial basis, in others either as relief for chronic unemployment or inextricably confused with such relief. The measures in force seem to differ so widely among themselves and experience with them has required so many changes as to leave only a small residuum of positive evidence of general satisfaction with them upon which to base similar enactments for our country and our people.

In the judgment of our committee such legislation must necessarily be considered as part and parcel of a much larger body of social legislation, growing partly out of alternating periods of prosperity and depression in business, as well as that of chronic unemployment, for which as yet no certain cure has been found. The best that can be said for them is that they are experiments and thus far experiments without the benefit even of a common denominator.

The committee therefore recommends that the board of directors of the Cleveland Chamber of Commerce express itself at the present time as being opposed to the particular measures now pending before the Ohio Assembly, or any other measures leading toward the enactment of legislation upon the question of unemployment insurance during the present session of the Ohio Assembly. Numerous reasons have been advanced in the committee for this action, among which at this time it seems advisable to mention only the following:

Time  
2  
(1) Your committee does not feel that the Ohio Assembly has had opportunity or can have opportunity in the course of the present session to give to this question the study, either as to the methods or results which have been followed or obtained in other countries of the world, to warrant the belief that legislation of this type in this country could be more successfully framed or produce less unsatisfactory results than has been the case elsewhere. There is, of course, no background of experience in the United States for such legislation as this, for, so far as the committee is informed, no such measures have been adopted by any state, and naturally no trial of the experiment has been made.

As has been indicated above, the bearing of such legislation upon a great body of social measures, looking toward remedies for conditions that arise in the social body of a people, as well as the relationship of such legislation to the fluctuations of business, require that the most careful investigation be entered upon and the wisest possible counsel taken before enactment.



(2) Your committee is informed that steps have been taken by the National Congress as well as by privately supported foundations to study these problems and until some comprehensive and constructive results are obtained by these researches it would be wiser to leave this question out of all legislative programs and to encourage business corporations to act individually in studying plans for the benefit of their own employees. To carry such a measure through and make it applicable to industrial conditions in the State of Ohio would undoubtedly subject all Ohio industries to a special form of taxation, ranging from  $\frac{1}{2}\%$  to  $3\frac{1}{2}\%$  of the participating payroll.

The result of such isolated action would place industries in Ohio in a weaker position than they now occupy in competition with business in those states not subject to such additional taxation and would in the long run serve to defeat the purposes in view. Such a consideration is of special importance in the present condition of nation-wide business depression for, while the need of relief is pressing upon society in general, business and industry are likewise confronted by serious problems and facing difficulties which are grave enough in themselves without the additional burden which such legislation would impose.

In the judgment of your committee the present mental and emotional condition of our people does not offer a good prospect for calm consideration of legislation of this character or for its workability if imposed. There would be widespread resentment among business men instead of approval or even of a sufficient measure of tolerance necessary to secure for such a law the cooperation essential to its successful administration.

The relief such legislation is designed to provide could not be effective in alleviating present distress. By the terms of this bill it becomes operative, so far as benefits are concerned, in the latter half of the year 1932. A term of months is required to receive premiums and to create financial reserves through which benefits might be obtained.

Respectfully submitted,

COMMITTEE ON UNEMPLOYMENT INSURANCE

Dr. Robert E. Vinson, Chairman	
Edgar E. Adams	F. G. Hodell
W. D. Callaghan	H. J. Klein
E. G. Crawford	George E. Randles
J. E. Cutler	Nelson Rupp
Thomas Ferry	Roy H. Smith
F. H. Fishback	W. B. Stewart
Oscar Grothe	Whiting Williams

LORAIN CITY SCHOOLS  
LORAIN, OHIO

HAWTHORNE JUNIOR HIGH SCHOOL  
E. E. BUELL, PRINCIPAL

Lorain, Ohio

February 19, 1931

Rabbi Alba Hillel Silver  
The Temple Ansel Rd. and 105th St.  
Cleveland, Ohio

My dear Rabbi Silver:

We, the members of the Hawthorne Debating Club  
would appreciate it very much if you would send us sources  
of information for the question: Resolved that America  
should adopt Unemployment Insurance.

Yours sincerely,

*Sarah Schwartz*





C. F. TAPLIN  
GEO. T. FILLIUS  
HENRY H. HOPPE  
ARDEN O. LEA  
EDWIN L. BAKER

## TAPLIN & FILLIUS

UNION TRUST BUILDING

CLEVELAND

ASSOCIATED WITH  
FILLIUS & FILLIUS  
WARREN, OHIO

February 19, 1931.

House Committee Considering  
Unemployment Insurance,  
Columbus, Ohio.

Gentlemen:-

It is with great concern that I have witnessed the efforts now being made to saddle upon the taxpayers of the State of Ohio an additional burden in the form of "unemployment insurance". Nomenclature is unimportant. The fact remains that the proposal is for a dole. The experience of Great Britain should be sufficient to warn us from initiating any such policy.

I am not unmindful of the necessities of workmen who are out of employment, either through illness, accident, or business depression. The cure, however, is not in saddling this burden upon taxpayers in the form of insurance. What we are most concerned with in this country is retaining our manhood, and there is nothing that is so subversive of manly instincts as public encouragement of dependence upon others for the livelihood that we should ourselves earn.

Industry has much to learn in the matter of relations

between the employer and the employee. Both are clearly at fault in the attitude which each has had toward the other. While the employer, generally speaking, has not given sufficient consideration to the welfare of his employees, so have the employees failed to co-operate in general with the employer in order to benefit both. I have no quarrel with Labor Unions, but, as they have been operated in recent years, they have become a menace to industry and Government. A blatant minority, selfishly thinking only of their own interests, have kept labor stirred up and constantly at odds with employers, whereas times have been such that the greatest of co-operation should have been observed.

Frankly, I am not one of those who believe that wages must never be cut. Wages are a commodity and, like all other commodities, must go up or down according to the law of supply and demand. If all other commodities go down wages should go down proportionately. When commodities go up wages should go up proportionately. In this way the scale of living is in no way affected by a reduction in wages, nor is buying power affected thereby. On the other hand, those who are unfortunate enough to be out



of employment are far better off under a lower wage scale and a lower commodity range than when commodity prices and wages are high.

The answer to the whole proposition of the welfare of industry, which includes not only the employer and the employee, but the investor, is that every employer of labor should create an unemployment insurance fund for the benefit of his own workers. All workers should be asked to contribute to this fund, and the company should either duplicate the total of such subscriptions or double same, and the administration of the fund should be placed in the hands of the employees. No one will be so careful as the employees themselves to see that the fund is not raided by malingerers. This fund should take care of employees who are out of work either through illness, accident, or depression in business, and the participation in the fund should be related to the length of the employment. This will have a very desirable effect, in that employees will not slack for fear of losing their benefits. Furthermore, they will not voluntarily give up their employment for the same reason. This will prevent a great turn-over in labor,

which is probably one of the costliest of items to employers. In case of part time or total unemployment, due to slack times in the industry, men can be taken care of from such a fund and know that as soon as conditions warrant they will be restored to the payroll. In a sense they will not consider that they are unemployed, because they will always feel that they are a part of the organization which is taking care of them. They will have a greater interest in their work and in the organization, and I am sure that the result will be 100 per cent. co-operation between employer and employees.

There can be no question but what the men themselves can administer an unemployment insurance fund with less imposition on the fund, and with less feeling that they are receiving charity, than if such a fund were to be created through general taxation or by taxation upon employers, or otherwise, and administered by some Governmental body, which, in addition to the cost of administration, is in the unfortunate position of not having close enough contact with the situation to know when it is being imposed upon.

I, therefore, wish to enter my protest against the proposed



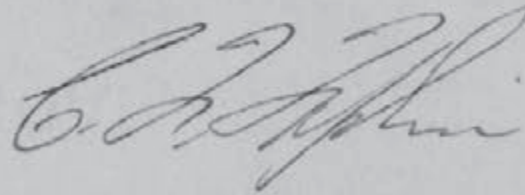
House Committee, etc.

-5-

February 19, 1931.

unemployment insurance bill, feeling as I do that this matter had best be left to industry to handle.

Very truly yours,



T:A.

C.C. to Rabbi Silver.

Dear Mr. Silver:-

From the foregoing you will see that, while I am interested in the problem of unemployment, I am distinctly not in favor of the movement to establish unemployment insurance in Ohio. To my mind, an investment in a fund to support such a bill would result not in social stability, but in social debility.

C. F. T.



Brotherhood of Locomotive  
Firemen and Enginemen  
Cleveland, Ohio

D. B. ROBERTSON  
PRESIDENT

February 19, 1931.

Rabbi A. H. Silver,  
341 Engineers' Building,  
Cleveland, Ohio.

My dear Dr. Silver:

I have received your letter of February 13th with printed matter as stated, with reference to enactment of legislation in the State of Ohio providing for unemployment insurance, and I note the necessity for raising funds to meet the expense incidental to the activities of your committee.

While I am in hearty sympathy with this movement, I am compelled to advise that at the present time thirty-three thousand members of the Brotherhood of Locomotive Firemen and Enginemen are walking the streets in search of employment, and our organization is doing all that it is possible for it to do in extending relief to these members. Unemployment insurance, if provided under the laws of the State of Ohio, I understand would not extend to railroad employees engaged in interstate commerce, and therefore our members could not look for relief under any such plan of unemployment insurance. This being a fact, our members quite naturally look to us for character of action that would include them in any relief that may be provided under a plan of this kind.

Notwithstanding what I have said in the foregoing, you may rest assured that your movement shall have the hearty moral support of myself and of our organization in the state.

Yours sincerely,

*D. B. Robertson*



Feb. 20th, 1931

Mr. M. J. Mandelbaum,  
1500 Keith Bldg.,  
Cleveland, Ohio.

My dear Mr. Mandelbaum:-

Permit me to thank you for your kind contribution to the work of the Cleveland Committee for Unemployment Insurance.

We had a splendid hearing before the Ohio State Senate and Assembly Committees which are studying the Unemployment Insurance Bill which we introduced last Tuesday. There was keen an intelligent interest manifested.

Whether the Bill passes this year or not, we have certainly succeeded in making the thoughtful employers and employees of this State think about the subject.

With kindest regards and best wishes to Mrs. Mandelbaum and to yourself, permit me to remain

Very sincerely yours,

AHS/IR

CHARLES F. THWING  
WESTERN RESERVE UNIVERSITY  
CLEVELAND

20 February 1931.

My dear Rabbi Silver:

Thank you for your note of the 13th, which I receive as personal. I have delayed acknowledging in order to confer with one or two of my friends who have an intelligent interest in this great endeavor.

I find an opinion prevailing that the present bill is a good beginning. It is not so good apparently <sup>as</sup> the bills introduced into Congress by Senator Wagner. But for us it represents a legislative movement which beginning well will in the future be improved. It is often wiser and easier to make an improvement from a beginning than to create a fairly perfect instrument.

I am glad to send \$5.00 as a token of my interest in the cause, and also as a token of my gratitude to you. I rejoice that you are leading



this movement.

Believe me,

Ever yours,

*Abraham F. Thuring*

Rabbi A. H. Silver.



Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

Dear Rabbi Silver,

I am enclosing the C. J. C.  
report on Unemployment Insurance.  
We have had some copies made;  
so you need not return it.

Senator Reynolds tells me  
that the next hearing will probably be held  
the second week in March. The Columbus  
Citizen (Scripps paper) came out with an  
editorial in favor of the Bill yesterday. We are  
having a copy of the editorial sent to every member  
of the Legislature.

We had some very interesting letters  
in reply to your letter, which I will assemble  
and bring out to you sometime next week -

Sincerely yours,

Elizabeth Magee

February 20, 1931.

EXECUTIVE COMMITTEE

RABBI A. H. SILVER  
CHAIRMAN

MISS ALICE P. GANNETT  
MR. MAX S. HAYES  
MR. WILLIAM FEATHER  
VICE-CHAIRMAN

MR. LOUIS S. BING, JR.  
TREASURER

MISS ELIZABETH S. MAGEE  
SECRETARY

PROF. HENRY M. BUSCH  
PROF. FRANK T. CARLTON  
REV. CYPRIAN EMANUEL  
MR. MARVIN C. HARRISON  
MISS CLARA A. KAISER  
MR. CHARLES KREINDLER  
MISS GRACE E. MEYETTE  
MISS HELEN PHELAN  
MR. CARL RUDOLPH  
MR. B. C. SEIPLE  
MR. WALTER LEO SOLOMON  
MISS MARIE R. WING  
REV. LOUIS E. WRIGHT



# Cleveland Committee for Unemployment Insurance

Mrs. J. F. Allen  
Mr. Brent D. Allinson  
Mrs. Newton D. Baker  
Miss Grace Berger  
Dr. Wm. W. Biddle  
Mr. Andrew T. Bilinski  
Mr. Louis S. Bing, Jr.  
Rev. Philip Smead Bird  
Rev. F. Q. Blanchard  
Mr. Edward F. Bohm  
Miss Margaret S. Bourne  
Mrs. A. T. Brewer  
Mr. George E. Brewster  
Mrs. Emil Brudno  
Mr. Howard F. Burns  
Prof. Henry M. Busch  
Mrs. Henry M. Busch  
Mrs. Henry White Cannon  
Prof. Frank T. Carlton  
Miss Mildred Chadsey  
Miss Nell F. Collopy  
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Mr. Harry E. Davis  
Mr. William D. Dawson  
Mr. W. B. Dillon  
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Father Cyprian Emanuel  
Mr. Jules Eshner  
Mr. William Feather  
Miss Eleanor Ferris  
Miss Jean Fesler  
Miss Alice P. Gannett  
Prof. C. E. Gehlke  
Miss Clara Gehring  
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Mrs. Cora Miller Hanson  
Dr. Henry Harap  
Mr. Marvin C. Harrison  
Rev. Joel B. Hayden  
Mr. Max S. Hayes  
Mrs. Max S. Hayes  
Mr. James J. Hoban  
Judge Bradley Hull  
Miss Jane E. Hunter  
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Mr. Myron Jermain Jones  
Miss Clara A. Kaiser  
Mr. Stanley Klonowski  
Mr. C. E. Knoeppel  
Judge Julius M. Kovachy  
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Mrs. W. H. McPherson  
Miss Elizabeth S. Magee  
Mr. James F. Malley  
Rev. Robert W. Mark  
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Mrs. Charles H. Mercer  
Prof. J. C. Meyer  
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Miss Ruth Mitchell  
Mrs. Anna Morgan  
Mrs. Daniel E. Morgan  
Mr. John G. Murphy  
Mr. Theodore Newcomb  
Mr. W. I. Newstetter  
Rev. Victor Obenhaus  
Mr. Amos Parsons  
Rev. Almon R. Pepper  
Mr. Ben Peppercorn  
Mr. Chas. E. Percy  
Miss Helen Phelan  
Mr. David H. Pierce  
Mr. Carl Raid  
Mr. Henry W. Raisse  
Miss Julia Raymond  
Mr. Arthur J. Reinthal  
Miss Florence K. Roct  
Mr. Carl Rudolph  
Miss Mae Ryman  
Miss V. Freda Seigworth  
Mr. Fred Schultz  
Mr. B. C. Seiple  
Rabbi A. H. Silver  
Miss Dorothy Smith  
Mr. Walter Leo Solomon  
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Mrs. Howard S. Thayer  
Miss Charlotte E. Townsend  
Mrs. Ralph S. Tyler  
Mr. Ralph S. Tyler, Jr.  
Miss Gertrude Underhill  
Rev. Elmer E. Voelkel  
Miss Margaret W. Wagner  
Mrs. Hazel Mountain Walker  
Mr. S. Burns Weston  
Mr. George E. Whitman  
Mr. Charles W. White  
Mr. F. E. Wilson  
Mrs. Louis H. Winch  
Miss Marie R. Wing  
Miss Virginia R. Wing  
Mr. William J. Winston  
Rev. Louis E. Wright  
Rev. Oldrich Zlamal

Feb. 20th, 1931

Mr. Louis B. Seltzer,  
The Press,  
Cleveland, Ohio.

My dear Mr. Seltzer:-

Will you permit me to congratulate you on the splendid editorial which appeared today in the Cleveland Press on Unemployment Insurance and the clear and concise manner in which it presents the subject to the public.

I am delighted to know that this important item of social legislation has met with the approval of your great organization.

With kindest regards, permit me to remain

Very sincerely yours,

AHS/IR



Feb. 20th, 1931

Messrs. Charles & Henry Richman,  
1600 East 55th St.,  
Cleveland, Ohio.

Dear Friends:-

First I want to thank you for the hospitality which I enjoyed with you last Wednesday.

I am particularly appreciative of the generous contributions which you made to the United Jewish Fund. Your gifts have heartened and encouraged the workers tremendously.

You will recall that we discussed at the lunch table the Unemployment Insurance Bill which has been introduced in the Ohio Legislature and in which I am very much interested. I am enclosing herewith a pamphlet which explains the Bill.

Your Vice President and General Manager, whose name has unfortunately escaped me for the moment, may also be interested in seeing it.

With kindest regards and best wishes, permit me to remain

Very sincerely yours,

AHS/IR

Feb. 20th, 1931<sup>1</sup>

Mr. Louis Bing,  
Treas. Cleveland Committee  
For Unemployment Insurance,  
341 Engineers Bldg.,  
Cleveland, Ohio.

My dear Mr. Bing:-

I am enclosing herewith check of \$10.  
which was received from Mr. M. J. Mandelbaum as his  
contribution to the work of the Unemployment Insurance  
Committee, together with his letter.

With kindest regards, permit me to remain

Very sincerely yours,

Secretary to Rabbi Silver



Feb. 20th, 1931

Mr. Clarence Hays,  
Wade Park Manor,  
Cleveland, Ohio.

My dear Clarence:-

I am taking the liberty of enclosing  
herewith a pamphlet which explains the Unemployment  
Insurance Bill which has been introduced in the Ohio  
Legislature.

Following our conversation of yesterday  
I thought that you would be interested in reading the  
enclosed.

With kindest regards, permit me to remain

Very sincerely yours,

AHS/IR

Feb. 20th, 1931

609 The Arcade  
Cleveland, O.

Miss Elizabeth S. Magee, Secy.  
Cleveland Committee for Unemployment Insurance  
341 Engineers Bldg  
City

Dear Madame -

I have been away from the city for the last two weeks and upon my return yesterday, I found your letter of Feb. 9th and that of Mr. Bing's of Feb. 4th.

I regret very much the delay in responding, altho to tell the truth, in either case, it would have been impossible for me to have rendered very much assistance, much as I should like to have contributed, both financially toward the \$5000.00 Campaign Fund, and, possibly, otherwise, thru my attendance of the Committee hearing Tuesday evening.

" The truth of the matter is that I, myself, am one of the unemployed as the result of a recent merger consummated locally and am facing the future without any knowledge of what this may have in store for me, although not without hope. It does seem like irony of fate, that having pioneered in a sense, in the legislative field, as you no doubt know, I should find myself, after the lapse of all these years, in a position where I can not do anything to influence the course of events.

Naturally, I feel some delicacy about offering an explanation of this kind, generally, and I trust to your discretion to make my reasons for failure at co-operation understandable to Rabbi Silver and to Mr. Bing.

With sincere esteem, and with best wishes for the success of your cause, I am,

Yours,

Edward Holm



Unemp.  
Dir.

Feb. 23d, 1931

Miss Sarah Schwartz,  
Hawthorne Junior High School,  
Lorain, Ohio.

My dear Miss Schwartz:-

I am enclosing herewith a pamphlet on the subject of  
Unemployment Insurance which may help you in your  
debate.

You will find considerable material on the subject if  
you will consult the copies of the Survey and the  
volumes of the American Labor Legislation Review which  
you will undoubtedly find in your public library in  
your city.

With kindest regards, permit me to remain

Very sincerely yours,

AHS/IE

5707 Griswold Ave  
Cleveland, Ohio  
February 24, 1931

My Dear Rabbi Silver:

I have heard and read of your active part to get the Unemployed Insurance Act passed through the Columbus Legislature. I have to write an essay for civics upon unemployment, its causes and remedies and must get my information by interviewing people. Will you please write me your opinion of the present situation and how it can be remedied; also explaining your Unemployment Insurance Act.

Respectfully Yours  
Sam Teitelbaum



Feb. 25th, 1931

Mr. Sam Teitelbaum,  
5707 Griswold Ave.,  
Cleveland, Ohio.

My dear Mr. Teitelbaum:-

I am enclosing herewith a pamphlet  
which will explain the Ohio Bill on Unemployment  
Insurance.

You may find additional information on  
the subject if you will consult the copies of the  
survey and the volumes of the American Labor Legislation  
Review which you will undoubtedly find in the public  
library.

With kindest regards, permit me to remain

Very sincerely yours,

AHS/IR

**RESERVE THEATRE SEATS  
AT BOX OFFICE PRICES**through Western Union  
Money Order ServiceReserve as far in advance as possible  
Special arrangements**BEST AVAILABLE SEATS****WESTERN  
UNION**

RESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

ams and day letters, and the time of receipt at destination as shown on all messages, is STANDARD TIME.

Received at 317 2nd Ave. S., Minneapolis, Minn.

TELEPHONE  
MAin 4211

1931 FEB 25 PM 4 24

AUB519 51 NL=CR CLEVELAND OHIO 25

RABBI A H SILVER, CARE J C LAWRENCE=

UNIVERSITY OF MINNESOTA MINNEAPOLIS MINN=

SENATOR REYNOLDS JUST TELEPHONED THAT NEXT HEARING IS SET  
FOR WEDNESDAY EVENING MARCH FOURTH OPPOSITION WILL SPEAK FIRST  
HE WANTS YOU AND HARRISON TO SPEAK IN REBUTTAL YOUR SECRETARY  
SAYS YOU PLAN TO BE IN NEWYORK NEXT WEEK IS THERE POSSIBILITY  
OF YOUR LEAVING THERE MIDNIGHT TUESDAY REACHING COLUMBUS  
WEDNESDAY AFTERNOON=

ELIZABETH S MAGEE.

**SIGNS**

DL = Day Letter

NM = Night Message

NL = Night Letter

LCO = Deferred Cable

NLT = Cable Night Letter

WLT = Week-End Letter



*Unrecd*

# Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

February 27, 1931

## EXECUTIVE COMMITTEE

RABBI A. H. SILVER  
CHAIRMAN

MISS ALICE P. GANNETT  
MR. MAX S. HAYES  
MR. WILLIAM FEATHER  
VICE-CHAIRMAN

MR. LOUIS S. BING, JR.  
TREASURER

MISS ELIZABETH S. MAGEE  
SECRETARY

PROF. HENRY M. BUSCH  
PROF. FRANK T. CARLTON  
REV. CYPRIAN EMANUEL  
MR. MARVIN C. HARRISON  
MISS CLARA A. KAISER  
MR. CHARLES KREINDLER  
MISS GRACE E. MEYETTE  
MISS HELEN PHELAN  
MR. CARL RUDOLPH  
MR. B. C. SEIPLE  
MR. WALTER LEO SOLOMON  
MISS MARIE R. WING  
REV. LOUIS E. WRIGHT

## TO MEMBERS OF THE CLEVELAND COMMITTEE FOR UNEMPLOYMENT INSURANCE

Word has just come from Senator Reynolds that the next hearing on our Bill will be held in Columbus Wednesday evening, March 4th, at 7:30 in the Senate Chamber. At this time those opposing the Bill will be given opportunity to speak first, and the proponents will have a chance for rebuttal speeches. We hope that a number of the Cleveland committee members will be able to attend.

Senator Reynolds tells us that there is necessity of bringing pressure to bear on Senator John A. Lloyd, chairman of the Senate Committee on Labor. His committee will probably meet very soon after the hearing. We believe that letters and telegrams sent directly to him as chairman of the Labor Committee, urging favorable action on Senate Bill 25, will be of real assistance. Since the Labor Committee will probably meet soon after the hearing, it will be well to have these letters and wires reach him early in the week.

With much appreciation of your help, I am

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary



February 28, 1931

My dear Rabbi Silver:-

It was hardly fair of me to so abruptly criticize your address last Sunday morning, without choosing a situation which would have allowed further discussion. On the other hand, I felt as though I must say directly to you what I was saying to myself about your talk. Please accept this as both an apology and an excuse.

Summing up your address and facing the terrible social maladjustment which results in unemployment, you are advocating Unemployment Insurance as a remedy, and you apparently have no other.

You spoke as an Economic Liberal. We look to you as a great Moral Leader. Heaven knows we need you in both capacities. I was keenly disappointed to feel that you were either unwilling or unable to face the facts in the present situation.

The enclosed carbon of a letter to Dan R. Hanna is self-explanatory. I feel the present situation keenly. I know that if Hanna, for instance, would have gone ahead, 50 to 100 men would have been at work. If that is true in a little office such as ours, unemployment in Cleveland could be wiped out within six months or a year through a broader appreciation and application of the same principles.

*It hurts!*  
For many months I have had to cross the Public Square several times a day through the groups of men sitting there. The Hanna situation is only one of three or four in this office. Boiling the present situation down as far as our work is concerned, files in our office show the following:-

Concerns need new buildings and are ready  
and able to pay for them;  
Building mechanics need work;  
We have the technical ability and capital  
to bring the two together,

but we cannot get land to work for what it will earn. This fact is apparent and must be faced:-

When land is held out of use for more than  
it will earn, men are in hell with less than they  
can earn.



Rabbi A. H. Silver

-2-

Any system of governmental control or taxation which not only makes it possible but encourages land owners to hold their land out of use, is essentially unjust and unrighteous, and that is just exactly what our present system of taxation does.

To just the extent that the present taxing system places a premium on slacker land and a penalty on its improvement, to that extent the present taxing system is responsible for Unemployment and all its attendant evils.

An old saying comes to me as I write this:-

"Wisdom is in knowing what to do next;  
Skill is in knowing how to do it;  
Virtue is in doing it."

The cure for Unemployment is Employment - not Insurance - and basically, Employment rests on the use of the Land.

Palliatives such as Unemployment Insurance, desirable though they may be, hold an element of danger in the present situation in two ways:- By diverting attention from the main issue, and by calling for more taxes for operation, thus piling up greater burdens on industry and making it harder to employ labor. Such measures will open the door to others, and may be the straws on the camel back of our already burdened social order.

I phoned you in September or October last, hoping to have an opportunity to discuss with you the Jewish ethic on land holding. It is my understanding that the Mosaic Code or the Jewish tradition recognized the basic fact that the earth was the Lord's for the common use of man. The right of every individual to the use of the earth was an underlying element in the Jewish social code. You said at that time you were very busy and asked me to write you. Consider this that letter, somewhat delayed.

Unemployment is the torture rack of Humanity. Caught in the jaws of an industrial society - cut off from the land - it is a ghastly spectacle. Terrible as is the physical and mental suffering - the demoralizing, soul-killing process that the unemployed are going through - much more terrible maybe is the fact that we, the rest of us, watch the process with a semi-detached sympathy and not much more. "Is it nothing to us, oh, we who pass by?"

You called us "slackers" Sunday morning. You could well have used a stronger word if stronger words could wake us up. As a Moral Leader, you have a perfect right to call us slackers. By the same token, you cannot escape the



Rabbi A. H. Silver

-3-

responsibility and penalty of leadership. You must face the question whether you yourself are not a slacker:-

1. To the cause of Economic Liberalism by failing to go to fundamental causes underlying the present crisis.
2. To the Jewish traditions of social organization which, I believe, saw clearly and tried to prevent the social injustice which must always result from a failure to recognize the common right of all people to the earth, the community stake in all land.

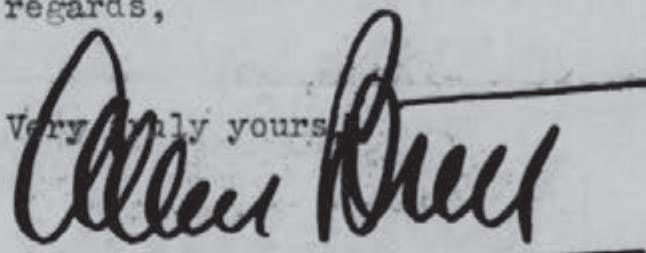
You know of course that I am writing with deep respect and regard. Your message has always sounded so clearly and so convincingly to me on many subjects that it seems presumptuous of me to come into your bailiwick and preach to you. On the other hand, it has seemed to me that underlying the agony of the present situation, we shall find not only a mistaken, inefficient arrangement of politics and economics, but underlying even that, a question of justice and righteousness.

When one part of society gets what it does not earn, another part of society, or us, earns it without getting it. That is the cause of your under-consumption. As one of the prophets well said, "Some reap where they have not sown." We are counting on you to interpret this situation to us and show us the way out - not in terms of legislative expedients, but in terms of basic righteousness and justice.

If there is anything in our current work or detailed studies which will help, it is yours to command.

With personal regards,

Very truly yours,



AB:B

P.S.

The enclosed carbons of letters to Mr. Morgan go further in the matter.

I am also enclosing an essay on Moses by Henry George, which I commend to your reading.

To Rabbi A. H. Silver  
The Temple  
Ansel Road & E. 105th St.  
Cleveland, O.



# Cleveland Committee for Unemployment Insurance

341 Engineers' Building

Cleveland, Ohio

Main 3025

March 5, 1931

Rabbi A. H. Silver  
The Temple  
Cleveland, Ohio

Dear Rabbi Silver:-

At the organization meeting of the Ohio Committee  
for Unemployment Insurance the following officers were elected:

Chairman - - - - Thomas J. Duffy, Columbus

Vice-Chairmen - Gardner Lattimer, Columbus  
Prof. H. Gordon Hayes, Columbus  
Dr. W. M. Leiserson, Yellow Springs  
Judge Chas. E. Chittenden, Toledo  
Rabbi A. H. Silver, Cleveland  
Edwin G. Becker, Cincinnati  
Dr. I. M. Rubinow, Cincinnati

Secretary-Treasurer - Elizabeth S. Magee

Action was taken at the same meeting empowering the  
Executive Committee to add other members to its group. The following  
suggestions have been made for additional vice-presidents:

Mrs. Lucia Johnson Bing, Athens  
Amy G. Maher, Toledo  
Marvin C. Harrison, Cleveland  
Max S. Hayes, Cleveland

Will you be good enough to let me know whether you  
approve of all of these additions or not, and whether you have any  
further suggestions to make? The letter-head is in the hands of the  
printer, so I should appreciate hearing from you very soon.

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary

## EXECUTIVE COMMITTEE

RABBI A. H. SILVER  
CHAIRMAN

MISS ALICE P. GANNETT  
MR. MAX S. HAYES  
MR. WILLIAM FEATHER  
VICE-CHAIRMEN

MR. LOUIS S. BING, JR.  
TREASURER

MISS ELIZABETH S. MAGEE  
SECRETARY

PROF. HENRY M. BUSCH  
PROF. FRANK T. CARLTON  
REV. CYPRIAN EMANUEL  
MR. MARVIN C. HARRISON  
MISS CLARA A. KAISER  
MR. CHARLES KREINDLER  
MISS GRACE E. MEYETTE  
MISS HELEN PHELAN  
MR. CARL RUDOLPH  
MR. B. C. SEIPLE  
MR. WALTER LEO SOLOMON  
MISS MARIE R. WING  
REV. LOUIS E. WRIGHT

SALMON P. HALLE  
924 HANNA BUILDING  
CLEVELAND

March 6, 1931

Mr. William Feather, Vice Chairman,  
Cleveland Committee for Unemployment Insurance,  
341 Engineers Building,  
City.

Dear Mr. Feather:

In answer to your request in reference to  
the fund for promoting unemployment insurance, I  
regret to say that at the present time I will not  
be able to assist you.

Very truly yours,

*Salmon Halle*



March 6th, 1931

Miss Elizabeth S. Magee,  
341 Engineers Bldg.,  
Cleveland, Ohio.

My dear Miss Magee:-

In reply to your letter of March 5th  
permit me to say that the four names suggested for  
additional vice presidents are perfectly acceptable  
to me.

With kindest regards and best wishes,  
permit me to remain

Very sincerely yours,

AHS/IR

The Christian Century Preface.

Jan. 1931

Ch. C. Press. 4405. Dearborn St.  
Chicago, Ill.





best unit keeps most - hostility in  
human trait that is noble -  
- with charity <sup>truth</sup> human values are  
important to human, something  
uncomparable in war runs  
against noblest trait - to defy  
star!

The deprec. is unseemly - foul to to  
any sym. in this - face -  
the furid. not heroic.  
Serious as all, life -  
- about. & cowardly, idiots,  
half wits -

T.F. Powers  
Alden Huxley -

Forum Oct. '27

Pers. Ralph

permanent - red, easy view, left  
depressionism, Pers. had to undertake  
and despair -

Chapin, with - be down  
life is dangerous, etc - Pers  
life is worthless -  
not worth living = despair.  
= sewer -  
= a liel & mad -  
= mean - minded.

no water	} opt. pers. depressionist	J. B. Priestly
iron water		
ditch water		

P - in value as a dream = but a  
all - all that of war - a lost  
battle which must be fought



1. Nothing to add - Except to all you -

- suggested study we 1 year ago -
- Commune League -
- Met regularly - 6 months - Confirmed
- Drafted Bill - Marion G. Harrison
- Collected meeting - leg. - Cen. 7 ask 100  
etc.
- Submit Bill as soon as leg. meets
- (Features of Bill.) ←

2. I am interested - See: j. moral  
implications -

- ① Enforced idleness underground -
- ② Disrupt homes -
- ③ Deprive ~~the~~ thief -
- ④ Wrink deep, - humiliated -

3. No Sol. for the Problem - but intellect  
way ? rehearsal disturb not caused by  
the U. forced on men by rich  
① 76 we could prayer  
old breed

4- Am. Wally was in Caracas - but  
he will not & should not permit  
himself to be subjected periodically

① Russia

② There is a country - 40% of  
gold & used - Super abundance  
of gold & soil - Fry lines

③ Simultaneously men are making  
their day after to million dollar  
every art parties -

5/ ④ No solution - task for Am.  
Econ. exp. necessary. Cost <sup>left for you</sup> must  
have means security -

Machine but dreadful insecurity.

6. need of great social, prophetic  
urge to establish it -

① Progress in ~~social~~ periods  
of social tension -

② Church - Redempt. ministry - <sup>Joseph</sup> <sup>Tasbe</sup>



1. I am interested

① Enforced Idleness undermines

② discourages Thrift

③ disrupts Homes

④ Humiliation

2. No Solution - but Intelligent - Prayer  
" " - Engineering - Security  
Machine

3. Am. Worker, was Conservative - permit -  
- Russia  
- 40% Gold Yield - Long Lines  
Million Gold. Parks

4. heard of prophetic Urged -

- Social Tension

- Religion - Redempt. Ministry -

The Johns Hopkins University  
Baltimore, Maryland

March 9, 1931

Rabbi Abba Hillel Silver,  
The Temple,  
Cleveland, Ohio.

Dear Sir:

Will you please send me a copy of the unemployment insurance bill drafted by Marvin C. Harrison and sponsored by a group with which you are connected? If a copy of the bill is not available I should appreciate a statement of its essential provisions. Will you let me know also whether the bill has been introduced in the Ohio legislature as yet, and if not, whether the intention is to have it introduced?

Very truly yours,

Joel Seidman

Box 1027, Johns Hopkins U.



March 11th, 1931

Mr. Joel Seidman,  
Johns Hopkins University,  
Baltimore, Md.

My dear Mr. Seidman:-

I am enclosing herewith an outline of  
the Bill on Unemployment Insurance which has been  
introduced in the Ohio State Legislature.

Hearings on this Bill have already been  
held. No action of the Legislature has as yet taken place.

With kindest regards, I am

Very sincerely yours,

AHS/IR

# CLEVELAND PUBLIC LIBRARY

LINDA A EASTMAN . . . . LIBRARIAN

325 SUPERIOR AVENUE CLEVELAND OHIO

ROSE L. VORMELKER  
BUSINESS RESEARCH LIBRARIAN

March 18, 1931

Rabbi A. H. Silver  
The Temple  
Ansel Road at East 105th Street  
Cleveland, Ohio

My dear Rabbi Silver:

In accordance with your secretary's recent telephone request, I am enclosing a short list of references on unemployment insurance. The items under the "General" heading contain material of use to both affirmative and negative debaters.

Hoping this will meet your needs,

I am

Very truly yours,

*Rose L. Vormelker*

Business Research Librarian

AH:M



Public Works Committee

Warren S. Hayden, Chairman  
Earle Martin, Vice Chairman  
E. S. Bowerfind, Secretary  
Newton D. Baker  
Frank C. Cain  
Charles A. Carran  
William P. Carroll  
Walter E. Cook  
Daniel Davis  
Harry L. Davis  
Joseph F. Gorman  
John H. Harris  
Frank G. Hogen  
George D. McGwinn  
Dr. J. Gordon McKay  
Harry McLaughlin  
John D. Marshall  
Samuel Mather  
D. E. Morgan  
Roy B. Robinette  
William J. Van Aken  
Dr. William E. Wickenden  
Edward A. Wiegand  
Fred R. Williams  
Jerry R. Zmunt

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J. O. Barnett  
J. J. Bernet  
N. H. Boynton  
George S. Case  
N. L. Dauby  
Paul Feiss  
Earle Martin  
S. W. Tener  
George White

Private Employment Comm.

Prof. C. C. Arbuthnot, Chairman  
C. L. Mock, Secretary  
Edgar E. Adams  
Edmund Anderson  
Mrs. Stanlee T. Bates  
Miss Anna Beattie  
Ralph Bell  
George Bellamy  
J. L. Bethune  
Rev. Dan. F. Bradley  
Rabbi Barnett Brickner  
Rev. Russel S. Brown  
Miss Hanna Buchanan  
Allen Brett  
Prof. Frank T. Carlton  
Mrs. Leyton E. Carter  
Claude E. Clarke  
J. M. Costello  
Charles H. Day  
Miss Alice Gannett  
Victor L. Gerfen  
Mrs. H. J. Gerstenberger  
S. Goldhammer  
George A. Green  
George E. Green  
Miss Mary A. Griffin  
Rev. Joel B. Hayden  
Miss Mabel Head  
Rev. Herbert B. Hudnut  
Miss Margaret E. Hull  
Miss Jane E. Hunter  
Perry Jackson  
Myron Jermain Jones  
John King  
Karl Kist  
Miss Violet Kittner  
A. G. Knebel  
Mrs. W. B. Laffer  
Rev. C. H. LeBlond  
E. D. Lynde  
P. L. Maher  
Rev. Robert W. Mark  
Miss Sabina Marshall  
Miss Florence Mason  
Rev. James A. McFadden  
Miss Leah Milkman  
Davis Morris  
Rev. Wm. C. Munds  
Mrs. H. B. Northrup  
Rev. Victor Obenhaus  
Charles E. Percy  
Miss Helen Phelan  
Geo. A. Rutherford  
J. M. Saunders  
Miss Ida Schott  
Roy Shanks  
B. C. Seiple  
Rabbi Abba H. Silver  
Major John M. Sneed  
Walter Leo Solomon  
Rev. Don D. Tullis  
Rev. Ralph Walker  
Whiting Williams  
Mrs. Louis Winch  
Frank P. Whitney  
Virginia Wing

# CLEVELAND EMPLOYMENT COMMISSION

202 CITY HALL

MAin 4600

March 23, 1931

Rabbi Abba H. Silver  
The Temple  
Cleveland, Ohio

Dear Sir:

Chairman C. C. Arbuthnot requests your presence at a meeting of the Committee on Private Employment, Tuesday, March 31st at 4:00 P.M. in the City Manager's Conference Room, Room 202, City Hall.

The Executive Committee will present plans for a spring campaign to develop odd jobs.

We very much hope you will be able to attend.

Sincerely yours,

*Clark Mock*

Clark Mock, Secretary  
Committee on Private Employment

CLM:ET

P. S. Will you kindly indicate on the enclosed post-card whether you will be able to attend.

March 26th, 1931

Miss Rose L. Vormelker,  
Business Research Librarian,  
325 Superior Ave.,  
Cleveland, Ohio.

My dear Miss Vormelker:-

Permit me to acknowledge receipt  
of the list of references on Unemployment Insurance  
which you sent us and to thank you very kindly for  
your generous cooperation.

With kindest regards, permit  
me to remain

Very sincerely yours,

Secretary to Rabbi Silver



THIS SIDE OF CARD IS FOR ADDRESS



WRHS  
AMERICAN JEWISH  
ARCHIVES  
Committee on Private Employment  
Room 202  
City Hall  
Cleveland, Ohio

I <sup>will</sup> be able to attend the meeting of the  
will not Committee on Private Employment at the City Hall  
on March 31st at 4:00 P.M.

---



Wm. W. W.

216 Boston Ave.  
Box 317, Elyria, Ohio

April 3, 1931.

Rabbi A. H. Silver,  
Cleveland, Ohio.

Dear Sir:

I read the article in the Cleveland Plain Dealer which told about the broadside you fired at the four Ohio senators whose votes killed the Reynolds unemployment insurance bill in committee, before it could reach the Ohio Senate and wish to ask you a question concerning your attitude in the matter.

In your open letter addressed to the senators, you asked them to give an explanation of their action to the hundreds of thousands of unemployed in our state.

What logical explanation can they give other than as members of the Political State which Karl Marx said is but a committee for managing the common affairs of the whole bourgeoisie; they did just exactly what they



are supposed to do; they heard the voice of their economic masters and acted accordingly.

In other words, these four Ohio Senators are members of the Executive Committee of the capitalist class and it is a mistake on your part to even expect them to do anything that is beneficial to the working class.

I dislike to hear of a man of your mental caliber making such a grievous mistake.

I'm a member of the working class, consequently, do not expect any help from the Political State and am not surprised nor disappointed when it is withheld.

Certainly you must know the historical reason why the Political State came into existence in the first place which was to protect the economic interests of the master class and not the welfare of the working class.



There is just one logical and scientific solution for the present day deplorable state of affairs which the brain and brawn workers will have to recognize, if the best in civilization is to be saved and i.e., the social ownership and management of all the means of production and distribution and the displacement of the Political State by an Industrial Republic by means of an efficient political and industrial organization such as advocated by the Socialist Labor Party of the United States.

Sincerely,  
 Anna H. Storck.  
 (Mrs. G. A.)



C O P Y

The People's Church  
211 Odd Fellows Temple  
Cincinnati,

April 6, 1931

My dear Miss Magee:-

I am enclosing copy of petition we are circulating. We have not gone at the work very earnestly as yet, but hope to soon. We have four or five thousand signatures all secured in Cincinnati.

We looked upon this plan as a means of public education. This petition, being for a constitutional amendment, would require 200,000 signatures. To get these signatures would require that many conversations on the subject. Then there is the publicity pamphlet, sent out at the State's expense, in which you may place your argument, and the election, in which you can foresee two million voters to pay enough attention to your proposal, at least to say Yes or No to it.

Your proposal, once on the ballot, is no longer merely an academic question. It is in process of legislation. It cannot be ignored.

We have felt that this referendum process is a way of sending people to school on the subject. Some people fear it because of the possibility of defeat at the polls, thus furnishing the next Legislature an excuse for again ignoring the measure. We think this fear is groundless. The vote would at least show a large minority in favor of unemployment insurance, and when men run for office it is not the stolid majority that they stand in awe of, but an aggressive minority that may easily turn the tide for or against them.

The reason we are proposing a constitutional amendment instead of a bill is that we have the direct initiative on amendments and could get a vote before the next Legislature meets, but we could not get a vote on a bill until November 1933. Furthermore we did not wish to take the responsibility for a completed bill. However, if your groups look with favor on the referendum process as a way of doing educational work, and if you should prefer to initiate your bill or some modification of it, I am quite confident that our people would agree to abandon their amendment and circulate petitions for the bill.

Some of these signatures can be secured by volunteers. But we have found that solicitors can sell a piece of literature to every fifth signer, on an average. The literature can be sold at a profit so as to leave the solicitor a few cents a name. Our experience with this method does not show that solicitors can entirely finance themselves in this way, but that at least a part of the expense can be met in this way.



This is a new technique in public education. I would like to see your group make a good test of the method.

I have a group of five or six students at Brookwood College, New York, to whom the plan has been suggested and who have volunteered to come to Ohio to try that kind of a crusade, when they leave the College in June. It would be a good experience for them for a month or two, and they are just the type of person for such a job. They could probably make wages at it, but I think we should have to be prepared to guarantee them a minimum return.

The enclosed piece of literature cost us two and one half cents. We gave the solicitor 20 cents. This left a little for office over-head. We found that solicitors could make about three dollars a day, working five or six hours.

This literature was hastily prepared. If your groups were to seriously adopt the method I think you could prepare and use a much more effective piece of literature, with some illustrations. But it would have to be inexpensive. We have tried both ways and find that it is easier to get people to buy literature than to make an outright donation.

I shall be glad to hear from you, to learn what plan your groups do adopt if not this one, and to consider if there is a possibility for some kind of united action.

We would be more than glad to leave to you the leadership of the unemployment insurance movement. You understand, our primary interest was to develop the habit of using the referendum. We believe that some constructive proposal should be on the ballot at every election. This would give elections some educational value.

But the form of the proposal submitted should be satisfactory to those who are especially interested in the matter. On the subject of unemployment insurance the responsibility of leadership is with your groups and not with us. My hobby is taxation. But I would like to see the referendum used now both on the subject of unemployment insurance and old age pensions.

Very cordially yours,

(Signed) Herbert S. Bigelow

April 13th, 1931.

Mr. Sam Kornhauser,  
Keith Bldg.,  
Cleveland, Ohio.

My dear Mr. Kornhauser:-

I am sending you herewith a copy of  
the March issue of the "Labor Legislation Review" which  
contains an interesting series of articles on Unemployment  
Insurance.

When you are through with the magazine  
I would request that you pass it on to the other members of  
the Debating Team.

With kindest regards, I am

Very sincerely yours,

AHS/IR



S. J. KORNHAUSER

COUNSELOR AT LAW  
802 KEITH BUILDING  
CLEVELAND

April 15th,  
1931.

Dr. Abba Hillel Silver,  
The Temple,  
East 105th Street at Ansel Road,  
Cleveland, Ohio.

My dear Friend:-

Many thanks for sending me the  
March issue of the American Labor Legisla-  
tion Review. I am sure the articles on Un-  
employment Insurance will be distinctly help-  
ful. I shall go over them and then pass along  
the magazine to the other members of the team.

With kindest regards, I am,

Sincerely yours,

*S. J. Kornhauser*

SJK:EI

# WORK INSURANCE IMPROVES WORK

## So Declares German Social- ogist to American Academy

*By United Press*

PHILADELPHIA, April 17—Good workingmen go with the guarantee of social insurance, Dr. Theodore Plaut of the University of Hamburg pointed out today at the 35th annual meeting of the American Academy of Political and Social Science. He was discussing industrial developments in Germany.

"Much interest is given to the development of German methods to control the labor market and our organization of social policies," he declared.

"It is sufficient in this conference just to point out which fields are covered by these institutions.

"They are: Old age pensions, health insurance, unemployment insurance, protecting the workman against the risks of his occupation, compulsory arbitration, unitary or-

ganization of the public labor exchanges, vocational guidance, the placement of 'made work' and public orders in times of depression, the organization of poor law relief, and protecting the individual unable to work.

"Another burden seems to arise in industry by the elimination of competition between workmen for a job,"

Dr. James W. Angell of Columbia University and Dean George W. Edwards of the School of Business and Civic Administration of the College of the City of New York also addressed the session.

Dr. Angell stressed the fact that no European nation is of greater economic and financial importance to the United States today than Germany.



# Ohio Committee for Unemployment Insurance

## VICE-CHAIRMEN

EDWIN G. BECKER, CINCINNATI  
MRS. LUCIA JOHNSON BING, ATHENS  
JUDGE CHARLES E. CHITTENDEN, TOLEDO  
MARVIN C. HARRISON, CLEVELAND  
PROF. H. GORDON HAYES, COLUMBUS  
MAX S. HAYES, CLEVELAND  
GARDNER LATTIMER, COLUMBUS  
DR. W. M. LEISERSON, YELLOW SPRINGS  
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DR. I. M. RUBINOW, CINCINNATI  
RABBI A. H. SILVER, CLEVELAND

THOMAS J. DUFFY, CHAIRMAN  
17 S. HIGH ST., COLUMBUS

ELIZABETH S. MAGEE, SECRETARY-TREASURER  
341 ENGINEERS' BLDG., CLEVELAND

Cleveland, Ohio  
April 23, 1931

Rabbi A. H. Silver  
The Temple  
Ansel Rd. & E. 105th St.,  
Cleveland, Ohio

Dear Rabbi Silver:-

From the replies that have come in from the members of the Executive Committee, it appears that Tuesday May 5th, is the time which will suit most of the members for a meeting in Columbus. Several people find it impossible to attend a meeting in the afternoon, and have suggested that the meeting be held in the evening. It is therefore being called for May 5th, at 7:30 P.M. in the Neil House.

I hope very much that you can be present.

Sincerely yours,

*Elizabeth S. Magee*  
Elizabeth S. Magee  
Secretary

*I have heard from Mr. Duffy; so  
this verifies the appointment.*



## Ohio Committee for Unemployment Insurance

Mrs. William Afsprung, Cincinnati  
 Mrs. E. F. Alexander, Cincinnati  
 Robert R. Alexander, Bedford  
 Mrs. J. F. Allen, Cleveland  
 Brent Dow Allinson, Cleveland  
 Donald Anthony, Akron  
 Essie Arey, Cincinnati  
 Prof. Isaac E. Ash, Athens  
 Mrs. Richard Austin, Cincinnati  
 Prof. Read Bain, Oxford  
 Mrs. Newton D. Baker, Cleveland  
 Ralph J. Bartlett, Columbus  
 Evelyn C. Bassett, Hamilton  
 Edwin G. Becker, Cincinnati  
 Mrs. Nida Pangle Bell, Toledo  
 Mrs. Miles Benham, Cincinnati  
 Julia Bentley, Cincinnati  
 Grace Berger, Cleveland  
 Mrs. Alfred Bettman, Cincinnati  
 Dr. William W. Biddle, Cleveland  
 Andrew T. Bilinski, Cleveland  
 Louis S. Bing, Jr., Cleveland  
 Mrs. Lucia Johnson Bing, Athens  
 Rev. Philip Smead Bird, Cleveland  
 Dorothea Bishop, Toledo  
 L. T. Bishop, Columbus  
 Rev. F. Q. Blanchard, Cleveland  
 Mrs. John Blandford, Cincinnati  
 Mrs. Jacob Bloch, Cincinnati  
 Edward F. Bohm, Cleveland  
 Margaret G. Bourne, Cleveland  
 Mrs. A. T. Brewer, Cleveland  
 George E. Brewster, Cleveland  
 Frederick A. Breyer, Cincinnati  
 Chester R. Brown, Dayton  
 Mrs. Emil Brudno, Cleveland  
 Pauline Bryant, Columbus  
 W. C. Bryant, Columbus  
 Mrs. W. C. Bryant, Columbus  
 Mrs. C. E. Budd, Zanesville  
 Prof. Edwin S. Burdell, Columbus  
 Howard F. Burns, Cleveland  
 Prof. Henry M. Busch, Cleveland  
 Mrs. Henry M. Busch, Cleveland  
 Prof. C. J. Bushnell, Toledo  
 Matilda Campbell, Toledo  
 Mrs. Henry White Cannon, Cleveland  
 Prof. Frank T. Carlton, Cleveland  
 Goldie Carter, Cincinnati  
 Mildred Chadsey, Cleveland  
 Mrs. Harrie Chamberlin, Toledo  
 Prof. J. L. Chambers, New Concord  
 Horace Champney, Yellow Springs  
 Dr. William E. Chancellor, Cincinnati  
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 Dr. J. E. Cutler, Cleveland  
 B. J. Dalkowski, Toledo  
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 Mrs. Stephen M. Graves, Strongsville  
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 Mrs. B. H. Siehl, Cincinnati  
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 Dorothy Smith, Cleveland  
 Charles Snively, Westerville  
 Mrs. Ralph Snyder, Toledo  
 Walter Leo Solomon, Cleveland  
 Dr. Edmund D. Soper, Delaware  
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 Mrs. Howard S. Thayer, Cleveland  
 Prof. Alvin S. Tostlebe, Wooster  
 Charlotte E. Townsend, Cleveland  
 Prof. H. W. Troop, Westerville  
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 Ralph S. Tyler, Jr., Cleveland  
 Gertrude Underhill, Cleveland  
 M. R. Van Cleve, Toledo  
 Prof. Christian Van Riper, Springfield  
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Telephone  
CHerry 5814

**THE**  
**CHRISTIAN RESEARCH**  
**FOUNDATION**

1707 UNION TRUST BLDG.  
CLEVELAND, OHIO

May 1, 1931

Rabbi A. H. Silver  
The Temple  
East 105th St.  
Cleveland, Ohio

My dear Rabbi Silver:

Dr. Carlton told me yesterday of his conversation with you in reference to joining the Christian Research Group at luncheon on Thursday, June 18th, for an informal discussion with you on unemployment insurance problem.

We are going to be very pleased, indeed, to have you with us and hope that you will feel, after the meeting is over, that you have found the time well spent. We have rather an unusual group as regards its cross-section of types of men.

While we are almost entirely men who have some contact with the Christian church, we do represent a number of different denominations and are thinking very seriously in terms of the welfare of humanity. I am sure you will find a responsive chord as to the need of a definite method of overcoming the hardships of unemployment.

Because it may be interesting to you, I am enclosing a copy of the names of the forty-four men in the Christian Research Group.

Sincerely yours,

*Chas E. Percy*

CEP  
LW  
Encl.

## MEMBERS OF THE CHRISTIAN RESEARCH GROUP

Edgar E. Adams	Pres. Cleveland Hardware Co.	4518 Lakeside Ave.
A. M. Akers	Lowles & Akers, Cost Accountants	635 Williamson Bldg.
W. N. Bayless	Pres. Bayless-Kerr Co., Advt.	1162 Hanna Bldg.
L. J. Brookhart	Physician	8314 Euclid Ave.
Rev. Raymond Burns	First Baptist Church	Eaton Rd. & Fairmount Blvd.
Frank. T. Carlton	Case School of Applied Science	Euclid Ave. opp Wade Park
W. L. Christman	Sun Oil Company	Res. 1374 Belle Ave. Lwd.
F. M. Clapp	Pres. Ohio Varnish Co	9001 Kinsman Rd.
C. H. Clark	Pres. C. H. Clark Oil Co.	2625 E. 76 St.
J. Robert Crouse	The Cromaime Corp., Investments	308 Euclid Avenue Bldg.
Arthur Cummings	American Mono-Rail Co.	1651 Waterbury Rd.
W. B. Davis	W. B. Davis Co.	327 Euclid Ave.
C. H. Day	Operating Mgr. Terminal Bldgs.	406 Terminal Tower
Robert B. Dennis	The Factory Man, Inc., Industrial Real Estate	250 Superior Arcade
L. T. Dresser	Commercial Artist	7338 Euclid Ave.
G. Leonard Fels	Y.M.C.A.	2200 Prospect Ave.
Rev. A. Gladstone Finnie	Ass't. Pastor Fairmount Presbyterian	2757 Fairmount Blvd.
Victor L. Gerfen	Employment Division, Y.M.C.A.	2200 Prospect Ave.
J. T. Gower	The Armstrong Cork Co.	1825 E. 18th St.
George Halter	Jacob Halter & Sons Sheet Metal Contractors	2604 Walton Ave.
A. Scott Hamilton	The Smitley-Hamilton Co. Tiling Contractors	Chester - 12th Bldg.
Aldred Heckman	The Associated Charities	524 Federal Reserve Bldg.
Daniel A. Hill	Ohio Public Service Co.	1448 Hanna Bldg.
Myron J. Jones	Personnel Counsel	11 Public Square
C. E. Knoeppel	Industrial Engineer	Res. 1465 Arthur Ave.
John W. Love	Editorial Writer, Cleveland Press	Rockwell Ave. & E. 9th St.
V. S. Loventhal	The Service Bureau	Hanna Bldg.





G. V. McCausland	West Side Community House	W. 30th St. & Bridge Ave.
H. H. Mandell	American Steel & Wire	2991 E. Overlook Rd.
Elmo Martin	Business Clinic, Inc.	422 Bulkley Bldg.
Loren W. Morlan	The Abner Royce Co.	Sta. B. Box 1168
Rev. Victor Obenhaus	The Church of the Covenant	Euclid Ave. at Cornell Rd.
Chas. E. Percy	Managing Director The Christian Research Foundation	1707 Union Trust Bldg.
C. W. Poe	C. W. Poe Co., Insulation Engineers	7600 Carnegie Ave.
Nelson Rupp	Central United National Bank	308 Euclid Ave.
Fred Schweizer	A. R. Brueggemann Co. Building Contractors	1212 Terminal Tower
B. C. Seiple	State City Employment Service	City Hall
Ralph Shurtleff	Cleveland Press	Rockwell Ave. & E. 9th St.
R. A. Strong	State City Employment Service	City Hall
Major J. M. Snead	Graham, Anderson, Probst & White Architects	4th Floor Midland Bank Bldg.
Rev. Ralph Walker	Euclid Avenue Baptist Church	Euclid Ave. at E. 18th St.
O. M. Walton	Federated Churches	1010 Hippodrome Bldg.
Albert F. Williams	Retired	1161 Union Trust Bldg.

May 5th, 1931.

Rabbi Morris S. Lazaron,  
Pikesville, Md.

My dear Morris:-

I have been wanting to write ever since my return from Baltimore but I have been on the go right along.

I enjoyed my day with you, Polly and the children tremendously and I also enjoyed the meeting. I trust that your Campaign is progressing nicely.

I am sending you herewith an abstract of the Bill on Unemployment Insurance which we introduced in the Ohio State Legislature this year, as well as a booklet on the subject.

The committee which drafted this Bill met at The Temple regularly for a period of almost a year and I acted as its chairman.

While the Bill did not pass this time, a bill was enacted authorising the appointment of a state unemployment insurance commission to study the subject and a sum of \$15000. was voted to the commission.

I do not know whether your local committee or the New York office is to pay my traveling expenses which amounted to some \$25.

With love to Polly and the children in which Virginia joins me, I am

As ever yours,

AHS/IR



May 7th, 1931

Mr. Charles E. Percy,  
1707 Union Trust Bldg.,  
Cleveland, Ohio.

My dear Mr. Percy:-

Thank you very much for your letter of  
May 1st and for the information which you sent me.

Unfortunately I have just received word  
from The Central Conference of American Rabbis advising  
me that its annual convention will be held this year  
beginning June 17th. I must, of course, attend that  
conference and it will therefore be impossible for me to be  
with you on the 18th.

I should very much like to address your  
group on Unemployment Insurance. The subject, of course,  
will be a timely one all through the year and I would be  
very happy to come to you at the beginning of the next season,  
some time in September or October.

With kindest regards, I am

Very sincerely yours,

AHS/IR

ROOM 39, BLISS BLDG.,  
Washington, D. C.,

*June 6th, 1931.*

DEAR FRIEND:

Will you sign the enclosed memorial to the President, the Congress, and the American people for an early special session of Congress to act on unemployment?

All the signers of this letter, and many others, have signed the memorial.

We must have your signature by Thursday, June 18th.

Will you therefore sign and return **AT ONCE** or **WIRE** Prof. John Dewey at above address authorizing your signature?

Yours sincerely,

JOHN DEWEY  
FRANK D. ADAMS  
W. G. BERGMAN  
COLEMAN B. CHENEY  
JEROME DAVIS  
JOHN A. FITCH  
ELIZABETH GILMAN  
SAMUEL JOSEPH  
EDWARD L. ISRAEL  
C. F. KEENEY

MAYNARD KRUEGER  
HARRY W. LAIDLER  
CORLISS LAMONT  
SAMUEL CHILDS MITCHELL  
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THE OHIO STATE UNIVERSITY

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June 26, 1931

Rabbi A. H. Silver  
Cleveland, Ohio

My dear Rabbi Silver:

Miss Elizabeth Magee has written to me giving me the good news that you are considering favorably the request of the Ohio Welfare Conference. The industrial division of the Conference hopes very much that you will be able to speak at the meeting on unemployment insurance. The Conference meets in Akron, Ohio; the headquarters is at the Mayflower Hotel. The session set aside for unemployment insurance is on Thursday, October 8, beginning at 9 o'clock.

When Miss Magee and I talked the matter over we both thought it advisable to leave the subject matter in as flexible a form as possible until fall. We want to be able to include any new developments which may occur by that time. But we know that we want very much to have you to introduce the subject of unemployment insurance, with your address focusing on the need for such insurance. Do please try to include this in your fall program. Later I will communicate with you in regard to the other speakers and the form the program will take.

Very sincerely yours,

*Alma Herbst*

Alma Herbst

AH:KU

London,

July 20, 1931.

Dear Rabbi and Mrs. Silver,

It was a delightful surprise to receive your telegram at the boat, the evening I sailed, and I certainly appreciated your kind wishes. We had a beautiful voyage, the coolness of which was most welcome after those last hot days in Cleveland.

I came straight to



London, where I've been  
having a most interesting  
time. Luckily for me, the  
Royal Commission, appointed  
to investigate Unemployment  
Insurance, ("U.I." - they all  
call it here), is still holding  
meetings, and I've found  
them very illuminating. The  
people at the Ministry of  
Labour are helpful and  
generous about arranging  
opportunities to see the  
thing in operation; so I've  
been visiting Employment

Exchanges, and seeing just what I want.  
My brother and I were fortunate in being  
in the House of Commons for the chief  
debate on Margaret Bondfield's bill, amending  
certain provisions of the present Act. The  
"left-wingers" gave her plenty of trouble!

I hope that you and the children  
are having a beautiful time at  
Chocoma, and getting real rest and  
refreshment, after a strenuous year -

With warmest regards to you both -  
Elizabeth Magee,



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THE FEDERATION OF  
JEWISH CHARITIES OF PHILADELPHIA

330 SOUTH NINTH STREET

August 4, 1931.

Dear Abba:

I am sure you will find the attached address, delivered in Minneapolis before six or seven thousand people, commonplace. Nothing new in it so far as you are concerned, but it did create quite a furore. What do you think of my two biblical quotations - one at the beginning and one at the end?

Yours,

*Billie*

Rabbi A. H. Silver.

Address delivered at the  
National Conference of  
Social Work in Minneapolis -  
June 15, 1931.

## WHAT HAVE WE LEARNED ABOUT UNEMPLOYMENT?

BY

Jacob Billikopf

Executive Director, Federation of Jewish Charities, Philadelphia  
Impartial Chairman, Men's Clothing Industry, City of New York

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"In the day of prosperity be joyful, and in  
the day of adversity consider."

Ecclesiastes, Chapter VII, Verse 14.

With the possible exception of the World War, no phenomenon has arisen in our contemporary life fraught with such consequences as the unemployment problem. There are now between six and seven million men and women out of work in this country. Perhaps as many are working part time. And there are millions whose wages have been reduced during the past eighteen months from ten to twenty per cent, these reductions being more severe and widespread in the non-profit, unstable industries, such as textiles. All this has come about despite the sincere and well meant gestures of President Hoover and his Cabinet, demanding that employers should live up to the wage truce, alleged to have been entered into in January 1930 - a promise which, in the nature of subsequent developments, could not have been worth the paper on which it was written.

In this connection I should like to remind those now urging that wage-earners should share in the deflation, that real wages - by which is meant wages in relation to cost - never were inflated. Dr. Julius Klein is my authority for the statement that from 1921 to 1929 real wages increased only 13 per cent; that during the same period returns to industrialists grew 72 per cent. Meantime, dividends on industrial and rail stocks increased 256 per cent.

The subject of wages might be approached by the purely personal angle. During the past eight years it has been my privilege to act as Impartial Chairman of the Men's Clothing Industry in the City of New York. Week after week I am called upon to adjudicate disputes between Capital and Labor in a complicated and unstable industry. Naturally, the question of wages frequently comes up. I should like to invite the President of the American Bankers Association -



and there are many like him who honestly and sincerely believe the quickest way to the restoration of prosperity lies in a reduction of wages -- to sit in at one of our industrial sessions and advise me whether, in his judgment, any further cuts should be made in the wages of the coat maker, the pants maker and vest maker, bearing in mind that at no time in the history of the clothing industry during the past decade, even in the most prosperous years, have these workers averaged, in the City of New York, more than thirty or thirty-one weeks' employment a year. What is true of those in the garment industries, both men's and women's - and they constitute the largest single industry in the City of New York - is likewise true of a number of other industries throughout the country. I would have my distinguished guest remember that, during the past year, the garment workers, with the exception of the cutters, were fortunate to be engaged as many as eighteen full weeks. So much, then, for the question of wages, and I am not concerning myself at this moment with a presentation of the firmly established premise that our national prosperity is predicated, in large measure, on a high wage basis.

Now, whatever may have been the original cause or causes of the severe depression which began two years ago, today the situation is so complicated that it would be the height of folly to select one, two or even three major causes and say: "Let us solve these and end the depression." But, because there is such a growing public belief that our difficulties are largely, if not entirely, mental or psychic, that all we have to do is to practice the formula of Coue, I should like to present for consideration only two out of a large number of purely external economic factors which are constantly affecting our national situation and which complicate the many problems growing out of unemployment.

A year ago Owen D. Young delivered a notable address in San Francisco, under the auspices of the National Electric and Light Association. In it, among other things, Mr. Young said:

"What is to be our National policy with regard to our surplus? Take the surplus of our mines and factories. We cannot overlook the fact that in 1927 we produced 51 per cent. of the world's copper, 72 per cent. of its oil and 42 per cent. of its pig iron. The output per man in our factories has been rapidly increasing since 1917. Using that year as 100, in the electrical manufacturing industry it is in excess of 164, and in the automotive industry it is approximately 200. It is therefore clear that as our production per man increases in our factories, and



goes beyond the power of our consumption, we must export that surplus or have corresponding unemployment in those industries."

On May 25th, 1930, 1066 leading American economists and students of international relations submitted to President Hoover a memorandum, two essential features of which were these: Already our factories supply our people with over 96 per cent. of the manufactured goods they consume. Our producers look to foreign markets to absorb the increasing output of their machines. Many of our citizens have invested their money in foreign enterprises. The Department of Commerce has estimated that such investments, quite aside from the war debts, amounted to nearly \$14,000,000,000. on January 1, 1929. These investors, too, would suffer if restrictive duties were to be increased, since such action would make it still more difficult for foreign debtors to pay the interest due them.

In a word, there was a large body of intelligent public opinion to the effect that increased restrictive duties, such as were contemplated by the Smoot-Hawley Bill, would not only seriously impair our export trade, but would also encourage concerns with "higher costs" to increase production and thus compel the consumer to subsidize waste and inefficiency in industry.

What was the response to Mr. Young's plea and to the memorandum of the 1066 economists? He proceeded to establish a high, fantastic tariff structure, which tended further to complicate our already disturbed situation. Let me illustrate. In 1910 our exports to South American countries amounted to \$300,000,000. By 1930 they had risen to more than \$2,000,000,000. Shortly after his election, Mr. Hoover went to South America on what was euphoniously termed "a good will mission," - in reality, an effort to consolidate and strengthen our favorable trade relations with Latin-American countries. Those of us who are fairly familiar with sentiment in the twenty-one South American Republics are only too poignantly aware of their resentment and bitterness as to our tariff legislation, already expressing itself in the Argentine and neighboring countries in the following slogan: "We will buy from those who buy from us."

Take the automobile industry. One out of every ten persons in this country is, directly or indirectly, dependent for a livelihood on the automotive industry. The drop in our automobile exports alone, in a year, amounted to a sum sufficient to keep the entire motor industry of the United States



running on full time for a month. The operation of that one industry affects dozens of others, and the consequent loss in wages represents a huge sum.

And there is our neighbor in the North - Canada. During the Canadian election campaign of 1930, many Canadians were led to believe that the Hawley-Smoot Tariff is a menace to the Dominion's economic independence, and that absorption by the United States was inevitable unless there were reprisals. The Liberal Administration was defeated and the Conservative Government now in power is pledged to a policy of economic nationalism. The new Canadian Government is erecting tariff barriers which they hope will ultimately cut off two-thirds of the \$900,000,000. of imports from the United States. Canada shall have ceased to be our best customer, which provides a market for one-fourth of our exports. Moreover, our higher tariffs already have led to the establishment of American branch plants in Canada - nearly a hundred - with further loss of employment by American workers.

"Today the whole nation has more profound reason for solicitude in the promotion of our foreign trade than ever before..... to insure continuous employment and maintain our wages we must find a profitable market. Every nation loses by the poverty of another. Every nation gains by the prosperity of another."

These words were uttered by Herbert Hoover, then a candidate for the Presidency, at Boston, October 15th, 1928.

Let me present still another external economic factor which has been endangering and will continue to increasingly imperil our national situation. If I speak to you about Russia it is because I agree with Senator Borah that Russia is the most stupendous reality in international affairs. It is unnecessary to belabor the point that Russian Communism or State Capitalism, as I view it, is a challenge or a menace to our American civilization. Although I would not sympathize with the procedure to which I shall refer, I can readily understand why the forty capitalist countries in the world should wish to band themselves together and try in every way possible to eliminate that menace. Before me, then, I have a mental picture of the delegates of these forty countries, gathered in Washington, London or Paris, and being appealed to by Winston Churchill, with his caustic logic and impeccable English, or by Hamilton Fish -- the less said about his logic the better. I visualize one of these gentlemen addressing the delegates in the following manner:



Russian Communism is a monster which threatens to destroy us. It threatens our morals, our religion, our system of ethics. It is particularly dangerous to our system of private property, which has taken three hundred years to build up. In a word, it is a serious menace to our glorious civilization.

In 1918 and 1919, those of us who represented the Allies spent hundreds of millions of dollars to equip the armies of Kolchak, Denikin, Wrangle, Yudenich and other ~~ex~~-Russian generals, to help them destroy the Bolsheviki. True, as they were marching from the Crimea to Petrograd, some of these White Armies, led by Denikin and Yudenich, butchered tens of thousands of innocent Jewish men, women and children. This is deplorable. But, had they gained their objective, the price would not, perhaps, have been too high. However, when they reached Petrograd, that vagrant and irresponsible journalist, Leon Trotsky - he who, though in exile, is carrying on some vicious propaganda through the radical columns of the Saturday Evening Post - consolidated the various scattered armies and stiffened their resistance, with the result that on the military front we were a complete failure.

At this moment Russia is engaged in her five year diabolical plan. When it was first conceived we belittled it. We looked upon it with contempt. We said the Russian peasant is so constituted physically and psychologically that it would be at least a quarter or a half century before he could become oriented to our civilization, our industrial technique and our technological devices. But, so great has been its progress and so alarming its developments, that this monster threatens to destroy us and we must kill it.

There are two ways of effectively proceeding. (1) Let us cease selling goods to Russia; (2) Let us place an embargo on her products.

Speaking for myself, continues Hamilton Fish, I shall use whatever influence I possess to withdraw the 2500 American engineers now in Russia and the \$225,000,000. worth of investments on the part of such American enterprises as General Motors, General Electric, Ford, etc. And to show you what actually could be achieved, I am proud to say that



already the Washington Chapter of the D.A.R. has served notice on some of the shopkeepers in the capital that unless they cease selling Russian candy they will be boycotted!

All of which sounds reasonable and quite practical. But let us look into the currents and cross-currents to see what actually has happened in the Russian situation. Since 1925 our exports to Russia increased year by year, so that during the fiscal year 1929-1930, they amounted to nearly \$150,000,000., giving employment to tens of thousands of people. During the past two fiscal years Soviet imports from the United States have been about 45 per cent. of Soviet imports from all of Europe. More significant is the fact that during 1930 our exports to the Soviet increased 35 per cent., while our total exports were declining 27 per cent. Russia is the only important nation that increased its purchases here during the depression. But, a year or so ago, Congressman Hamilton Fish discovered that there were Communists on every corner and he was determined to rid our country of a 'pernicious political phantasmagoria.' A Congressional Committee was appointed. At a cost of \$60,000. a Report of twenty volumes was submitted. It created considerable hysteria throughout the country and naturally produced repercussions in Russia. In consequence, our trade with that country has fallen off sharply since January 1931 and is likely to dwindle to small proportions.

Should we be greatly concerned about the loss of \$150,000,000. worth of trade with Russia? Not at all, if we can only exterminate Bolshevism. Perhaps the loss of even a billion dollars' worth of trade would not be an excessive price for such a consummation! is the plea of men like Ambassador Edge, who insists that "for the sake of passing profits we must not be parties to economic suicide."

Let us now see how the other capitalist countries in Europe are responding to the pleas of Winston Churchill or Hamilton Fish. Within the past six months virtually every important one has entered into trade relations with Russia, and on terms highly favorable to that country. Some of them are guaranteeing exporters against loss to the extent of 75 per cent. of the value of the goods produced for export to Russia. Only a few days ago, credits of more than \$25,000,000. were extended to the Soviet Government under partial guarantee of the British Treasury. These moneys will be used for "heavy engineering." The Government guarantees 60 per cent. of the Soviet purchase and the manufacturers concerned the remaining 40 per cent., and the credit is for thirteen months. With Italy the Soviets recently concluded a trade agreement under which Italy will take cheap oil, grain, coal and timber



against delivery of machinery, automobiles, cables and electrical goods. Under the present agreement the German Reich guarantees 75 per cent. of the credits extended by industry to Russia over a period of 18 months. Mind you, these credits by Italy, Germany, England, France and other countries are extended to Russia out of the billions you and I have loaned to the continental countries during the past decade.

Did I say that it was Winston Churchill, most brilliant, most bitter and most Chauvinist British arch-enemy of the Bolsheviks; did I say it was he who urged the delegates of the forty capitalist countries not to trade with Russia? I was mistaken, because only several weeks ago Winston Churchill concluded a debate in the House of Commons with an argument which, boiled down, meant this: "Let us break our diplomatic relations with the Soviet Union, for if we do we shall receive more Soviet orders. America proves it."

And Commander Locker-Lampson, who believed Lenin was paid by the Germans and Gandhi by the Bolsheviks, said in the House of Commons: "There is no one on this side of the House who is against trade with Russia. We signed the trade agreement of 1921 and voted for it. We would vote again for agreements that would facilitate and encourage trade with that great country. We are ready to trade with morons or with anybody else who is ready to pay." And, during the year 1930 Russia exported to European countries nearly \$350,000,000. worth of goods.

Hugh Cooper, the noted American engineer, responsible for the great engineering project over the Dnieper, is obviously on sound ground when he says that world economic prosperity and, to an even greater extent, world peace, depends on what we decide to do about Russia. "It will not suffice to formulate discriminative embargoes and boycotts simply out of dislike for the Soviet Government; hate never produced any collective or individual good in the world and never will. It is time to realize that the Soviet Union is a fact that has got to be reckoned with, that it cannot be made to disappear by incantations." In any event it must be obvious that while we are talking about embargoes, the Soviet Union - and I am quoting Max Litvinoff, "has concluded the most important industrial contracts in Germany and Italy, is extending trade with England and other European industrial countries and is entering into negotiations with countries which have hitherto hesitated in this respect." All of which has a direct bearing on our unemployment situation.

Whatever one may think of Russia and its dictatorship, so ruthless at times that no lover of democracy can sympathize, Russia is today the only world group working on a plan for industry as a whole.

And public, not individual interest, is the base on which that plan rests. It makes no difference



to us industrially whether that plan is being forced upon Russia by a minority or a majority: it exists and that is our one concern. The man who believes that unenlightened small units, the fulcrum for whose mental levers is self-interest alone, can meet and beat that menace, unaided by close and hearty cooperation, lacks intelligence. The real problem is this - under our system can such cooperation be obtained through education of the units as to permit us successfully to compete with an industry where the operation of units is commanded by a single voice - the government - and in the public interest, without much regard to the profit of the individual.

The views just expressed are the sentiments - and I quote him literally - of Thomas L. Chadbourne, noted corporation lawyer and author of the "Chadbourne Plan" for the control of sugar production. Mr. Chadbourne has arrived at the conclusion, which so many of us share, that the advocates of unrestrained and unenlightened competition, as it exists today, are the best friends of the Russian Bolshevik theory, while the advocates of collective leadership in each industry are the best foes of the Bolsheviks.

As I see the situation in this country, I am firmly convinced that sooner or later we, too, will have to heed the advice of such splendid economists as George Soule, Stuart Chase, Charles Beard and Louis Lowrin, and introduce the element of control in our processes of production and distribution, if we are ever to stabilize employment.

Now, what has been the attitude of our National Government toward those external economic factors of which I have mentioned only two, and which are constantly affecting our national situation? What about the great variety of purely internal economic factors, such as technological unemployment, our agrarian problem, etc.? Just what has been the reaction of our National Government? It has been a policy of laissez-faire - leave things alone and they will right themselves. This theory, was born in the minds of Adam Smith and other economists who saw industry as a spinning-wheel, a hand loom, a blacksmith at his anvil, and the farmer with his scythe.

Let me state here lest what is to follow be misunderstood, that there is no man in American life for whom I have greater sympathy than for Mr. Hoover. He came to the presidency heralded as one of the greatest humanitarians of all time. Hailed as an engineer and administrator of the highest constructive genius, he was not only going to consolidate all the then existing elements in our prosperity, but to usher in a new era of unprecedented prosperity. Few presidents before him can have



suffered so many slings and arrows of outrageous fortune. Yet, as one who believes that the doctrine of laissez-faire died long ago, I deplore the fact that in these days of strain and stress; of social, political and economic flux, our official thinking should still be dominated by the philosophy contained in "American Individualism," a book Mr. Hoover wrote in 1923. In fact, those of you who read the President's recent speeches at the Clara Barton Memorial Exercises and his Odyssey at Valley Forge, must have discovered that whatever Liberalism was contained in "American Individualism" has virtually evaporated.

For a period of twelve or fifteen months we were told that if we only repeated the formula of Coue - every day in every way industrial conditions are getting better and better - the depression would come to an end. Some mental experts there were, and still are, in Washington, who even insist that a repetition of the formula was unnecessary; all we had to do was to go around the corner and there we would find abundant prosperity. It is my opinion, although I have no statistical data on which to base it, that as a result of this imperturbable and stupid optimism, tens of thousands of men and women rushed back into the stock market, not in a spirit of gambling, but to recoup their lost fortunes or equalize their holdings, with the result that hundreds of millions of dollars must have been lost in the two or three major breaks which followed the Wall Street debacle of October 1929.

On the occasion of the first anniversary of that disastrous event, Mr. Hoover lifted the moratorium, and we were told that there was such a thing as "honest distress," although I have never been able to determine just what that phrase implied. The services of Colonel Arthur Woods was requisitioned to mobilize various forces in the country, so that "honest distress" might be relieved. No sooner had he reached Washington when social workers began to furnish him with statistics to the effect that the situation was well in hand; that suffering would be relieved during the approaching winter months. Did not many Community Chests in the country reach their quotas? Did not some of them exceed the quotas of previous years? Look at Florence, South Carolina. Look at Pottstown, Pennsylvania. Look at Scranton, Pennsylvania, where the employe group contributed a larger share to the Chest than the previous year, almost one-half of the total. And even Detroit, so severely hit by the economic depression, managed to fill its quota. All such favorable indices that the Woods Committee had the situation under effective control!

Well, I am not altogether unhappy to say - and I speak for myself entirely - that we, in Philadelphia, did not reach our objective. Had we secured the \$3,800,000. asked for the 120 agencies, the first citizens of the community would



have gathered around the festive tables and congratulated themselves upon this great achievement. We might even have succeeded in inducing one of the greatest industrialists in the world to come to the City of Brotherly Love and give us the same assurance which he gave the Prosser Committee in New York, that by our achievements we have "succeeded in equalizing the impact of a great 'national disaster.'" But, unfortunately, Philadelphia fell short by \$600,000. Whereupon our Committee of One Hundred on Unemployment, of which it was my privilege to be Chairman, became quite active, and we petitioned City Council to set aside the modest sum of \$300,000. for the unemployed. In a grandiloquent message to the City Fathers, the Mayor said: "My heart goes out to the poor, but the City is my client. I would rather be just than generous."

This did not dampen our efforts. On November 7th, 1930, our Committee arranged a luncheon at the Bellevue Stratford. It was attended by 192 of Philadelphia's celebrities and salubrities. After listening to the pleas, in behalf of the unemployed, of Mr. Karl de Schweinitz and myself, one prominent corporation lawyer arose and, with tears in his eyes, described the tragic story of Marie Antoinette who mercilessly turned away folk who came to her for bread, saying: "If they have no bread, why don't they eat cake?" Two weeks later she was beheaded. A striking moral to that story! Another gentleman, a prominent merchant prince, described vividly the Russian Revolution - how it could have been averted if only the Romanov family had been more sympathetic to the plight of the common people! So before us we had the picture of two revolutions likely to arise at any time. Why, they were virtually around the corner! -- the very corner, in fact, where only a few days before the ex-Secretary of Labor, Senator James J. Davis, told us, awaited abundant prosperity! The upshot of the meeting was this. As Chairman I was authorized to appoint a number of Committees. Instead, I went to see Mr. Horatio Gates Lloyd, of Drexel and Company and one of the partners of J. P. Morgan & Company, and appealed to him to head the Committee on Unemployment Relief. He accepted and the Committee proceeded to organize relief activities under the effective guidance of Mr. Karl de Schweinitz, who, in turn, mobilized various social workers, in an attempt to relieve distress in a community in which there were nearly 250,000 persons out of work. Within a period of several months, nearly \$2,000,000. was raised, more than half of which was contributed by employes, who, it might be stated in passing, only two or three months before had given generously to the Welfare Federation Campaign. An impasse was reached. It seemed as though all resources had been exhausted. No more funds were in sight and all the activities -- the feeding of 10,000 school children; subsidies to the leading but virtually bankrupt relief organizations; Loan Bureau, made-work, shelter for the homeless -- would have to be closed. Whereupon Mr. Lessing J. Rosenwald, President of the Federation of Jewish Charities, in addition to a contribution already made, offered \$100,000., provided five other



individuals would respond similarly by March 11th. This offer produced an electric effect and six other Philadelphians met the challenge, with the result that considerable momentum was given to the Campaign. Altogether nearly \$4,000,000. was raised. A keen and penetrating psychologist could write an interesting analysis of the various motivations which entered into this, as they enter in so many campaigns -- motivations which have little, if anything, to do with the intrinsic merit of the cause in behalf of which funds are obtained.

Anticipating that the \$4,000,000. would be spent by June 1st, the Committee of One Hundred on Unemployment, in conjunction with the Lloyd Committee, began to agitate, as early as February, for a municipal appropriation for the care of the unemployed. The Mayor of the City, who only a few months before "would rather be just than generous," and the City Fathers, who were desperately opposed to the "iniquitous dole system" we were trying to perpetrate on the community, finally yielded to public pressure. No longer did we refer to that modest item of \$300,000., which we asked the Mayor to incorporate in his budget. We talked in terms of millions because millions were actually needed to see us through until January 1st, 1932. Without going into details, absorbingly interesting as they are, the Legislature granted our City Council permission to borrow \$3,000,000. for the unemployed, to be spent during the remainder of the calendar year, the Fund to be administered under the direction of Mr. Horatio Gates Lloyd, a dollar-a-year man. In fact, Governor Pinchot told the City Fathers that, in view of the tragedies facing us the coming winter, he would not sign the Bill unless it was for \$3,000,000.

By the first of the year, then, Philadelphia will have spent \$7,000,000. for the unemployed, in addition to what the various private relief organizations will have received from the Welfare Federation and the Federation of Jewish Charities. \$7,000,000. - eighteen times the amount our Welfare Federation has been allocating to the Family (Relief) Society and nine times the amount spent jointly by this organization and the Jewish Welfare Society, the two largest relief-giving agencies in the community. Are those of us who were largely instrumental in obtaining the \$4,000,000. from private sources the \$3,000,000. from City Council and an interim subvention of \$500,000. by the City Council to its Department of Public Welfare, happy over the outcome? Again, speaking for myself, I cannot say that I am thrilled. Obviously, to arouse the giving public, the City Fathers and our Legislators to a realization of the tragedies in our midst, we were compelled to resort to considerable propaganda. The publicity given to the 'human interest' stories led, in some quarters, to hysteria. That hysteria resulted in the creation of 75 bread lines and neighborhood relief societies. A study of these bread lines by our Community Council revealed what we social workers might have anticipated, namely, that 86 per cent. of the recipients



of relief were obtaining help from one, two, three or more sources. Picture "the American System," with all the demoralizing features which we associate with the term 'dole,' as it supposedly exists in England -- and bear in mind that in Philadelphia, at least, we had the situation under such control that we became the envy of other communities! And, has it occurred to those who preach the doctrine that our depression is due largely to psychic causes, that the type of publicity to which we are compelled to resort in behalf of the unemployed, further accentuates the gloom and militates strongly against such efforts as "Buy-Now" Campaigns?

But, what about the future? What will happen after January 1st, when our funds shall have been exhausted? The Legislature will not be in session to grant further permission for the City to borrow funds. What about New York? What about Chicago? What about Detroit, which has spent about \$20,000,000. for public relief in the last twelve months? Last winter, food, clothing, medical attention and, in many cases, rent money were provided for more than 40,000 families in that city. The average monthly outlay per family was \$40. On account of the desperate financial position in which the City finds itself, the Council has already voted to limit the total of family relief expenditures to \$300,000. monthly, which means that the normal American family in Detroit, during the coming winter months, will be asked to keep alive on \$7.50 a month!

What, I ask, will happen after January 1st? The President's Emergency Committee for Employment has come to our Conference with a project involving the national mobilization of social welfare and fund-raising resources, so that the nearly four hundred Community Chests throughout the country may, next October or November, raise amounts sufficient to care for the vast army of the unemployed. We will certainly cooperate with the President's Committee. Certainly, we are happy to have the President's blessing. Having attained extraordinary skill in developing enthusiasm, even in moribund communities, we propose to make abundant use of the words of encouragement from the President and the members of his Cabinet. But - and what I am about to say cannot be underscored too strongly - I want to warn you, my fellow social workers, that we will be guilty of duplicity; we will be betraying the interests of the millions of unemployed who expect us to articulate their needs, if, in our vast enthusiasm to fill our Community Chests, we should give the impression, directly or even inferentially, that all a community has to do is to raise its Chest quota and the unemployed will be provided for. This is the way I see the situation. As a result of the policy of drift, and of utter lack of mastery in directing it, our Government will be compelled, by the logic of inescapably cruel events ahead of us, to step into the situation and bring relief on a large scale - a scale commensurate with the vast importance and the tragedies of our problem. Private philanthropy is no longer capable of coping with the situation. It is virtually bankrupt in the face of great disaster. With



the bravest of intentions, the Community Chests, comprising as they do, a multiplicity of institutions, are altogether unequal to the task ahead of us. Let us be honest, therefore, and say so - not wait until the disaster assumes larger proportions. Let us be frank and admit that if any American method of meeting unemployment is ever devised, it will be something more fundamental than relief. If the spirit of irony, says Paul Douglas, were hovering over this land, he would find a source of sardonic amusement in the spectacle of a country which for a decade has protested that it did not want unemployment insurance because it was a dole, and which still so protests, slowly realizing that under its boasted American methods all that it can offer to those who are in great need from unemployment is the real dole of public or private charity.

In order to avoid the flood, the dikes which hold back the waters must be complete and coextensive with its needs. Although there are many dikes to withstand the waters of disaster, the one I wish to dwell on at this time is Unemployment Insurance in the Men's Clothing Industry, primarily because, as Chairman of the New York Clothing Unemployment Fund, I have had a body of sufficient experience to justify my speaking on this subject a bit more authoritatively than on others.

During the War, the Men's Clothing Industry in Chicago experienced a marked expansion. New factories were built and staffs increased. Since 1920, the Chicago market, in common with the entire industry, has passed through a period of drastic deflation. It was in the Spring of 1923 that the Amalgamated Clothing Workers of America, now with a membership of 120,000, and the clothing manufacturers in Chicago, entered into an agreement providing for the establishment of unemployment funds in that city. When unemployment insurance came into force, May 1st, 1923, 413 firms, with 27,000 employes, began to contribute. By 1926 the number of firms had dwindled to 206 and the number of employes to fewer than 20,000. By May 1929 the number of workers had been still further reduced - possibly to 13,000.

Unemployment insurance, like all other forms of insurance, must be based on payment of premiums or contributions. By the terms of this agreement which became effective May 1, 1923, the contributions were fixed at 3 per cent. of the weekly payroll, divided equally between employer and employe. Thus, an employer contributed each week one and one-half per cent. of his wage bill, and each Union employe one and one-half per cent. of his total weekly wages. To establish an adequate reserve it was agreed that the funds be allowed to accumulate for a year before any benefits should be paid. On the first of May, 1924, one year later, the unemployment funds in Chicago amounted to one and one-half million dollars.



Under the Chicago plan, eligibility to benefit was limited to members of the Union who had worked in the industry for a specified time. The rate of benefit was fixed first at 40 per cent. of the full-time weekly earnings of the worker, with a maximum benefit of \$20. a week, and later was reduced to 30 per cent. and a maximum of \$15. The maximum period for benefits was placed at seven and a half weeks a year.

With the minor changes in administration, the scheme has remained unaltered since its inception in 1923, except that the funds were increased from three to four and a half per cent. of the payroll on May 1, 1928, when the employers agreed to raise their contributions from one and a half to three per cent. In the seven years of its existence, the funds have distributed to the members of the Union in Chicago more than \$6,000,000. in unemployment benefits. During the past two years, 1929 and 1930, benefits have been distributed at the rate of \$1,000,000. a year, among about 15,000 employes. This sum invites comparison with the \$8,000,000. collected by the Prosser Committee in New York for the benefit of some 750,000 people out of employment, and the \$4,000,000. collected by the Lloyd Committee in Philadelphia for the care of about 250,000 people out of work.

Although the plan was first conceived as a plan only for mitigating the effects of seasonal unemployment, it was soon learned that unemployment funds of this nature could be put to other uses as well. The clothing industry has in the past decade experienced the same technological revolution that has characterized the post-war history of all American industry. During this process of mechanization, many workers lose their jobs and face long periods of idleness before they find new jobs for which they have the requisite skill and training. When changes of this kind took place in the Chicago Clothing Industry, funds were drawn from the unemployment insurance funds and were used in the form of discharge wages for these displaced workers. In the case of some 500 highly skilled operatives, employed by a large firm, the discharge wage was fixed at \$500. a person and the money needed for the purpose was taken partly from the insurance fund and made up by additional contribution from the employer.

This first attempt to create unemployment insurance in the clothing industry was regarded in 1923 as an experiment. Little then was known in this country about either the theory or practice of unemployment insurance. The experience of the first five years was so satisfactory that the Amalgamated succeeded in 1928 in reaching agreement with the manufacturers of New York City and Rochester, which provided for creation of similar unemployment funds in those cities. Started later than in Chicago, the Rochester and New York unemployment funds amount to only one and one-half per cent. of the payroll, contributed entirely by the employers. During the year 1930, one of general depression in nearly all American industries, the unionized clothing workers in these three cities received in unemployment benefits



the sum of \$1,500,000.

Aside from the fairly substantial benefits which this plan has yielded to clothing workers, the experiment is of significance to all industry because it has proved the administrative practicability of unemployment insurance in this country. Tried in the most unstable of all American industries, the unemployment funds of the Amalgamated have remained solvent through several severe depressions and through a period of drastic and continuous internal reorganization of the industry. At the close of 1930, the unemployment funds in Chicago, New York and Rochester were left with combined reserves of more than \$1,000,000.

Plans similar to this one have been in operation in individual firms for some years. Only a few months ago the General Electric Company announced the establishment of a scheme of unemployment insurance for its 100,000 employees. Again, quite recently, fourteen companies in Rochester, each employing from 4500 to 13,000 workers - one a public utility, the others manufacturing products as varied as cameras and heavy machinery, - have joined in an unemployment benefit plan to give workers some degree of income security in future hard times.

Under the Rochester scheme, the fourteen companies will build up individual unemployment reserve funds, to which management but not employees will contribute. Based on its own experience and the degree of stabilization it has achieved, each company will put into its fund an annual amount not to exceed two per cent. of the payroll until the unemployment reserve amounts to five yearly appropriations. No benefits will be paid until January 1, 1933.

Of the forty odd million gainfully employed workers in the United States only about 150,000 are provided with protection against unemployment.

If the present situation, says Dr. Leo Wolman, could be regarded as an isolated phenomenon, unknown in the past and unlikely to appear again in the future, we might look upon it with equanimity -- as an unpleasant but passing phase in the healthy readjustment of business and industry. Unfortunately, there are no sound reasons to support this attitude. The same factors in competitive industry which have made for succeeding cycles of boom, depression and recovery in the history of business are operating at this time, perhaps in an aggravated degree, in both the national and international business situation.

Some industrialists still insist that there are methods of regularizing industry and stabilizing employment which may obviate the need for unemployment insurance. This may be true in the case of industries which produce standardized products, such as the General Electric Company, Proctor



and Gamble, the Standard Oil Company of New Jersey, the Columbia Conserve, the Fels Naphtha Soap, the Dennison Manufacturing, the International Harvester and others. There are about two hundred American concerns now using permanent employment regularization plans with a fair degree of success. A notable instance of stabilization is presented by the Association of American Soap and Glycerine Producers, which manufactures fairly standardized articles. In the case of the General Electric Company, there is the incandescent lamp, made in five styles, and the styles do not change, unless the management so decrees. Such an article lends itself to standardization. For many years seasonal variations have been avoided by making new lamps in summer and then selling them in the winter. When it comes to large engineering projects, in which General Electric is engaged, the company is not so fortunate. It is unreasonable to expect the individual business or industry to stabilize itself in the face of deep economic forces before which we stand helpless and unprepared. The instances of regularization to which, until recently, we have pinned high hopes, have at no time affected as much as one per cent. of the total working forces of the country. In fact, a committee of six outstanding business executives submitted a report to the American Section of the International Chamber of Commerce, in which they pointed out that, while further intensive efforts on the part of the responsible heads of industry would result in greater regularization, yet, the remedies for insecurity in employment which can be applied to the individual employer to his own situation are equally as complex as the forces which produce intermittent unemployment.

In a vast economic crisis, then, such as confronts us today, our alternatives are reliance on hastily devised machinery for the distribution of relief, or sympathetic provision for unemployment compensation out of reserves set aside for this purpose in advance.

There would seem to be no sound reason - and I am speaking now on the strength of my observations in the clothing - why unemployment insurance cannot be universally adopted in American Industry. Sidney Hillman, President of the Amalgamated Clothing Workers of America, and whose ingenuity was largely responsible for the introduction of insurance in his industry, properly observes that if all industries were on the same basis as the Chicago Unemployment Insurance Fund, paying four and a half to five per cent. of the total wage bill, one year's reserve for all industries in the country would amount to nearly two and one-half billion dollars. If this provision had been made, there would have been two and one-half billion dollars available at the onset of this depression. A restoration of such purchasing power might have acted like a balance of a fly-wheel.



Again and again we are cautioned against measures which, while ostensibly providing insurance, would bring about the "iniquitous dole." Such a contention implies, first, that those engaged in industry can prevent unemployment, or, at least, reduce its severity. Secondly, that this is a matter in which the industry, acting as a unit, can best achieve the object. May I repeat that the principal causes of unemployment are quite beyond the control of a single industry; that the sphere in which the improved organization of an individual industry can prevent unemployment is very limited.

Try as hard as we may, we cannot escape the conclusion that we must have compulsory unemployment insurance, which would impose the entire cost of the fund on industry, with each industry being permitted, under state supervision, to set up and administer its own reserves. As a further proof of the need for a compulsory feature, we might borrow a chapter from our experiences in the field of industrial pensions in the United States. In 1925 a friend of mine, a highly competent student of economics, was asked by an important national organization to make a study of industrial pensions in the United States. The author of that study told me only a few days ago that he was not permitted to incorporate in his book the statement made to him by so high an authority as Mr. Ingalls Kimball, of the Metropolitan Life, to the effect that at the time, in 1925, there was not a single pension plan in the United States which was actually solvent. This opinion was supported by other actuaries. Which goes to show that while such unemployment insurance plans as those supported by the Amalgamated, the General Electric and the Rochester group of employers, may succeed, on account of the social vision and fine leadership back of them, purely voluntary schemes, especially in industries composed of unskilled labor, and in which collective bargaining does not play a part, are likely to fail. When the United States Chamber of Commerce, the American Engineering Council, and kindred bodies tell us that our "attempt to do by law that which industry can much better do for itself" should be frowned upon, it should not be forgotten that the English Government did not organize a scheme of unemployment insurance until employers as a body showed that they were unwilling to deal with it. And when Colonel Arthur Woods issues the vehement warning that "under no circumstances should this country adopt the dole system, but that we must pursue the 'American way,' because they, in Europe, do not have, as we have, large resources of private contributions," I should like to remind Colonel Woods (1) that such lofty sentiments are meaningless and self-deceiving when applied to actual conditions; that men, women and children should not be allowed to go hungry because a certain social theory is to be exalted; (2) there seems to be no good reason for applying a word of reproach to what the English are doing. They set out on a scheme of insurance against unemployment which, to be sure, has had its actual calculations vitiated by the War and by the long depression, but which has, in general, commended itself to all thoughtful students of the subject.



As the New York Times states editorially, "to intimate that the plan of cooperative workingmen's insurance is nothing but handing out money personally from the public treasury, is merely to seize upon the term 'dole' in order to discredit what most of us believe in or are getting ready to adopt in one form or another."

Not for a single moment would I have you believe that, in our efforts to deal with so great a catastrophe, unemployment insurance is the only or even chief desideratum. While we cannot prevent unemployment in the present state of knowledge and in the present characteristics of our economic order, yet our knowledge is sufficiently adequate to indicate many points at which the severity may be greatly lessened.

If time permitted, I should like to discuss the necessity for exercising greater control over credits; the common planning of industry; further types of research and expansion of public works. A word about the latter. While the significance of public works is perhaps a bit overplayed, yet I am in accord with that group of sound economists who believe that a Federal Bond Issue of at least three billion dollars should be floated and spent on construction work as quickly as possible. This would give employment of nearly 750,000 workmen, thus stimulating private business. Any such quickening of the process of economic recovery through government intervention along economically sound lines is bound to be productive of a great deal of good.

It must be borne in mind, too, that the Federal Government is in a better position to borrow and increase its expenditures than the State Governments, because its system of taxation is less antiquated. It is hardly fair to urge the average workman, who faces an uncertain future, to dissipate his resources by "buying now," when the Government itself sets exactly the opposite example, despite the fact that money can be borrowed at bargain rates, especially by government bodies. As a member of the Committee on Unemployment and Industrial Stabilization of the Progressive Conference headed by Senator Robert M. LaFollette, I readily subscribe, therefore, to the statement issued by the LaFollette Committee, that "unless the Federal Government spends now, the cost of healing the injuries which are bound to occur during the coming twelve months, will be many times more than what may be saved by our present policy of Federal economy."

Again, we are beginning to see in this country that connecting men with jobs is a great primary need in modern industrial life. The Wagner Bill, which finally passed in the closing days of Congress, but which the President vetoed just after March 4th, was essentially a constructive measure, intended to create a nation-wide system operated by the states and stimulated by Federal grants which would speed up and set going an adequate structure of services everywhere. There is



grave doubt that the present makeshift moves on the part of the Federal Department of Labor will result in any such system. Clearly, there is need for new enabling legislation by the next Congress to devise such a system -- either reenactment of the Wagner Bill or of an equally broad-gauge and effective measure.

Now, what is the duty and the responsibility that rests upon us social workers? Heretofore there has been too great a tendency among us to emphasize the adjustment of the individual to his environment, rather than the improvement of the environment for the sake of the individual. The unemployment crisis furnishes overwhelming evidence that this emphasis has been mistaken. As early as thirty years ago, that great economist, Simon Patten, expressed the hope that there was one word which would die -- 'rehabilitation.' Instead of striving to restore the fallen, we should let no one sink to a level where rehabilitation is necessary. If, contended, Patten, we cut this word out of the social conditions that its use implies, new programs would grow up in harmony with modern needs.

Social agencies that are dealing with psychiatric behavior, health and character building in other activities outside the rim of relief work, have gradually had it driven home to them that they have been living in a false paradise, having nothing to do with the main economic footholds of life. They have begun to realize that we cannot deal effectively with even an inferiority complex on an empty stomach.

During the past twelve months we have heard some devastating comments about our economic order which has occasioned so much distress. There is William McAdoo, ex-Secretary of the Treasury, who presents a severe indictment of what Tawney calls our Acquisitive Society. We have Daniel Willard, President of the Baltimore and Ohio and Chairman of the Board of Trustees of Johns Hopkins University, telling a distinguished group of faculty men and students, that there is nothing more deplorable than the condition of a man, able and anxious to work, but unable to secure work; with no resources but his labor and perhaps with others even more helpless dependent upon him. And, added Willard quite significantly. "While I do not like to say so, I would be less than candid if I did not say that in such circumstances I would steal before I would starve." There is Nicholas Murray Butler who, fortunately having given up the idea of becoming President of the United States, having joined the ranks of the great liberal thinkers of the country, calling attention to the fact that great masses of men will not indefinitely sit quietly by and see themselves and those dependent upon them reduced to penury and want, while what we call civilization has so much to offer; commands such stupendous resources, and seems capable of accomplishing almost anything. There is Owen D. Young, with his pronouncement that unemployment is the greatest economic blot on our capitalistic system, and that business, if it is to



fulfill its ideal, owes men an opportunity to earn a living.

There is hardly a commencement or baccalaureate orator who is not at this moment crying for enlightened leadership; for an industrial statesmanship which will solve some of the vexing problems confronting us. But let me remind you what William James once said: "abstract conceptions are notoriously weak in impulsive action." If, therefore, you and I believe in unemployment insurance, let us not merely talk about it abstractly, but in our respective communities let us advocate it, and let us get back of the Commission for the Study of Unemployment Insurance, created as a result of the Conference of Seven Governors called by Governor Roosevelt in Albany last January. If we believe in a three and a half billion dollar loan to finance important national public works at a time when great multitudes of unemployed workers are in need of jobs, let us say so.

If we believe - and I wish time would permit my expansion of the thought - that Mothers' Assistance Funds, the first legislation of which it was my privilege to sponsor in Missouri as early as 1912, and which, at the time, was opposed by social workers, because "they constituted an insidious attack upon the family, inimical to the welfare of the children and injurious to the character of the parents" -- if we believe that Mothers' Assistance Funds should be so modified in their scope as to include not only widows and orphans; not only families whose chief breadwinners are committed to penal or mental institutions, but also those families in which there is acute suffering resulting from involuntary idleness, let us say so - and in no unmistakable language. If we believe in shortening the hours of labor as a means of combatting the evils resulting from technological unemployment, let us speak our minds. If we believe in Old Age Pensions as offering to old folks the certainty of greater economic security - let us support such measures, not as an act of charity, but elemental justice.

My friends, the time has come when you and I, who are so closely in touch with the tragedies of unemployment, - the tragedies of despair arising from still other causes, - must articulate the needs of those under our care. Unless we do so, millions of men and women and children, who look to us for such articulation, will, in the classic words of Job, say to us:

"Sorry (and hypocritical) comforters are ye all.  
When will your windy words have an end?"



August 6th, 1931

Rabbi A. H. Silver,  
Chocorua, N. H.

My dear Rabbi Silver:-

At a special Board meeting held August 3d, the Board passed the recommendation of the Finance Committee to budget \$1000 to be used for Emergency Unemployment Relief.

Mrs. Grossman is to be Chairman of the Committee in charge of this work and as soon as she returns from her vacation she will organize her committee including representatives from all groups.

On the advice of both Mr. Lynde and Miss Kittner the work will start the first week in October after the holidays are over, sewing Mondays, Wednesdays and Thursdays. I should have said that all this hinges on the Temple Board granting permission to use the Assembly Hall. If the Temple can not carry the expense of heat and light due to the cut in its budget, then the Temple Women's Association will defray that expense.

We are to work with women from both the Associated Charities and the Jewish Social Service Bureau. The J.S.S.B. has absolutely no funds to purchase materials, so the A. C. will furnish materials for all the women including the Jewish women, and in return the A. C. will receive all the garments to distribute to the needy. The J.S.S.B. will pay its women and cooperate with us in every other way except the furnishing of the materials.

The Council of Jewish Women want to promote an opportunity shop for unemployed women with a sales' end, on condition that all the sisterhoods dispense with their sewing groups with the exception of quilting and community sewing. Of course we will not consent. I have told them so personally, as my own reaction and our Board will take action at its September meeting.

Hope that you and Mrs. Silver with your children are enjoying your vacation to the fullest.

With kindest regards, I am

Sincerely yours,



# OHIO WELFARE CONFERENCE

## EXECUTIVE COMMITTEE

### *Representatives of Department of Public Welfare*

DR. C. H. CALHOON, Columbus  
DOROTHY D. HENRY, Delaware

109 Commerce Building  
The Ohio State University  
Columbus, Ohio

September 17, 1931

## OFFICERS

*President*  
JOHN A. EISENHAUER, Hudson  
*First Vice President*  
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*Second Vice President*  
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1. *Health*  
DR. RICHARD A. BOLT, Cleveland
2. *Adult Dependents*  
M. A. SOUTHARD, Marysville
3. *Delinquents*  
MRS. MABEL FERREE, Columbus
4. *Community Organisation*  
J. L. TUTTLE, Canton
5. *Industrial and Economic Problems*  
ALMA HERBST, Columbus
6. *Children*  
JOANNE ORTELLE, R. N., Columbus
7. *Family*  
DORIS M. CANGNEY, Lima

Rabbi A. H. Silver  
The Temple  
Cleveland, Ohio

My dear Rabbi Silver:

I want you to know how thoroughly I am in accord with your decision to speak at the general session at the Ohio Welfare Conference and to introduce the subject of Unemployment Insurance at that meeting. We are, of course, very sorry that you cannot be present in the morning. Thank you so much for your note and your kindness in considering this whole matter. I shall look forward to seeing you at Akron.

Very sincerely yours,

*Alma Herbst*

Alma Herbst

AH:KU

Sir  
regarding your letter on  
raising of finances for backing  
of Unemployment Insurance bill  
I regret to say that I am  
working short time and unable  
to contribute very much but I  
am enclosing the sum of five  
dollars with the thought that  
every little bit helps and wishing  
you all success in the raising of  
the necessary funds

Respectfully Yours  
C. F. Parsons

7409 Indiana Ave.



## "OUR NATIONAL DEBT TO THE UNEMPLOYED"

RABBI ABBA HILLEL SILVER  
THE TEMPLE, CLEVELAND, O.

Unemployment on a large scale is not only here now, but it has been with us periodically, and on a smaller scale it is with us continuously.

The amazing thing is that the American public ~~has~~ remained<sup>S</sup> comparatively indifferent to the problem except at such times when the unemployment situation becomes so grave that it can not any longer be ignored. We have uncritically assumed that unemployment is somehow inherent in the <sup>very</sup> nature of industry, ~~unavoidable~~ and periodically ~~unavoidable~~ <sup>inevitable</sup> and that all that could be done about it is ~~to extend relief~~ <sup>relieve by</sup> ~~in the way~~ <sup>way</sup> of charity ~~to~~ <sup>for</sup> those who are most severely distressed by it.

We have overlooked the social menace of unemployment. Periodic unemployment makes for irregular habits, <sup>of industry and for</sup> shiftlessness, <sup>it</sup> destroys morale and undermines a laborer's pride and self-respect. It discourages <sup>in men</sup> ~~those~~ who see their small savings, which they had through careful economy, set aside for the education of their children or for the purchase of a home, slowly eaten up by the lean ~~weeks~~ <sup>and</sup> months of unemployment. As their savings vanish, their pride too, and their ambitions vanish. Unemployment disrupts families, for many a man finds the burden of caring for a family too heavy to bear when he is unable to find work.

<sup>with</sup> Unemployment is forcing thousands to the doors of charitable institutions and nothing is more degrading and desolating. For the family of a self-respecting workman, to be compelled to ask charity is to drain the last bitter dregs of the cup of life. This social pauperization of the manhood and womanhood of our land is a blot on the honor of this,



the fairest and richest country in the world.

The fear of joblessness is dreadfully <sup>demeaning</sup> demoralizing. It robs a man of that sense of security and stability upon which alone permanent character values can be built.

Unemployment is also hurtful to industry and business. A workingman can not be loyal to an industry which may at any moment, ~~at the slightest fluctuation in the market~~, throw him out upon want and misery. It ~~also~~ interferes seriously with industrial efficiency and organization.

*The bill before Congress does not aim at solving problem & we all know the provision to scale the employees premium in the bank & the Unemployment is not an insoluble problem. Periodic fluctuations of prosperity and depression are not inevitable. The business cycle can be, to a large extent, controlled. If the same amount of intelligent research and inventive ingenuity which has gone into technical improvement and the production end of American industry <sup>would go</sup> had gone into the problem of the regularization of production, the stabilization of markets and the control of credits, the dread ghost of the business cycle <sup>could be effectively</sup> would have been laid long ago.*

*The primary object of the bill, however, is to protect the working man against the ~~unemployment~~ hazard's which are*

*even present in our present industrial set-up*

Above all, a law should be passed establishing compulsory unemployment insurance for all workingmen.

*Not to afford them a reserve of relief during their enforced period of unemployment - in an eager case, social help, & perfecting Am. manner.*

*We believe that*

Every workingman is entitled to be protected against involuntary unemployment just as he is entitled to be protected against the disability of <sup>industrial accidents</sup> sickness and old age. Unemployment insurance is a legitimate charge <sup>against</sup> industry ~~the same~~ as accident insurance or fire insurance. ~~The insurance plan should be so drafted and the premiums should be so graded as to put financial pressure upon the employer to steady employment within his industry.~~

The first concern of a country should be its laboring population. The security of a country rests upon a contented working class. Rich and



prosperous America can not afford to subject millions to recurrent periods of unemployment and want and to drive <sup>ten's of</sup> thousands to beggary and alms taking.

<sup>The</sup> ~~An~~ Unemployment Insurance Bill <sup>which has been</sup> ~~will~~ be introduced in the <sup>near future in the</sup> Ohio State Legislature <sup>which represents</sup> the best thought on the subject, <sup>it is practical, comprehensive and conservative.</sup> ~~arrived at after nearly two years of careful study~~ by representatives of business, labor and the professions. It takes <sup>fully</sup> into account ~~consideration~~ the experiences which England and Germany have had with their unemployment insurance laws. It is adapted particularly to American needs and to the conditions of American industrial life.

<sup>this bill</sup> In outline ~~the Unemployment Insurance Law of Ohio~~ proposes to create an Unemployment Insurance Fund, somewhat similar to the Workmen's Compensation Fund. This fund will be created and maintained by the payment of premiums from employers and ~~also~~ from employees. <sup>It is insurance, not a</sup>

<sup>dole. It has nothing in common with doles or grants in aid, or relief.</sup> All employers of three or more employees (subject to exceptions as outlined ~~below~~) will be required to pay into the fund, premiums in proportion to their payroll. The amount of these premiums will vary according to the classification of the industry involved, and the further classification of the particular employer according to its history of regularity of employment. <sup>It is insurance, not a dole. The beneficiary pays for their insurance, unless their insurance is paid for by the employer specified - then no benefits are paid. The amount of benefit about the same as drawn by man's work done while he can draw it - paid rigidly specified.</sup> In no event may the premium upon the entire payroll of all employers be fixed at more than 2% nor upon any individual employer, at more than 3 1/2% or less than 1/2%. The premium payable by employees will be a fixed amount, to wit, 1 1/2% of their wages.

<sup>These farmers, etc. exempt, do not pay anything into the fund. But he will be having the benefit of the fund.</sup> <sup>and certain other classes as specified</sup> Farmers, domestic service, and all employees of railroads or of other employers subject to the jurisdiction of the Interstate Commerce Commission are excluded from the act.

<sup>Admission to the fund. It may be found later on that the fund is not in perfecting that it will be able to pay for this part of the fund as well.</sup> <sup>then released the fund, that fund. Rep. at 10/10</sup>

<sup>according to sound actuarial principles - The State does not contribute anything to the fund. - The assistance which it renders to the fund is limited to the cost of</sup>



the same, each as <sup>and the chief</sup> the <sup>season</sup> <sup>industry</sup> - the chippewas  
industriously ~~earn~~ <sup>contribute</sup> <sup>an amount</sup> <sup>over</sup> <sup>value</sup>  
what they themselves contribute <sup>to</sup> <sup>reach</sup> <sup>this</sup>  
increased fund feasible.



The bill does not check any efforts at private insurance plans. It requires that some industries, particularly large + big cities, may desire to set up a system with their own private systems. This is already provided, benefits paid to an emp. are at least equal to the provided by the state. Such employers as wish to do so, will be permitted to carry

their own risk and pay their benefits direct to their employees. They will be required to post adequate bond to assure payment of benefits.

The actual administration of the law will be in the hands of a Commission of three members, appointed by the Governor. This Commission will have broad powers to make rules governing the administration of the law, and will be responsible for determining the amount of premiums and their collection; for hearing and deciding all claims for benefits for unemployed employees, and for paying the claims. In addition it will be charged with the responsibility of investigating and seeking to reduce unemployment, as far as possible, by registration, labor exchanges, etc.

The benefits payable will be fifty percent of wages, but not to exceed a maximum benefit for total unemployment of \$13.75 per week; nor for a period of more than 13 weeks in any one year. These benefits will be payable only to workmen who have worked and contributed their premiums for at least 26 weeks of the year preceeding; and then only after a waiting period of two weeks, during which time there will be no benefits payable.

Furthermore, benefits will not be payable to anyone who lost his job thru his own misconduct, or who left it voluntarily, or left it because of a strike or lockout, so long as the trade controversy continues, or who fails to report as ordered, to the Commission.

The benefits will be payable only while the employee is able to work and available for work, but unable to secure employment at his customary wage rate, and under substantially similar conditions.

Cost to  
employer  
is not  
unusually  
high



1. I speak not - M. T. Gato evils
2. Amazing thing - Assumed -  
- all that could be done.
3. Have overlooked social measure.  
- irregular - discourages things  
- disrupts - loss of pride  
- forcing - pauperization - ~~blat~~  
- Hurtful to industry
4. This Bill does not aim - Solving  
altho its provision - predicated
5. Primary object, however, is  
to protect - afford dignified
6. Bill is grounded in belief  
- entitled - That U.S. Legislature  
① First concern - Security
7. This Bill is practical -  
- Takes into account - Expen.  
- adapted -
8. It is humane - and dole  
- The beneficiary pays -  
- Industry assists -  
- Unless minimum is paid  
- The State - Humanitarian

9. Burden on State - It  
will also help -  
- It will not be long -
10. As far as people of State -  
no new financial burden  
- We pay the bill one  
way or another -
11. Social Union League  
- Some great State  
→ U.S. is greatest measure  
- Men do not resist  
- It is an unthinkable  
land 4070 - whole
12. U.S. will give  
working man security  
security - State cares
13. This will be working



LABOR

(Hotel Strike)  
30-31

Dear Rabbi:-

You are to be complimented on the stand you have taken on the present hotel employees' controversy. The writer, who is not connected with either side of the issue, but who is well informed regarding the entire matter has decided to bring to your attention several points which may be of value to you in the future.

The American Plan Association is an institution operated for profit by William Frew Long. He, along with several others, including Attorney Stanley and Long's assistant, named Walker, are those who are profiting most by its existence. High pressured sales talks, bulletins, special meetings, etc., are all instigated but for one purpose, namely profit.

The open shop theory advanced by Mr. Long is received with open arms by many of the more gullible employers of Cleveland and the vicinity. The members are taxed a per capita tax, based on the number of employees, for membership, they are promised that political legislation favorable to their interests will be promoted and safe-guarded at all times, they are told they are duty bound to amalgamate with other employers for the purpose of crushing organized labor, etc.

Numerous things have happened that indicate there is something rotten in Denmark. Recently a steam shovel was dynamited on the Lowensohn Construction Company job, ( the new bridge ) and to-day there are persons in Cleveland who know that that explosion did not happen at the hands of union men. A suit case, supposedly filled with tear gas exploded Tuesday night, in Hotel Winton, on the eve of when a meeting was to be held at the Council Chambers for the purpose of bringing about arbitration. That explosion is no mystery to Mr. Long and his associates.

During the past two years there have been numerous strikes fomented among workers of different crafts, by secret agents of the American Plan Association. The object has been to stir up strife to the point that the workers have been willing to strike, rather than to permit the employers to bring about a lock-out, as was finally done in the hotel controversy. These strikes, usually won by the employers, are then pointed to as victories by Mr. Long and his associates, thus showing progress being made by the American Plan Assn., and its officials.

Mr. Long comes from Pittsburgh, where he was formerly employed as manager of the manufacturers association. He was finally ousted there, shortly after the World War, when the officials of the Westinghouse Electric Company took exception to his constant attacks directed against the Pittsburgh Y. W. C. A. in which he constantly accused the officials of that body of being Bolsheviks, etc. This can easily be substantiated in Pittsburgh.



I do not champion the cause of organized labor - in fact I have often been accused of being an enemy to same. The object of this note is not for the purpose of endeavoring to antagonize you toward Mr. Long and his association, but rather to attempt to lay before you the true state of affairs, much of which you are already conversant with.

Peace and harmony between the employer and employe of Cleveland are never to be expected so long as the American Plan Association is permitted to function in its present high handed state. It is going to require some person prominent in the civic affairs of Cleveland, like yourself, to bring to the surface the true state of affairs. I admire the stand you have taken and sincerely hope you will not be subjected to a further attack from Mr. Long, although I anticipate this.

My position is such that I must remain

Anonymous.





# **An American Plan for Unemployment Reserve Funds**

## **Tentative Draft of An Act**

**Submitted as a Basis for State Legislation by the  
American Association for Labor Legislation**

**I**NDUSTRIAL managers, as good business practice, set aside a dividend reserve fund out of which to pay stockholders during periods when their plants are idle. It is urged that an *unemployment reserve fund* should also be provided in order that their wage-earners may be tided over temporary periods of involuntary idleness.

The state can take a hand in the establishment of such a reserve. One method by which it may fruitfully do so, under the conditions prevailing in this country, is embodied in this tentative draft of an unemployment reserve bill. Instead of the plan featured in European relief schemes, this bill requires employers to contribute a small fixed percentage of their payrolls to a fund which will be administered so as to furnish to employees such benefits as the condition of the fund will permit. Employees are not required to contribute to the fund, but they do, of course, bear a considerable portion of the cost of unemployment owing to the limits placed upon benefits. A maximum limit of ten dollars a week is fixed, and no employee is to receive benefit for more than thirteen weeks in a year nor for more than one week for each four weeks in which he has been employed by employers subject to the act. Opportunity is offered workers in any industry voluntarily to elect to pay contributions and thus receive additional benefits. Payments are not to be made to persons who are unemployed owing to stoppage of work due to a trade dispute and no one is to be denied benefits for refusal to take a job where there is such a dispute.

The bill recognizes that it is essential to any system of unemployment benefits that there should be a work test. It provides for the application of this test through employment offices, and it is to be expected that the operation of the plan will result in a reduction of unemployment by furnishing jobs instead of benefits wherever possible.

If the right to benefit is contested, it will be passed upon by the officer in charge of an employment office, and an appeal is allowed to an appeal board on which sit a representative of labor, an employer, and a neutral arbiter.

The administration of the plan in each industry is placed in the hands of an Employment Stabilization Board provided for that industry, under the supervision of the State Department of Labor. Since employers who are contributing to the fund are in a position to aid effectively in stabilizing employment in their industry, it is provided that when those who employ a majority of its workers elect to do so they are authorized to administer the fund for their industry and conduct an employment office for its employers and employees subject to the approval of the State Department of Labor.

Employers who furnish satisfactory proof of their ability to pay benefits equal to those which the reserve fund for their industry pays are permitted to make the payments directly to their employees, and relieved from the duty of contributing to the fund. Those who remain in the fund are encouraged to reduce unemployment among their employees by the possibility of the payment of dividends on the basis of their employment experience.

This proposal in the course of its development through many months of conferences and correspondence has been submitted to a large group of interested citizens for criticism and suggestions. In submitting this draft for wider consideration the American Association for Labor Legislation expresses appreciation of the earnest cooperation of its group of advisers, representative of special knowledge and practical experience in unemployment insurance administration, including among others: Leo Wolman and Sidney Hillman of the Amalgamated Clothing Workers of America; Bryce M. Stewart and Mary Gilson of the Industrial Relations Counselors, Inc.; John R. Commons, University of Wisconsin; Morris E. Leeds of Leeds and Northrup Company, Philadelphia; Ernest G. Draper of Hills Brothers Company; George Soule of the Labor Bureau, Inc.; Paul H. Douglas, University of Chicago; Frances Perkins, Industrial Commissioner of New York State; William Mack; Olga Halsey; John A. Fitch; Sir William Beveridge of England; Judge Bernard L. Shientag; Joseph P. Chamberlain of Columbia University.

Additional copies of this proposal may be had by addressing John B. Andrews, Secretary, 131 East 23d Street, New York City.



## DRAFT OF AN ACT FOR UNEMPLOYMENT RESERVE FUNDS

**SECTION 1. Short Title.** This act shall be known as the "unemployment reserve law."

**SECTION 2. Definitions.** As used in this act:

1. "Department" means the department of labor;
2. "Commissioner" means the commissioner of labor;
3. An "employment", except where the context shows otherwise, means any employment for hire within the state, except:
  - (a) employment as a farm laborer; or
  - (b) employment not in the usual course of trade, business or occupation of the employer;
4. "Employee" means any person employed by an employer in an employment subject to this act, except a person employed at other than manual labor at a rate of remuneration of fifteen hundred dollars a year, or over;
5. "Employer", except when otherwise expressly stated, means a person, partnership, association, corporation, and the legal representatives of a deceased employer, or the receiver or trustee of a person, partnership, association or corporation including the state and a municipal corporation or other political subdivision thereof, employing six or more employees in a common employment;
6. "Fund" means the unemployment reserve fund established by this act;
7. "Benefit" means the money allowance payable to an employee as provided in this act;
8. "Wages" means the money rate at which the service rendered is recompensed under the contract of hiring in force at the time the employee became unemployed, including the reasonable value of board, rent, housing, lodging or similar advantage received from the employer.

**SECTION 3. Liability for payment of benefits.** Benefits shall be paid to every unemployed employee by the industry fund to which his last employer belongs, or by his last employer if he has been exempted from the payment of contributions to the fund.

**SECTION 4. Benefits.** 1. An employee shall be entitled to demand benefits on account of unemployment which continues subsequent to a waiting period of two weeks after notification of unemployment.

2. Benefits shall be payable at a rate as provided herein but not to exceed:
  - (a) ten dollars a week to an employee of eighteen years or over, or five dollars to an employee under eighteen years; or
  - (b) sixty per cent of his weekly wages;whichever is the lower.

3. Benefits shall be paid for a period to be fixed as provided herein but not for more than thirteen weeks in one calendar year, nor in a greater ratio than one week of benefits to four weeks of employment by one or more employers in the state during the two preceding calendar years;

4. Benefits shall be paid to an employee only:
  - (a) if he has been employed by one or more employers in the state for not less than twenty-six weeks during the two preceding calendar years;

(b) while he is capable of and available for employment and unable to obtain employment in his usual employment or in another employment for which he is reasonably fitted. But he shall not be required to accept employment:

(1) in a situation vacant in consequence of a stoppage of work due to a trade dispute;

(2) if the wages, hours, and conditions offered be not those prevailing for similar work in the place of employment or are such as tend to depress wages or working conditions.

5. The duty of paying benefits shall not be shifted by employment for less than six days if such employment is temporary in character.

**SECTION 5. When benefits not paid.** An employee shall not be entitled to benefits:

1. if he has lost his employment through misconduct; or

2. if he has left his employment voluntarily without reasonable cause; or

3. if he has left or lost his employment due to a trade dispute in the establishment in which he was employed, so long as such trade dispute continues.

**SECTION 6. Break in unemployment.** 1. Employment at any work for which provision of benefits is not required, shall suspend the right to benefits. If the employee becomes unemployed after three months or more of such employment, his right to benefits shall recommence upon notification of unemployment and the running of the waiting period. If he becomes unemployed within three months of his acceptance of such employment, his right to benefits shall recommence upon notification of unemployment.

2. If an employee undertakes such employment during the two-weeks waiting period it shall not affect the running of such period if it continues for six days or less.

3. The employee shall inform the employment office at which he has given notification of unemployment, when he begins and leaves such employment.

**SECTION 7. Notification.** An employee may give notice of his unemployment either in the state employment office for the district in which he resides or in the employment office established under this act by the industry in which he is usually or was last employed.

**SECTION 8. Proof of right.** The employee shall prove his right to benefits and the continuance of such right in such manner as may be provided by the rules and regulations of the department.

**SECTION 9. Jurisdiction continuous.** Jurisdiction over benefits shall be continuous. Benefits paid to any individual shall be modified whenever necessary to make the amount correspond to the amount or period fixed by the appropriate industry board.

**SECTION 10. Method of determining disputed right to benefit.**

1. If the employer, or industry fund liable to pay benefits, upon request by the employee, fail to pay, or to continue to pay, the benefit as provided in this act, the employee may file a claim with the officer in charge of the employment office at which he has given notice of his unemployment. The claim must be filed within one month of default in payment.



2. If such officer believe the claim correct, or as soon as it has been corrected, he shall notify in writing such employer or industry fund, of the claim and that he may contest it by filing, within five working days after receipt of notice, a denial of the claim in such form as the department may provide; and such denial shall operate as an application for a hearing before the officer.

3. If the claim appear to such officer invalid or improperly made, he shall, within three days, notify such employer, or industry fund. He shall also notify the employee of his right to make an application for a hearing before the officer which must be made within five working days. Such notifications and applications shall be in such form as the department may provide.

**SECTION 11. Appeals.** The commissioner shall provide for an appeal from the decision of the officer to an appeal board of three members, appointed by the commissioner. This appeal board shall contain one employer and one employee, or representative of employees, who shall be resident within the district for which they serve, and one person who is not an employer, an employee or a representative of either.

**SECTION 12. Questions of law to court.** The commissioner, or an appeal board, may certify questions of law to the (appropriate court).

**SECTION 13. Agreement to contribution by employees void.** No agreement by an employee to pay any portion of the payment made by his employer for the purpose of providing benefits either through the fund or otherwise, shall be valid and no employer shall make a deduction for such purpose from the wages or salary of any employee. But nothing in this act shall affect the validity of voluntary arrangements whereby employees individually or collectively agree to make contributions for the purpose of securing unemployment benefits in addition to those provided by this act.

**SECTION 14. Waiver of agreement void.** No agreement by an employee to waive his right to benefits under this act shall be valid.

**SECTION 15. Assignments.** Benefits due under this act shall not be assigned, released or commuted and shall be exempt from all claims of creditors and from levy, execution and attachment or other remedy for recovery or collection of a debt, which exemption may not be waived.

**SECTION 16. Administration.** 1. This act shall be administered by the department of labor and the department shall have power to make all rules and regulations and to make all appointments which are necessary for the enforcement of the act.

2. The commissioner shall appoint for two years an employment advisory committee, consisting of an equal number of representatives of employers and employees, to be selected from lists submitted for that purpose by employers and employees, and one person who is neither an employer, an employee nor a representative of either and who shall act as chairman. The committee shall meet on the call of the commissioner and shall assist the commissioner without pay in investigations and the general administration of this act.

**SECTION 17. Exemption.** 1. The commissioner may exempt from the duty of paying contributions to the fund, an employer:

(a) who furnishes satisfactory proof of financial ability to pay the benefits fixed for unemployed persons in his industry, or the most similar industry as determined by the commissioner; or

(b) who submits a plan for unemployment relief which in the opinion of the commissioner will give benefits at least equal to the benefit as estimated in subsection (a) of this section.

2. As a condition to granting exemption, the commissioner shall require the employer to furnish such security as he may deem sufficient to insure payment of all benefits, including the setting up of proper reserves. He may from time to time require further proof of financial ability of an exempted employer. For lack of such proof, or for failure to comply with the provisions of this act, or with the rules and regulations of the department, the commissioner may, upon ten days' notice and opportunity to be heard, revoke the exemption of any employer.

3. An exempted employer shall pay the benefits provided for in subsection one of this section.

**SECTION 18. Unemployment reserve fund.** There is hereby created a fund to be known as "The Unemployment Reserve Fund." Such fund shall consist of all contributions received and paid into the fund, of property and securities acquired by and through the use of moneys belonging to the fund and of interest earned upon moneys belonging to the fund and deposited or invested. Such fund shall be applicable to the payment of benefits.

**SECTION 19. Payment of contributions.** Contributions shall be paid by employers to the fund at such times as may be fixed by the commissioner, at the rate of one and one-half per cent of the wages paid to employees.

**SECTION 20. Record and audit of payrolls.** Every employer shall keep a true and accurate record of the number of his employees and the wages paid by him, and shall furnish to the commissioner, upon demand, a sworn statement of the same. Such record shall be open to inspection at any time and as often as may be necessary to verify the number of employees and the amount of the payroll. Any employer who shall fail to keep such record or who shall wilfully falsify any such record, shall be guilty of a misdemeanor.

**SECTION 21. Collection of contributions in case of default.** If an employer shall default in any payments required to be made by him to the fund, after due notice the amount due from him with interest at six per cent from the date when due, shall be collected by civil action against him in the name of the commissioner, and the same when collected, shall be paid into the fund, and such employer's compliance with the provisions of this act requiring payments to be made to the fund shall date from the time of the payment of said money so collected.

**SECTION 22. Bankruptcy.** In the event of bankruptcy or insolvency of an employer, the amount due for contribution shall be a preferred asset second only to wages.

**SECTION 23. Classification of employments.** The commissioner shall classify the employers in the fund into industries or groups of industries. The assets of each such class shall constitute a separate branch of the fund, to be known as its industry fund, and shall be liable for the benefits payable to employees whose last employer was a member of such class.



**SECTION 24. Organization of industry funds.** 1. Upon classification of any industry, or group of industries, the commissioner shall provide a board of not less than five members, at least three of whom shall be employers in such industry. The board shall be known as the Employment Stabilization Board for the (name of industry) Industry. Each member of the board shall hold office for the period of one year, or until his successor is appointed and qualifies.

2. The board shall have power :

(a) for the purposes of this act, to make rules and regulations for its class, which shall take effect when approved by the commissioner; and

(b) to fix periodically the amount of benefits payable from its industry fund, the period for which payable, and the times of payment, subject to the provisions of the act and the approval of the commissioner and the superintendent of insurance. Such benefits shall be as near the amount of the maximum provided herein as the condition of the industry fund of such class permits, and the decision of the board may be modified from time to time so that such fund shall always remain solvent; and

(c) to award dividends to employers based on their experience in maintaining regular employment; and

(d) subject to the approval of the commissioner, to appoint and fix the remuneration of the officers and employees of its industry fund; and

(e) to do all other things which may be necessary for carrying on the business of its industry fund.

3. Whenever more than two employers in a classified industry employing more than half of the persons employed in such industry, shall so request, the commissioner may provide for the election of the board by the employers in the industry and may provide for a vote by each employer in proportion to the total number of his employees. Such employment shall be corrected for each annual election. If votes at any such election are not cast by more than two employers employing more than half of the employees in such industry, the election shall not be valid, and the commissioner shall appoint the members of the board.

**SECTION 25. Employment offices.** Any employment stabilization board elected by the employers may, with the approval of the commissioner, create an employment office to serve the employers in the industry, and such branches as they may think desirable. The expense of such office shall be a charge upon the assets of the industry fund. Such board shall, subject to a minimum remuneration fixed by the commissioner, appoint and fix the remuneration of the officers and employees of such employment office, and shall, with the approval of the commissioner, make rules and regulations for its operation.

**SECTION 26. Powers of commissioner.** 1. Each employment stabilization board shall make such report to the commissioner as he shall request and their books, accounts and records shall at any reasonable time be open to him or to any duly accredited representative. He may at any time investigate the conduct of an employment office maintained by such a board.

2. The commissioner may make rules and regulations to provide for the cooperation between the industry employment offices and with the public employment offices.

**SECTION 27. Expenses of administration.** The expenses of administration shall be borne by the state, except as otherwise provided in this act.

**SECTION 28. Expense of hearings.** Fees of witnesses and other expenses involved in hearings and appeals under this act shall be paid on the same rate as similar expenses are paid in hearings under the Workmen's Compensation Law and shall be treated as expenses under this act.

**SECTION 29. Penalties.** 1. Any person who wilfully makes a false statement or representation:

(a) to obtain any benefit or payment under the provision of this act, either for himself or for any other person; or

(b) to lower contributions paid to the fund; or

2. any person who wilfully refuses or fails to pay a contribution to the fund; or

3. any employer who shall make a deduction from the wages or salary of any employee to pay any portion of the contribution to secure benefits under this act;

shall be guilty of a misdemeanor.

**SECTION 30. Separability of provisions.** If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

**SECTION 31. Time of taking effect.** This act shall take effect immediately, except that the requirements in respect of benefits and applications for benefits shall take effect on January first, 1932.

"There are in this country approximately fifteen firms which now maintain their own reserve funds for the purpose of paying employees during temporary layoffs. Possibly the chief advantage of an unemployment benefit system is the incentive which it affords to the employer to reduce unemployment. Payments made as unemployment compensation can be charged directly against operating expenses while wastes and inefficiency in operation which tend to cause unemployment are the result of intangible factors, the cost of which cannot be definitely measured. When a foreman is aware that faulty planning on his part may result in a period of enforced idleness for some of his employees which must be compensated for from the company funds, a great inducement to avoid such a contingency is provided."—**CHAMBER OF COMMERCE OF THE UNITED STATES, "Balancing Production and Employment Through Management Control."**



## Unemployment Insurance for the United States<sup>1</sup>

By LEO WOLMAN

*Amalgamated Clothing Workers of America*

INSURANCE against unemployment has during the past year ceased to be an academic question in this country. The fear and distrust of alien measures, which prevailed here until very recently, are now being replaced by an attitude of sober inquiry. The devices of European governments, not so long ago regarded as diabolical inventions employed for our embarrassment, we are at last beginning to examine in perhaps a more chastened and humble spirit. In the face of a country-wide distribution of alms, in kind and in money, exceeding the charity expenditures of even a year as bad as 1921, we have come to wonder whether the many private and public experiments with the various forms of unemployment insurance may not yield us a constructive plan and program adapted to our own very urgent and obvious needs.

The reasons for this changed attitude of mind are doubtless clear to all of us. They rest on the realization that we in the United States are not immune to those periodic and violent dislocations in trade and industry which bring in their train enforced unemployment of millions of energetic and experienced workingmen and women. The methods for regularizing industry and stabilizing employment which we believed we had discovered and applied, we now know have not worked. At the same time that the volume of unemployment in England has risen to more than 2,000,000, and in Germany to nearly 4,000,000, there are in all probability close to 5,000,000 workmen unemployed in the United States. Whether our present idleness rate is relatively higher or lower than the rates prevailing in the great industrial countries of Europe is a problem involving such a mass of additional statistical material and analytical tools of such refinement as to defy solution at this time. The point

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<sup>1</sup> Address, Twenty-fourth Annual Meeting, American Association for Labor Legislation, Cleveland, Ohio, December 30, 1930.

is, however, that the American depression of 1930 is comparable in both intensity and duration not only with the depressions of Europe but also with the worst episodes in the business history of this country. As matters stand now, many of the unemployed—no one knows how many—have been out of work for eighteen months; a period long enough to exhaust past savings and all reasonable capacity for borrowing. Many more are now in their second winter of unemployment and, if they have not already done so, they are near the point when they must appeal for aid to the institutions of public and private charity.

How unprepared we were to meet this collapse of industry and to prevent the wreckage in human lives, which is the inevitable consequence of our method of dealing with the unemployed, is a matter of common knowledge. This reckless management of the most fundamental of our industrial problems can only be justified by regarding a depression of the present magnitude as an isolated incident, unknown in the past and extremely unlikely to repeat itself in the future. There are few left who still hold this sanguine view. What little we know about causes of the rise and fall of industrial activity leads us irresistibly to the conclusion that the uncontrolled forces of competitive business will produce, in the future as they have in the past, periods of declining business and wide-spread unemployment. Unpleasant as this prospect is, it is unquestionably the one held by most serious students of the operations of modern business.

The alternatives before us, then, are reliance on the hastily devised machinery for the distribution of doles during the time of crisis, or systematic provision for unemployment compensation out of reserves set aside for this purpose in advance. The choice between these alternatives should not be difficult. Our present method reduces a multitude of our fellow-citizens to a state of poverty, forces them into breadlines and soup-kitchens, and reduces to starvation those self-respecting and timid workingmen who prefer hunger and cold to the ministrations of eleemosynary agencies. The second alternative, wisely conceived and expertly managed, represents not only a decent and far-sighted approach to the problem of protecting the standards of living of American employees which are our proud boast, but can probably be converted into an effective procedure for the measurement and control of the volume of unemployment itself.



## Foreign Experiments

It is our good fortune that the pioneer experiments with unemployment insurance have been made by others. The unemployment insurance of England has now been in operation nearly twenty years; in Germany the plan is in its fourth year; and throughout the world more than forty million workers are at this time insured against at least a portion of the losses in income through unemployment by one of the many variants of compulsory insurance. Only in one country has a system of this nature, adopted after the war, been suspended. And there this action was taken because that country believes that it can find jobs for everybody and hence no longer needs to supply relief for the idle. In making our plans, therefore, we are in the enviable position of being able to examine the experience of other countries with a cold and critical eye and to develop our systems of unemployment compensation so as to avoid the errors and weaknesses they have encountered.

This is not the time to venture an exhaustive appraisal of the foreign experiments with compulsory unemployment insurance. But this much can be said: By means of the unemployment reserves available in England and in Germany, it has been possible during an industrial crisis of more than normal dimensions and duration, to sustain the standards of the working population of these countries at levels which would have been unthinkable in the severe depressions before the war. It is true that these funds have grown beyond all earlier forecasts and that, to protect their solvency, they have been forced to resort to large borrowings and to public subsidy. But, it should be observed at the same time, that these unexpected drafts on the insurance funds have been in the main the direct results of a mounting tide of general industrial depression, which very few of us foresaw as recently as five years ago.

Although a vast machinery for the collection and disbursement of funds of this nature is invariably exposed to abuse, nevertheless widespread fraud and gross violations of the principles of a trusteeship, leading to the use of the unemployment funds for illegitimate purposes, have been a surprisingly rare occurrence. Where these foreign measures for the relief of the unemployed have failed to serve their purpose satisfactorily, it has been in the subtle influences they are said to exert on the conduct of industry. Such effects,

however, are not only discoverable, but the administration of compulsory unemployment insurance can be so managed as to bring them under effective control.

### American Experience

In the United States there are already working systems of unemployment insurance that have met their problems successfully and have solved the major difficulties of the European schemes. All of the American experiments are of voluntary origin; some set up by employers and others by agreement between industry and trade unions. The most ambitious and the oldest of these plans is the unemployment fund of the men's clothing industry in Chicago. This plan is in its eighth year. Under its provisions some 15,000 workers in the industry are eligible for unemployment benefit for part of the time they lose. The unemployment fund amounts to four and one-half per cent. of the payroll of the industry; three per cent. of which is contributed by the employers and one and one-half per cent. by the employees. Since the first benefit payment on May 1, 1924, more than \$6,000,000 has been so distributed among the members of the union in Chicago. In this current year of severe depression the 15,000 employees of the industry in that city will receive \$1,000,000 in benefits—a sum that invites comparison with the \$8,000,000 collected by the business men's committee of New York City. By adjusting the rules of administration to the requirements of prevailing conditions, it has been found possible to use the unemployment funds not only as a source of benefit for seasonal and cyclical unemployment, but also for the payment of substantial amounts to many workers displaced by the introduction of machinery and to those who, in a year like 1930, have permanently lost their jobs because their employers have gone out of business. The completely reassuring experience with this Chicago plan caused its sponsors to introduce substantially the same system into the clothing industry of Rochester and New York City in the summer of 1928. Here the funds are of later origin and, therefore, of smaller amount; but they have served in New York and Rochester, as in Chicago, to keep the bulk of the people who work in this industry from applying for assistance to the agencies of charity.

This experiment in the clothing industry has a much more general significance than its limited application would appear to give it.



It has been successfully applied in one of the most unstable of American industries. Even in times of general prosperity clothing workers have an unemployment rate of more than fifteen per cent. The irregularity of the industry is a composite of the effects of seasonal and cyclical factors and of changes in fashion. Like most industries in this country, it has experienced during the last decade a profound revolution in technique which has displaced thousands of workers and which is probably not yet at its end. Industrial responsibility and continuity, which are in the order of things in our great basic industries, are for large parts of the clothing industry practically non-existent. Under conditions as unfavorable as these, sound principles and an elastic administrative procedure have produced a workable system of unemployment insurance. The plan, indeed, is so simple and practicable that there is no sound reason to prevent its universal adoption by American industry at the present time.

### **An American Plan**

It is on this American and European experience that the American Association for Labor Legislation has drawn in preparing its bill for an American system of unemployment compensation. The members of the committee of the Association, which has been meeting on this matter for more than six months, have attempted to incorporate into the "Draft of an Act for Unemployment Reserve Funds"<sup>2</sup> those features and principles that are adapted to the American situation and that are calculated to avoid the undesirable and unworkable elements of the early experiments with unemployment insurance. In this quest for a sound measure, the committee felt impelled to adopt the following set of principles which are translated into the specific provisions of the proposed act:

1. The principle of limited liability.
2. The principle of the segregation of unemployment funds by industry.
3. The principle of administration by industry.

Aside from the many details of a universal system of unemployment insurance, which are of necessity highly tentative and subject to amendment with the passage of time and the accumulation of

<sup>2</sup> See "An American Plan for Unemployment Reserve Funds," *AMERICAN LABOR LEGISLATION REVIEW*, Vol. XX, No. 4, December, 1930, pp. 349-356. Reprints may be had from the publishers, 131 E. 23d St., New York.

experience, the essential features of this American proposal are the provisions designed to ensure elasticity in the management of the unemployment reserve funds, the free mobility of labor, and protection against excessive cost.

### **Limited Liability**

On the matter of the cost of unemployment insurance we have already had considerable experience. There are times in the cycle of business when the full support of the unemployed would impose staggering burdens on industry. For this reason all known systems of unemployment insurance define specifically the conditions under which benefits may be received and the maximum period of benefit payment. Under conditions of great stress, however, the temptation is strong to remove these restrictions and to pay benefits without limit. To avoid such a contingency, the proposed Act reverses the provisions common to many European systems of unemployment insurance. By the terms of this American plan no one is guaranteed benefits for a specified period of time. Although the rate of benefit and the maximum benefit period are fixed, it is further stipulated that benefits will be paid only as long as the fund remains solvent. Once the fund drops below this point, its liability for further benefit ceases until solvency has again been restored. The charge on industry fixed in the American proposal is the extremely moderate one of one and one-half per cent. of the total wages paid to employees. Where, also, employees have decided that they desire to increase the potential benefits out of the fund, they may add a fixed, periodic contribution of their own to those of the employer.

### **Segregation of Funds**

The purpose of the principle of the segregation of unemployment funds was to avoid the creation of a single state-wide unemployment fund from which all industries would be free to draw benefits regardless of their contribution to the fund. The device of a single fund for all insured industries, once regarded as a simple and sound administrative expedient, has in England degenerated in practice to a system whereby the better organized and more stable industries are taxed to subsidize the unemployment of the disorganized and unstable ones. It is the judgment of the most sympathetic students of the English plan that the pooling of the unemployment funds of all industry has acted to encourage shiftless methods of management



and has removed all incentive toward the regularization of industry.

In the bill prepared by the American Association for Labor Legislation, incentives to reduce the volume of unemployment are created not alone by throwing the burden for its unemployed upon each industry but by the further provision that the individual employers may receive from the unemployment funds "dividends based on their experience in maintaining regular employment."

### **Administration by Industry**

In the last analysis the success or failure of a general system of unemployment insurance will depend upon the quality of its administration. Administrative machinery which will thoughtlessly place obstacles in the way of the free movement of labor from occupation to occupation and from industry to industry and which will utilize the means at its disposal to hamper the operations of industry may well create more problems than it solves. In the management of unemployment insurances, particularly, there is much to be said against any plan of administration that early in its history becomes rigid and content with the application of a code of formal rules. It is essential, lest the plan defeat its own purpose, that the management of the unemployment funds be invested from the outset with a high degree of elasticity and the capacity to adjust itself to new and unforeseen conditions.

Here again this American Plan for Unemployment Reserve Funds is so drawn as to allow a wide range of administrative procedure and discretion. Individual employers who "furnish satisfactory proof of financial ability" and who submit satisfactory plans for unemployment relief, at least equivalent to the minimum provided by law, are permitted to manage their own funds, or, so to speak, to contract out. Individual industries, moreover, are encouraged to set up their own machinery of administration, including industrial employment offices, under the supervision and control of the public authorities. Wherever possible the attempt is made to stimulate a measure of self-government in the conduct of this plan of unemployment insurance so that it may preserve a fresh and experimental outlook and not fall a prey to bureaucratic methods and habits.

In principle and practice, the proposals here outlined follow a deep and sound American tradition. It has long been the estab-

lished custom of modern business to lay aside, out of income, reserves for meeting a variety of accepted business charges. To these reserves for the depreciation of machinery, the payment of dividends and the like, the leaders of American industry are now asked to create an additional reserve, accumulated in times of plenty, for the protection of the labor force of this country. A charge amounting to as much as five per cent. of the payroll could, in many industries, be made without producing a proportional increase in labor costs, if the management of industry came only a bit closer than it now is to exhausting the available opportunities for cooperation with its employees.

It is doubtful whether, in the present temper of this country, the prospect of millions thrown by industry on the generosity of the community will again be tolerated. Is it too much to ask that industry take this first essential step in assuming its plain responsibility for the relief and prevention of unemployment and that, as a wise student of the situation has just put it, it "cease holding out a tin cup to the American public" and begin "to pay its own labor overhead"?





# The Arbitrator

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DECEMBER, 1930

## UNEMPLOYMENT

UNEMPLOYMENT is not an accident but an expected incident. Secretary of the Treasury Mellon admits that "depressions have always followed periods of over-expansion, regardless of what political party is in power." Therefore those who caused the over-expansion are responsible for the depression and for the resulting unemployment.

Presidents Coolidge and Hoover are as answerable as anyone for the idleness of millions of men, the suicides and the general fear that have been the result of their policies. Whenever the public faltered in its buying of inflated securities, the expansionists from the White House to Wall Street issued optimistic statements that bulled the market. They did this knowing that business could not expand forever without bursting.

After the crash the captains of industry promised not to cut pay rolls, but they could not live up to their agreement and continue dividends, so men were laid off. We would all do the same under similar circumstances. Business men should not be expected to sacrifice their own interests voluntarily. When they can operate the railroads with 400,000 fewer men than ten years ago, they naturally reduce their forces.

Large corporations claim that they have not reduced wages. Charles M. Schwab said recently: "It was stated six months ago at our meeting here that there would be no cut in wage rates and that policy has been maintained." Does anyone believe that the pay roll of the Bethlehem Steel Company is as large as six months ago? What they have done is to adopt the stagger system under which they pay the men they keep for only part time instead of dismissing large numbers.

The federal government has adopted the same stagger system on its emergency construction jobs, and the committee of bankers who expect to raise \$6,000,000 for relief of the unemployed have changed their plans to conform. At first they proposed paying \$3 a day to each man for five days' work, but when protests were made concerning this low standard which induced private employers to cut wages to the same basis, the committee declared that it would pay \$5 a day but give work for only three days a week.

Bankers are very efficient; they are putting over the drive for relief funds skillfully; they ask for cash from employees as well as from millionaires. If they wanted to avoid unemployment in future they could devise a method. Professor Harry F. Ward suggests that incomes be staggered instead

of jobs, thus making the rich pay disaster that all suffer.

Secretary Mellon is on the Princeton committee for relief of unemployment of the companies controlled by him. He is the Gulf Refining Company that has a surplus of \$225,000,000 on December 31, 1929, after paying dividends of \$182,000,000 in the previous five years. That company ordered 2,500 men laid off at its Island plant in October, but word from Pittsburgh countermanded the order after election. The day after election the carpenters were dismissed and an order issued for laying off the others gradually.

If Andrew W. Mellon were laid off the high position he holds, unemployment might be less in future. He has held his office contrary to the principles and statutes of our democracy and is as blameworthy as anyone for the present business depression.

The City of New York has appropriated \$1,040,300 to assist hospitals and other charitable organizations helping the unemployed. This amounts to an assessment upon the owners of real estate and means a rise of one point in the tax rate. The real estate owners made no protest; they accepted gracefully this burden for the sake of the poor, though many of them are suffering from unpaid rents and vacancies. The Socialistic method of assessing the rich for the benefit of the poor through governmental processes was successful.

What more shall we do about unemployment? Shall we be satisfied with emergency work and charity doles? Shall we punish the guilty? Executing the leaders of the revolution is too drastic for a civilized country; this is not Soviet Russia where profiteering invokes the death penalty. Many expansionists have been punished already. When the value of their possessions has been cut in half, worshippers of the stock ticker feel that God has afflicted them. But they seldom learn to be good from punishment any more than other robbers do. Let us protect them from suicide and depression in the future.

Let us require compulsory unemployment insurance in all industries, and federal ownership or control of the trusts that monopolize natural resources.

## ARMISTICE DAY

ARMISTICE Day was again celebrated as a commemorative of a military victory. The flags of the patriotic and military organizations were massed in the churches; soldiers and sailors marched to martial music; speakers denounced disarmament and pacifism, warning against the approaching war.

General Pershing said: "May there never

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Abbey. It declined to co  
of a radical to disarm imme  
pletely, on the ground that  
would undo all England had been  
accomplish in the League of Nations and  
elsewhere towards international peace.

Arthur Henderson, British Foreign Minister, said that all efforts toward getting the people to put their minds on peace were handicapped by the constant output of new poetry—evidently referring to Kipling's poem—and to the militaristic character of public ceremonies which extolled the supposed romance and glamour of war. The British want to convert Armistice Day into Peace day, and in New York, Rev. Henry Howard, pastor of the Fifth Avenue Presbyterian Church, had the courage to demand the same change, saying that "Armistice means nothing more than a suspension of military operations between belligerent powers and this may mean that if an agreement is not reached, war may be resumed."

That Armistice Day has been the celebration of victory rather than peace is evident from the neglect of the day in Germany. However, this year for the first time Germans were invited to attend the ceremonies at the Eternal Light in New York, and in the League of Nations Germans rose with the others at the signal for silence.

Sharply diverging from the usual Armistice pattern was the evening ceremonial of flags and lighted torches held on the steps of International House by the War Resisters' League. In a special religious office written by Tracy D. Mygatt and Frances Witherspoon and stirringly conducted by three prominent ministers—the Rev. Albert

If misstatement of fact occurs, a correction from one better informed will be welcome.

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is Commission under the auspices of the League of Nations decided against unlimited military reserves, against a time limit for conscripts' service, against the Russian proposal for a limit in armaments as well as limita-

is a simple method of securing disarmament that apparently did not occur to them. That is for all nations to agree not to build another warship. Then every sea power would remain as strong comparatively as at present, billions of dollars would be saved, and as ships became obsolete they would sink into innocuous decay.

### ANNET TO A SUBMARINE

ARTICLE XXII—A submarine . . . may not sink a vessel . . . without first having rescued passengers and crew in a place of safety.

I'll gladly rush to battle once again  
If I can meet an ever courteous foe  
Who never deals an inconsiderate blow  
But means to save our lives and wage a sane,  
Polite and bloodless warfare without pain:  
Whatever spoils of war he may forego  
It is his pride and joy to have us know  
His purpose first and foremost is humane.

How sweet to think that you whom all men  
fled  
In terror on the seas: will now befriend  
And guard me safely as I lie in bed!  
Whatever depredations you intend  
You'll leave behind no lacerated dead  
No scars upon my fondly trusting head.  
F. K. READ.

### THANKSGIVING

WITH millions of men unemployed, thousands of families starving, business depressed, war threatening and no help evident from supernatural sources, our leaders have given us comfort by misrepresentations.

President Hoover: "Our country has many causes for thanksgiving. We have been blessed with distinctive evidence of Divine favor. As a nation . . . we have been free from civil and industrial discord. The outlook for peace between nations has been strengthened." He therefore appointed a day of Thanksgiving to Almighty God who has been divinely partial to Americans.

Governor Franklin D. Roosevelt: "Give thanks to the Supreme Creator for the blessings bestowed by Him upon mankind. At this time also we offer prayers for a continuation of His divine favor . . . that in the time of prosperity He may fill our hearts with thankfulness, and in the day of trouble, suffer not our trust in Him to fall."

Ex-President Coolidge: "We have had a world-wide recession in trade. It has been due to a combination of causes which no one yet comprehends. There has been a chronic revolution in China, economic chaos in Russia and a grave disturbance in India. . . . If there was any action that could

have been taken by the government of the United States which would have prevented the trouble that has arisen all over the world, no one yet has convincingly stated it."

Suppose the government had so controlled industry that production had been for use instead of for private profit; that tariffs had been reduced, expenses for defense curtailed, international debts cancelled, imperialism discontinued, would we then have to blame China, Russia and India for our depression?

### PROPORTIONAL REPRESENTATION

IF Socialist votes are good for anything, proportional representation should be good for a lot. For P. R. would make Socialist votes and make them effective.

Why don't most Socialists vote the Socialist ticket? Because they hesitate to "waste" their votes on a hopeless candidate when they might help the best of the others.

Under P. R. you don't have to argue this point. Socialist votes count. If they amount to one-tenth of the votes, they elect one-tenth of the members. And if they fall short of the number needed to elect one, they still count. The Socialist voter can mark a second choice for the "good man" candidate and have his vote transferred to him when the Socialist is defeated.

The P. R. plank is well placed in the Socialist platform. It should be the first political plank of every forward-looking minority.

GEORGE H. HALLETT, JR.

### PEACE OR WAR?

GENERAL LUDENDORF predicts a war in 1932 lasting five weeks, in which France, Belgium, Poland, Rumania and Czechoslovakia will destroy Germany, Austria, Hungary, Italy, Russia and Britain.

HENRY MORGENTHAU, former Ambassador to Turkey, declares that another European war is imminent and that the United States will be forced to take a hand.

REV. S. PARKES CADMAN preaches that the economic depression may bring on a new world war, France having enlisted the unemployed in her armies in expectation of a new war.

CAPTAIN JAMES C. CRITCHELL-BULLOCK of the Bengal Lancers says: "I believe the Biblical prophecy is to be fulfilled; the greatest war of all has yet to come."

GENERAL PERSHING fears some indefinite war. "The same people who one month denounced war and armies and soldiers will be found the next month clamoring for war. . . . Suddenly we see men and women and little children—not soldiers but peaceful civilians, clergymen and mothers and teachers and kindly old

to French would orally upon sixty rose and left No wonder the Russian, demanded that there armament, a subject with the meeting. In man asked the public to habit of referring to disarmament connection with our work", for what we are dealing with is only the reduction and limitation of armaments."

The next action of the Commission was an "agreement" to limit the number of naval officers and sailors. That sounded fine until a split came on whether this should be done globally or by categories. Remember that this is a serious conference, not a parody—except on civilization.

The French, while advocating limitation of their neighbors' naval effectives by categories, opposed the application of such a system to armies. The British favored categories when applied to their neighbors' armies but opposed their application to naval effectives. Both were willing to reduce naval preparation by limiting budgets, but the United States refused to consider any restraints upon its own expenditures, though having no wish to restrain other nations from adopting any form of limitation they see fit. Then Great Britain and Japan announced that they too must be allowed to spend unlimited amounts on their navies. The objection of the United States was based upon the assurance that the Senate would refuse to ratify any limitation of expenditure as contrary to our Constitution, that strong bulwark against all progressive measures. The United States also voted against limitation of naval bases and armed merchantment. The Commission adopted a curb on budgets by a vote of 19 to 2, the United States and Japan refusing to conform. The United States alone held out for a maximum of 35,000 tons for battleships.



ladies and quiet men—shouting for war." The good people who tell us to throw away our armaments do not seem to realize that "we have very little to throw away."

Blessed are the peacemakers who have the largest armaments!

WITH A DEFICIT facing the country the Navy Department proposes to spend \$140,000,000 in 1931 on new construction and modernizing old battleships. This is said to be a modest program, for on this annual basis the cost of new armament as permitted by the "Disarmament" Conference will be only \$600,000,000 instead of the estimated \$1,000,000,000.

ON OCTOBER 26 the U. S. Gunboat Luzon "accepted the challenge of the Chinese and put into action her 3-inch as well as machine gun batteries" silencing the shore battery without casualties on board.

CHAO-CHU WU, Chinese Minister at Washington, protests against extra-territoriality: "We must not be blind to the fact that revolt against injustice is an important cause for the breach of peace. If we are to banish strife we must set our selves first of all to remove grievances."

THE GERMAN-AMERICAN Mixed Claims Commission has dismissed the claim of the United States for \$40,000,000 damages on account of the Kingsland and Black Tom fires during the World War, declaring that there was no evidence that Germans caused the explosions in the munition plants.

BRIGADIER GENERAL F. P. CROZIER, author of "A Brass Hat in No Man's Land," has been in the United States lecturing against war. His forthright descriptions of the abominations of warfare have offended his fellow officers but have thrilled his civilian audiences in England and America. His chief aim now is to secure universal disarmament on the basis of the disarming of the Germans under the Treaty of Versailles. We were unable to convert him to pacifism; he will fight if there is another war.

PROTEST has been made in Germany against the alleged intention of Great Britain to annex the former German colony of East Africa which is twice the size of Germany and is held under mandate. This colony has not been financially profitable for the British.

THE cancellation of war debts is being urged off and on by fairly conservative people, the latest being Eugene Outerbridge who told the Columbia University Club that the debts are partly responsible for unemployment and reminded them that England would cancel her claims on others if we released her. Sentiment in the United States is that we should hold the debts over the Allies until they show signs of disarming; but how can we do this when we insist upon increasing our navy faster than

ever in order to obtain parity with England which we have never before needed?

UNLESS Germany is allowed to produce and develop markets for its goods, reparation payments cannot be made, according to Dr. Hjalmar Schacht; but he says that Germany will pay all its private debts to the last cent. That is the international custom—to pay bankers first and the people later if possible.

### INDIAN REVOLUTION

GANDHI is in prison, spinning a web to catch the British Empire. His campaign of non-violent non-resistance has frightened England so that the police have arrested nearly 60,000 Indians, crowding them into jails. His spirit has inspired all factions at the London conference to unite in demanding freedom. Maharajahs, Moslems, Hindus and untouchables have laid aside their caste feeling and have publicly demanded control of their own finances.

The mild statement of facts regarding India in our last issue brought a cancellation of subscription from F. B. Mitchell on the ground that we should not attack England until we have remedied imperialism and lynching in our own country. As if we were not trying our best to please him in that respect!

A debate has been arranged by T. H. K. Rezmie between Randolph Churchill and Syud Hossain on the subject, "Should British Rule in India be ended?" to be held in the Community Church on December 9 at 8:15. Tickets may be obtained at the Church or from the India Independence League, 15 Park Row.

On November 26 C. F. Andrews, known as "The hyphen between Gandhi and Tagore," started for South Africa where he will endeavor to stop the deportation of Indians by the Dutch and British. His latest book, "India and the Simon Report" is a valuable successor to "Mahatma Gandhi's Ideas" and "Gandhi of India, His Own Story," which has an introduction by John Haynes Holmes.

### WOULD YOU BELIEVE IT?

THE members of the American Bar Association voted 13,799 to 6,340 for repeal of the Prohibition Amendment, thus letting down the bars for bars at every corner.

ON November 18 District Attorney Crain of New York opened warfare upon criminal bands which, through shootings and blackjackings have been extorting tribute from industries and individuals for years. Among those invited to assist were a dozen expansionists who, through stock manipulation or black satchels, have been extorting tribute from the public for years.

BISHOP MANNING startled the church world by stating that the Episcopal Church was essentially Catholic. His clergy published a round robin contending that it was Protestant. The Bishop replied that it was both. Thus the theologians split

hairs in attempting to follow their Gods of less ethical, less scientific eras.

THE Chamber of Commerce of the State of New York adopted a resolution condemning recognition of or business dealings with Soviet Russia, one member alone, Philip W. Henry, contending that Russia existed as a stable government and paid its bills.

THE International Paper & Power Company has bought four newspapers, the Augusta (Ga.) Chronicle, Columbia (S. C.) Record, Spartanburg (S. C.) Herald and Spartanburg Journal. The price was \$983,130. The public may have to pay a higher price in the control of news by a power company.

REPRESENTATIVE JOHN N. GARNER asserts that tax refunds by the Treasury Department to the Aluminum Company of America, controlled by the family of Andrew W. Mellon, Secretary of the Treasury, amount to \$3,035,620, and that large corporations have received a total of almost \$3,000,000,000 during eleven years.

If the possessors of this vast wealth gave \$100,000 to relieve the unemployment which they largely caused, they would consider themselves generous.

### ON THE CATHEDRAL STEPS

MYSTICAL and unreal stood the Cathedral, Its tall spires uplifted into the shadowy darkness.

On the steps crouched a human figure, Despair burdened his shoulders, Hunger clutched his being, Defeat laid him low.

The cathedral towered above him, The wrought-iron doors were locked, Tomorrow, tomorrow, the cathedral Will be ablaze with light, And well-dressed people will worship. But the man on the steps tonight, Where will he be tomorrow?

ROSE DAVISON.

### BOOKS BY OUR READERS

THE Social and Economic Views of Mr. Justice Brandeis, by Alfred Lief.

Contemporary Social Movements, by Jerome Davis.

The Art of Writing Prose, by Roger S. Loomis.

The Challenge of the Forum, by Reuben L. Lurie; Foreword, by George W. Coleman.

Lucy Stone, Pioneer of Woman's Rights, by Alice Stone Blackwell.

The Fight for Peace, by Devere Allen.

Madman's Drum, by Lynd Ward.

The Prophet of San Francisco, by Alice Thacher Post.

International Pamphlets: Speeding up the Workers; The Frame-up System; Yankee Colonies; Steve Katovis; The Heritage of Gene Debs.

The Turn Towards Peace, by Florence Brewer Boeckel.

Heresy, by Bishop William Montgomery Brown. No. 4, The Godly Bishops and the Godless Bolsheviks.



## Civil Liberties Abridged

This page of notes from the fighting front of free speech is supplied by the American Civil Liberties Union. It will appear regularly until further notice. Those readers who desire further information on any issue, or who wish to receive the publications of the Civil Liberties Union, may write to 100 Fifth Avenue, New York City.

### BAN ON REVOLUTIONARY AGE APPEALED

THE Post Office Department's ban on the Revolutionary Age, bi-weekly organ of the Communist faction led by Jay Lovestone, was upheld recently by Judge Woolsey of the U. S. District Court at New York because it contained statements "inciting treason, insurrection and forcible resistance to the laws of the United States". The paper had sought an injunction against interference by the Post Office Department.

Announcing that the case would be appealed by the Civil Liberties Union to the Court of Appeals, Roger N. Baldwin, director of the Union, says: "This is the most important free press case in ten years. No radical paper has been barred from the mails since the days of Postmaster-General Burleson." If the decision in this case stands, any radical paper can be barred any time by whim of the post office officials."

### RED POET FREED

DEPORTATION charges against Robert Parsons, radical poet, better-known by his pen name of "Marcus Graham", were recently dropped by the Department of Labor following protests from poets and liberal friends all over the country. An old deportation warrant outstanding against Parsons is not likely to be pushed, since immigration authorities cannot prove from what country he originally came. He has lived in this country for 25 years.

### SEATTLE STUDENTS PROTEST FIRING OF PROFESSOR

DISMISSAL recently of Assistant Professor Bernhard Stern from the Sociology Department of the University of Washington has provoked a storm of protest from students and an investigation by the instructors' association of the university. Stern claims that he was not dismissed for reasons of economy, as stated by university officials, but because of his radical criticism of capitalism, sympathetic discussion of the achievements of the Soviet Union and statements that injustice had been done the Centralia I. W. W. prisoners.

It is predicted that when the faculty investigates Stern's dismissal, it will also look into the practice of the school in hiring professors under one-year contracts which "expire automatically unless definitely renewed."

### PITTSBURGH COPS ARREST SOCIALIST STREET SPEAKERS

THE Socialist candidate for Governor of Pennsylvania, James Maurer, and two other Socialists were arrested the last week of October for holding a meeting on the steps of the Pittsburgh City-County Building, the exact spot where Gifford Pinchot, Republican candidate had held a rally two days before. As he was being led to the patrol wagon Maurer said: "I want to know if there is one law in Pittsburgh for the Republican candidates and another for other candidates."

Maurer and one of the others were fined ten dollars each. The third Socialist was discharged. The Civil Liberties Union is planning to take an appeal.

### RADIO COMMISSION EXTENDS WEVD LICENSE

A NINETY-DAY extension was granted recently to radio station WEVD, New York City, following threats by the Federal Radio Commission to cancel the station's license on October 31. The charges against the broadcasting station are "deviation from the assigned frequency, failure to announce phonograph records, failure to properly announce call letters and employment of an unlicensed operator."

Announcement of the proposal to close the station brought a flood of requests to the Commission to reconsider its action and to allow the station to continue to operate in view of its service in expressing the views of the Socialist Party and other liberal groups.

### FIGHT TO FREE ITALIAN RADICAL FROM ASYLUM

THE Civil Liberties Union has begun a fight by habeas corpus to free Benedetto Bruno, radical anti-Fascist, from the New Jersey State Insane Asylum, where he has been held almost a year. His friends charge he was confined because he is an anarchist, an atheist and anti-Fascist. He was arrested last January on complaint of his wife and declared insane because of "delusions of persecution". His friends charge that the witnesses against him were enemies made by his attacks on the American Legion, the Catholic Church and the Fascists.

The Union's action is based on a report by Dr. Lawrence M. Kubie, psychiatrist, who after examining Bruno and all data in his case said he was "a harmless, although bombastic and melodramatic little man". Dr. Guy Payne, superintendent of the asylum wrote the Union that he regarded Bruno as "a menace to the community".

At a court hearing on Nov. 26, he will be given a chance to prove his sanity.

### GIRL REDS REFUSED APPEAL

TWO young women teachers at a Communist children's camp near Van Etten, N. Y., Aileen Holmes and Mabel

Husa, recently convicted of "desecrating the United States flag" as a result of their refusal to display one offered by a band of professional patriots, were denied an appeal from their ninety-day prison sentences on Nov. 19, by Chief Judge Benjamin Cardozo of the Court of Appeals. The judge found no issues of constitutionality or irregularity in the trial record.

The International Labor Defense and the American Civil Liberties Union cooperated in the appeal of their cases. Both girls are serving their sentences.

The Civil Liberties Union says of the case: "It is shocking that two girls should serve ninety days for refusing to put up a flag under threat of mob violence, but the defense does not seem to have been handled in a way to raise issues on appeal."

### OHIO COMMUNISTS FACE NEW SYNDICALISM TRIAL

THREE Communists arrested at Martin's Ferry, Ohio, in August 1929 for distributing anti-war leaflets are to be tried again for criminal syndicalism following reversal of their first conviction by the Appellate Court. Alfred Bettman of Cincinnati, former Assistant U. S. Attorney General, has been retained by the American Civil Liberties Union to defend them. Mr. Bettman handled the appeal from the original conviction. The court held that the circulars were not a violation of the criminal syndicalism act.

Mr. Bettman says: "The Court of Appeals reversed the previous conviction but could not do other than remand the case back to the Court Pleas. The prosecutor had the choice of appealing to the Supreme Court, nolling the case or retrying it, and he has decided on the last."

### PEOPLE VS. WALL STREET

A Satire on Big Business

\$2.50 at book stores, or postpaid from The Arbitrator.

### THE ARBITRATOR

WITH FAITH THAT POVERTY, INJUSTICE, SUPERSTITION AND WAR CAN BE ELIMINATED, THESE PAGES REVEAL EACH MONTH THE ADVERSE CONDITIONS CONCEALED BY THE DOMINANT, PRIVILEGED MINORITY.

AS TRUTH BECOMES KNOWN, CUSTOMS CHANGE.

ECONOMIC INEQUITIES CAN BE REDUCED BY PUBLIC OWNERSHIP OF THE TRUSTS AND UTILITIES.

WAR CAN BE ABOLISHED BY THE SUBSTITUTION OF ARBITRATION FOR FORCE, WITH IMMEDIATE DISARMAMENT AS EVIDENCE OF SINCERITY.

RELIGION CAN BE MADE CONSISTENT WITH EVOLUTION BY BASING ITS DOCTRINES EXCLUSIVELY UPON CONDITIONS EXISTING TODAY.

Editor, William Floyd.



Articles by Heywood Broun, Norman Thomas, Dr. Harry E. Fosdick,  
and others ◦ ◦ Cartoons by Art Young, Fitzpatrick, Flambo, Duffy

# The UNEMPLOYED



Drawn by Harry Bressler

December, 1930

Price 10 Cents



# THE UNEMPLOYED

Published by the New York Chapter of the League for  
Industrial Democracy

112 East 19th Street, New York City

Edited by EDWARD LEVINSON and MARY FOX

DECEMBER, 1930



Price 10 Cents

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*THE UNEMPLOYED* is published by the League for Industrial Democracy in the interest of constructive discussion of the unemployment problem, and to provide unemployed men and women who sell the magazine some source of income. The magazine is supplied to the unemployed at five cents a copy, which covers the bare printing cost. All contributions, articles and drawings, as well as editorial services, have been given without charge. No profit or income accrues to any individuals or organizations, except the unemployed persons who sell the magazine.

## Interviewed On Unemployment



J. Egbert Haggie, prominent Chicago packer, is encouraging a movement for the rich to devote two minutes of silent meditation before beginning their Christmas dinners. "This should cheer up the unemployed by letting them know they are being thought about," Mr. Haggie said.



Salomon DePischer, leading department store owner of New York thinks the trouble with the unemployed is that they are hoarding their money. When asked for his cure for unemployment, the great merchant, without a moment's hesitation, said: "Spend More."



Graves S. Close-Fist, eminent Brooklyn banker, thinks high-living has caused poverty and unemployment. Addressing the exclusive "Four Hours For Lunch Club," Mr. Close-Fist summed up his advice to the unemployed in two words: "Spend More."



# THE UNEMPLOYED

DECEMBER

1 9 3 0

*"The Breadline Makes Breadlines. After Awhile the Line  
Tangles Around a Man's Ankles and Then It Knots.  
We Ought to be Able to Break the Breadlines."*

## The Man on the Breadline and You

*by Heywood Broun*

NEW YORK HAS always had breadlines every Winter. But the lines are not the same old lines this year. Two things have hit the men who lived just a bit above the bottom of the hill. The first was the Wall Street panic. It sounds curious to think of a man who never heard of United States Steel or Anaconda, or General Motors being reduced to doles through their depression. But it's true just the same. Industry is closely knit. A stone dropped in the center of the pool sends ripples in time to every corner of the shore. The odd job man seems a long way off from the stock market but it can nip him in the end just the same.

You see when unemployment comes the inefficient get forced down the ladder. Today's odd job man may have been yesterday's machinist. The old odd job man isn't good enough any more. He's a breadliner now.

I want you to understand that most of the people out of work are there through no fault of their own. They just can't help it. Of course there are a number who are not employable. They're not physically, mentally, or spiritually geared for even the most unskilled job. And naturally when you're not capable of work you don't want to work. Nobody wants to try something which he knows he can't do. But I'd be a little slow in blaming even these fellows down among the dregs.

• • •

How did they get that way. It isn't fair to leave that out. For instance there's Mr. X whom I met last winter. We had a lot of trouble getting hold of Mr. X. Down on the breadline we'd been picking out the likely looking fellows and trying to

get them jobs. But I thought it might be useful to get some information about the men that didn't look so good. That was difficult. We'd hand a card to some one of the floaters and give them the address of the little office near the line and say that we'd try and get a job. As soon as we mentioned work he'd sheer off. Not one of the floater type ever showed up. In the case of X we took him by the arm and led him over.

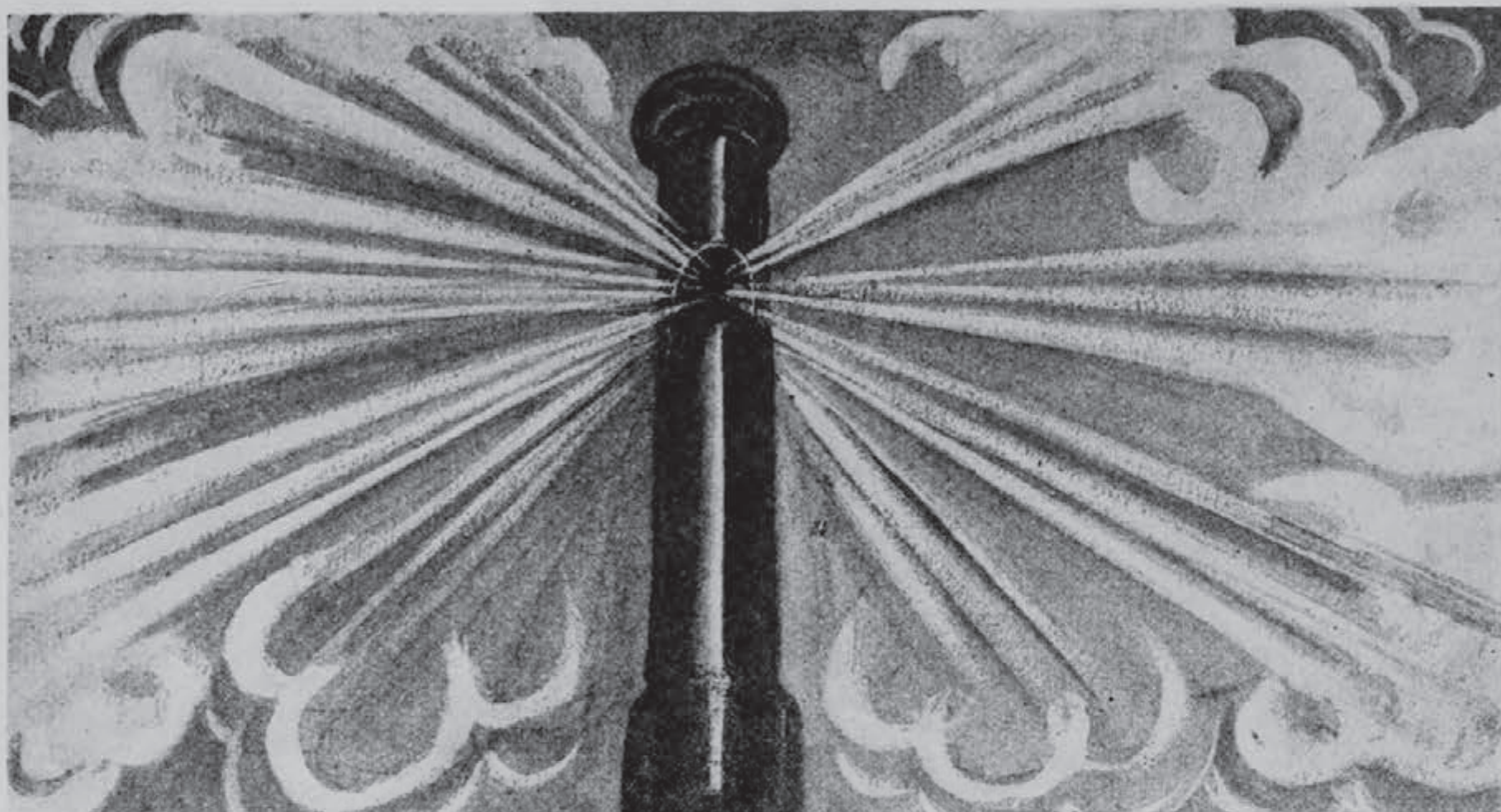
But after we got him in the chair and gave him a cigarette, X talked freely enough. He was sixty years old and we asked just how much time out of all these years he had put in on a job. He took the question very seriously and after deep thought he said that according to the best of his recollection the one black spot on his record was the fact that out in Chicago thirty years ago he once got in a tough spot and had to take a job. We asked him how long he held on and he said that he didn't quit for a month. All the rest of his life he had just bummed around. Mostly on the Bowery in New York. And I might add that he was an exceptionally well preserved old gentleman of sixty. He didn't have an ache or a pain. I've got a better suit of clothes, and if I still have it twenty years from now that will be my own only advantage. I haven't any hope that in all other respects I will be as well off as the old panhandler. But then of course his occupation kept him out in the open air.

• • •

Well, it's easy to say, "We can't waste any pity on a person like that. He's just a bum. Why should we have any responsibility for him?"

But wait a minute. There is a postscript. We talked to



*Drawn by Willi Steiner*

Mr. X about way back when he was a child. He told us quite frankly that his father was a Bowery panhandler just like himself. And that when he was eight years old his father had put him out on the streets to beg and bring back the money. Do you think he started from scratch? Are you sure that you would be a whole lot better than that with the same start?

• • •

I do not think anyone of us can walk by a breadline and see even the most unkempt and raggedy man in the line without saying to himself, "There but for the grace of God."

Purposely I started at the bottom of the line in order to work up. More than three-quarters of the men on breadlines are eager to work, to work at anything. One quarter of them held steady jobs until the depression. And more than half were never on a breadline before in their lives. Nobody likes to stand on a breadline. It isn't any fun. But it is possible for every man born alive to get so hungry that he must even swallow his pride. I say that the richest city in the richest country in the world ought to be able to break the breadline.

And I want to tell you of a group which ought to be saved this very minute both for their own sake and yours. Around every breadline you'll find each morning a group of twenty or thirty young men who haven't taken a place in the ranks. Not yet. They're down to the last nickel but they can hang on for

another twenty-four hours or maybe at a pinch forty-eight hours before they join up with the line. They aren't quite hungry enough to swallow their pride yet. That'll come tomorrow or the day after. They are like bathers standing on a beach on a morning when the surf is high and the water cold. Sooner or later they'll have to go in. But they want to go in a toe at a time and not with a sudden plunge.

I think it would be a swell stunt to come along and save them before they take the dive. Smart for you and me, I mean. After all the breadline makes breadliners. After awhile the line tangles itself around a man's ankles and then it knots. It can get to be a habit just like a drug. Even a decent self-respecting fellow can become own brother in spirit to X that I was telling you about—the man who had worked just one month in sixty years.

I am not one who thinks that charity offers any cure or solution for these things. And yet I'm for temporary expedients when the need is as great as that which faces us today. But in doing any of the things which may help us to patch up the world for a moment, let's not forget that the most important work of all is to get down among the roots, to discover and demonstrate those things in our economic system which make for poverty and unemployment. And when these things are made plain then we will be fools and worse if we do not get together and tear them out.



# BULLETIN CAPITALISM IS SICK

*Diagnosis.* Illness brought on by too rapid accumulation of nation's wealth and refusal to disgorge. Has resulted in over-production, under-consumption and unemployment for millions.

*The Cure.* Patient needs to reduce. Heavier income and inheritance taxes should be administered. Wages should be raised, hours cut. Since patient is incapacitated and cannot run industry, the people should take a hand.

Thinning  
Medicine.

Prescribed

by

DR. COMMON  
SENSE.

AMERICAN JEWISH  
ARCHIVES





*Is Unemployment Inevitable? A National Calamity?  
An Act of God? Can It Be Cured for Good?*

## The Profit System and Unemployment

*by Norman Thomas*

IN A REGION where there is an epidemic of malaria it is important for doctors to give quinine. But if nobody ever did anything about malaria except to dose patients with quinine, malaria would not be as near to being wiped out as it is. In our tragic epidemic of unemployment it is vitally important to bring immediate help, and that by public measures rather than merely by private charity. It is even more important to raise the question how we can wipe out poverty in general and unemployment in particular.

The first step in wiping out malaria was to discover the cause of it and then to drain the marshes in which the mosquitoes breed. We have already discovered the general cause of unemployment. We have not drained the marshes of our profit-seeking system.

Everyone will agree that although millions are hungry it is not for lack of food or the possibility of supplying food in our world. Although millions shiver without sufficient clothing it is not for lack of cotton or wool or mills to make cloth or shops to turn cloth into clothes. Machinery has brought it to pass that ours is a new type of poverty and a new type of unemployment. It is the poverty of men who starve in the midst of plenty, the unemployment of men who are told that they are idle because they have produced too much.

Such a tragically crazy failure to be well off when we have all the facilities and the natural resources to abolish poverty must be due to the way we manage our facilities. Today we manage them under a system of private ownership of land, natural resources and the principal means of production and distribution, which private ownership works only in hope of private profit.



A DOWN-AND-OUT LISTENING TO A SPEECH IN CONGRESS

The result is exploitation and the chaos of an unplanned system.

Power driven machinery makes it possible to support great populations in plenty. It has changed the basis of our civilization from one of enforced frugality to abundance. In spite of its mismanagement it has shortened hours and in many cases lightened the burden of monotonous and back-breaking toil. Yet under the profit system the story of the progress of machinery is literally written in tears and blood. And for every advance step in technological progress the under dog has paid in the loss of his job. This is true because we have never asked: how can we use machinery to provide more abundant goods and increase leisure for everybody? Instead the profit seeking owners of factories have said: how can we increase profits? It is easy to show that in the long run machinery by making it possible to have more things makes possible more jobs as well as shorter hours of labor. But men eat in the short run, and in the short run the boss introduces a new machine in the hope of making an immediately greater profit, which profit is very often realized only by cutting down his payroll. The employer who does this is not a villain. Under the profit system his business is to make profit. He can't help it if that means giving some men the bitter leisure of unemployment and speeding up others. Nowadays if he is enlightened he may talk very nicely about the advantages of the five day week. But unless he is in a very strong position he cannot put in the five day week by himself. He must wait until pressure of the workers, directly or through labor legislation, forces employers generally to a shorter week. Under the profit system the rate of introduction of machinery is controlled with reference to profit and not to the rate of absorption of dispossessed workers in industry or to the increase of leisure. The answer to that weight of human woe which we call technological unemployment is to substitute planned production for use instead of production for private profit.

There is an even more serious result of harnessing power driven machinery to the profit motive than so-called technological unemployment. It is unemployment which results from what we call overproduction. In certain lines there is real overproduction under the profit system. The automobile business





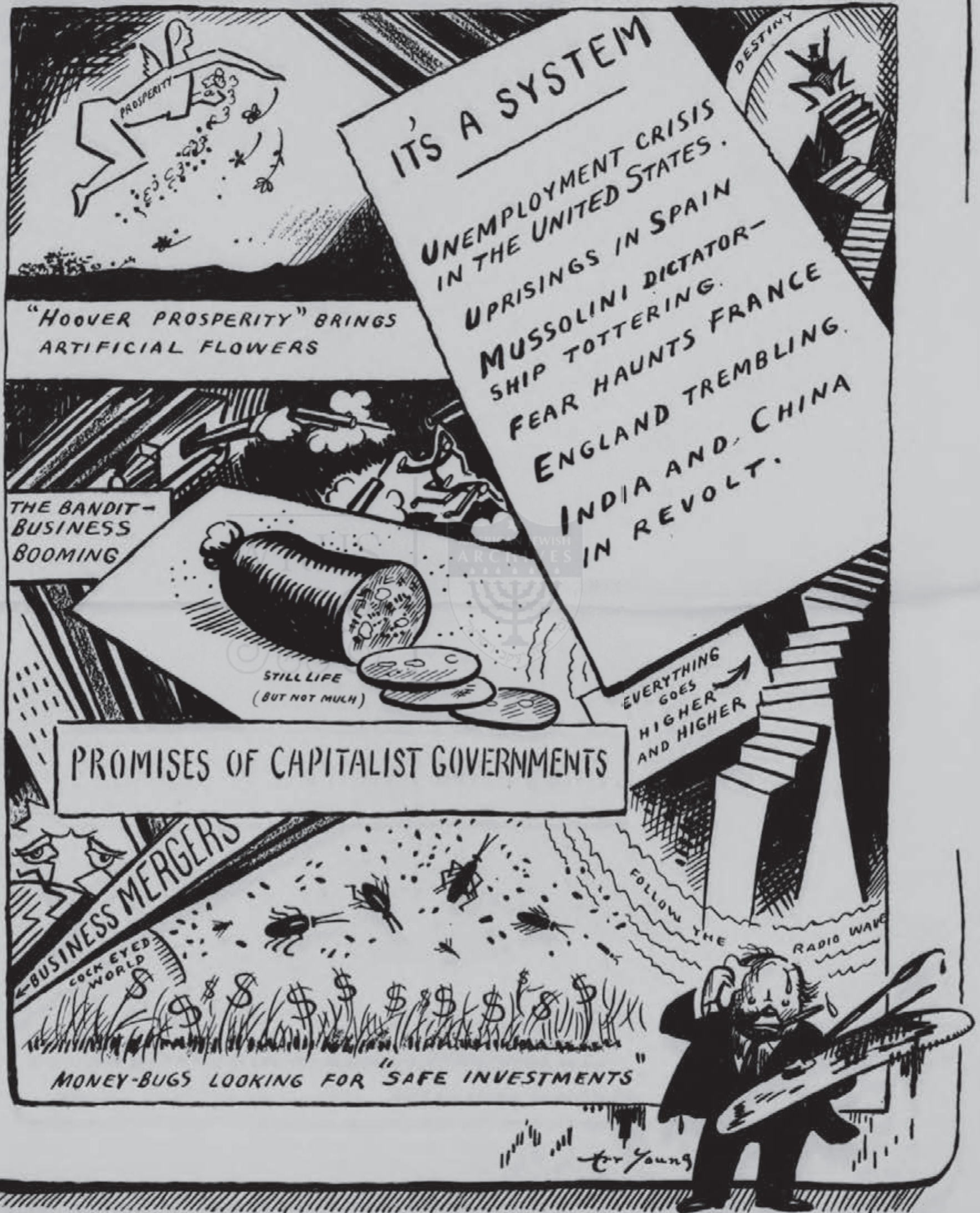
### WORKER AND WEALTH

was prosperous. Therefore in search of profit too many automobile factories were opened. There is no accurate calculation of need under the profit system, and in the resultant chaos twice too many coal mines were opened. Flour and textile mills are erected with a capacity far in excess of any reasonable demand. And so it goes.

But while there may be actual overproduction in certain lines, in the sum total of things there is underconsumption. Underconsumption even in America, the richest country in the world, and ghastly underconsumption when the world is taken as a whole. Basically the reason for this underconsumption is

(Continued on page 29)







## Listen to the Old Crab!

THERE ARE SEVEN million or eleven million people unemployed in the United States. Some say seven, some eleven. It depends on whether or not you count members of Presidential commissions.

A vacation is a nice thing but forced leisure is as bad as forced labor. The army of the unemployed should be recruited from volunteers. Many people in the Bowery and Park Avenue are always glad to abstain from work.

I always believed in shorter hours of labor but this is carrying things too far. The no-hour day and no-day week are not so good.

For years we have been trying to get Congress to pass laws which would prevent unemployment. Those statesmen wouldn't pass anything but the buck. So now we have to pass the hat.

The football rules are changed every Tuesday and Thursday but the economic game is run the way it was when Andrew Mellon wore short pants. Nobody can make sense of either.

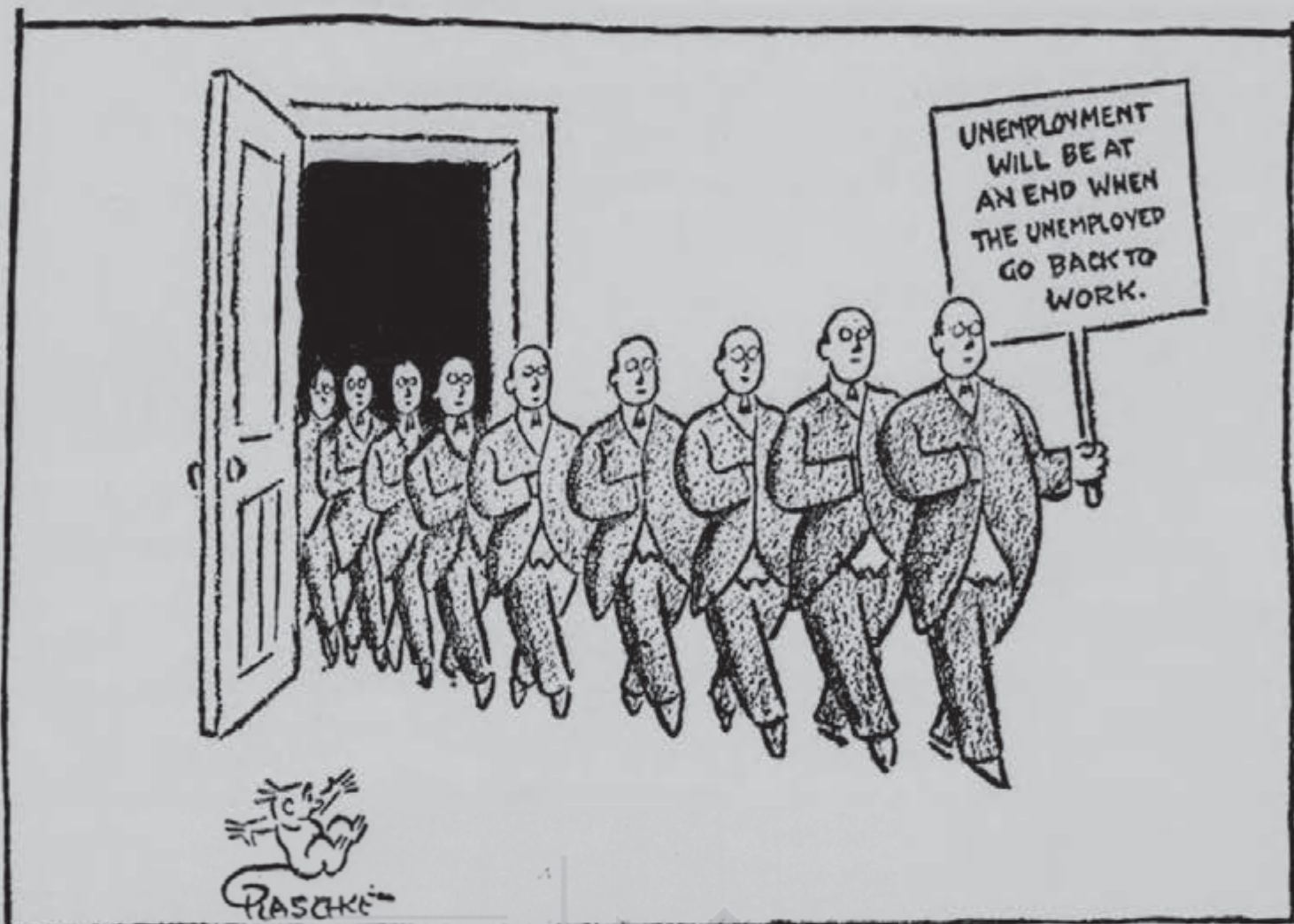
A Yale professor says the world is 1,852,000,000 years old. When we've had it two billion years we may know how to run it.

There is not enough bread to go around. Economists explain that this is because of the overproduction of wheat. Yo, ho! Mr. Ripley.

Under-consumption is another pet name for what ails us. Go up to a man in the breadline and tell him he is an old ultimate under-consumer. Then run.

People are beginning to get unreasonable that way. They claim they can't live well on three cheers a day.

One cheer leader says that this is nothing but a breathing spell. With lots of men out in the nice fresh air.



THE BEST MINDS COMMISSION REPORTS ON UNEMPLOYMENT

Drawn by Placchke

Motor car sales are down and street car fares have fallen off. The quaint old custom of walking has been revived. Everybody walks except the ghost.

This is going to be a tough winter for payroll bandits. Night club entertainers, I hear, are not entertaining anybody but each other. A lot of gold-diggers are out of work, too.

Mr. Hoover used to take great pride in our "rugged individualism." Or maybe he said "ragged."

This will be a lesson to us all. When we have work we should save up our money to buy seats on the magistrates' bench.

Mark Twain knew about an island where the inhabitants lived by taking in each other's washing. We keep the wolf from the door by selling each other apples.

Some of those apples may look a little spotty but they are fundamentally sound.

The abolition of poverty will have to be postponed until 1932. Just at present men can't even get jobs making machines to put them out of work.

Buy now! A dollar will get you more than at any time since the war. Ask the man who owns one.

HOWARD BRUBAKER.



*Can We Have A World Where Every Human Being Will Have a Human Place? Can We Win Permanent Security—Or Must We Always Have Unemployment or The Fear of Unemployment?*

## Let's Build a World Without Unemployment

*by Paul Blanshard*

I THINK THAT the most important thing people can do in a period of unemployment is to create a definite ideal of a world in which unemployment shall be abolished. I know that most people have no patience to talk about ultimate ideals while men are hungry, but unless the enemies of unemployment have a definite goal for their efforts every period of unemployment will find them scurrying around for bread and soup—and doing nothing fundamental to prevent the next catastrophe.

Some people think that epidemics of unemployment are as inevitable as the rising and setting of the sun. They accept the present national disaster with tired patience, hoping that it will soon be over but quite unwilling to take any action themselves.

It is true that most of us cannot do much about unemployment after a period of unemployment has set in. If we are lucky enough to have work ourselves we can contribute a few dollars to those who have no work. If we are employers of labor we can forget our profits for a while and run our plants at cost with a maximum of work for those who need work most. But at best these emergency relief measures are pretty poor substitutes for a healthy prosperity. They are like an antiseptic soap in a small-pox epidemic, good enough in themselves but poor substitutes for vaccination at the right time. If we are going to eliminate the attitude of fatalistic resignation toward unemployment we must have a comprehensive program for preventing unemployment.

A world without unemployment is not an impossible dream. There is plenty of intelligence in the human race to bring about such a Utopia if some of it could be diverted from profit-making



A BRITISH LABOR POSTER

and ballyhoo into community engineering. In a time of national crisis, such as the last war, we learned very quickly to coordinate our industrial machine in order to kill Germans. The same effort and devotion directed into constructive social engineering would guarantee work for every inhabitant of the United States.

The first essential of a world without unemployment would be a frank facing of ugly facts. No White House or Wall Street press agents should be allowed to hush up the truth about unemployment in order to maintain the level of stock prices or keep the dominant party in favor. The Secretary of Labor in an unemployedless America would actually know something about statistics. The government would publish monthly or weekly statements showing the number of workers engaged in each

industry, the shifts in demand for labor, and the wages offered in each locality.

The second and most important essential in a world without unemployment would be a National Planning Board for the conduct of all productive enterprise. Under such a board no man would be allowed to build a shoe factory when there were too many shoe factories already. No man would be permitted to gamble with the jobs of thousands of workers unless he demonstrated his ability to keep a factory running. No dividends would be paid to stockholders until a living wage was paid to the permanent working force, for under a planned system of national production the human charge upon industry would be the first charge.

The third essential of a world without unemployment would be the compulsion imposed upon every able bodied adult to do



some productive work. I know that it would be very difficult to define "productive work" but I am sure that we could come as close to an accurate definition as the society columns of the newspapers. We cannot abolish unemployment at the bottom of society unless we abolish it at the top also because otherwise the manners and morals of the Vincent Astors would constantly corrupt the useful members of the community.

When we have enumerated these three essentials for a world without unemployment we must admit that they require a complete reconstruction of our social system. Today government is subservient to big business; then government would need to be the master of all large-scale business enterprise. Today workers fight for the privilege of being hired; then every worker would have the right to a job, and, if the community could not provide a job, an income until the job arrived. Today the voluntarily unemployed in the millionaire class have power and social distinction; then the non-working aristocracy would be abolished.

It may be objected that in such a world there would be less freedom for those who own and manipulate industry. They would not be allowed to say: "I will run my business as I please." Business would not be *my* business but *our* business. For the workers by hand and brain there would be much more

privilege and power than there is today. They would not be commodities to be bought by the highest bidder and discharged when they started to wear out.

I think that the workers are altogether too patient in demanding such a world. Life without a steady income is not

(Continued on page 26)



Drawn by Franz Masereel



*Must the Jobless Carry the Entire Burden of Unemployment? Professor Ward of Union Theological Seminary says "No" and Proposes That We—*

## Stagger Incomes Instead of Jobs

by Harry F. Ward

THE FEDERAL GOVERNMENT announces, as part of its hastily improvised program to relieve the unemployment it has persistently ignored or minimized, that on all its construction enterprises, beginning with Mississippi flood control works, it will proceed to stagger jobs. Staggering the use of electric current or subway and street car traffic means distributing the load over the total working time as evenly as possible. Staggering jobs means laying off for three days a week half the men now working full time and putting an equal number of unemployed men in their places for the other three days. It is a piece of human engineering. What is it worth?

What staggering jobs does is to charge the cost of that much of the relief to some of the wage earners who live just on or below the comfort standard instead of to those who live above it. It is a striking, because entirely unconscious, revelation of the

essential inequality and injustice of the competitive profit-seeking economics and of the habit of mind which accepts and supports it. We load on to the backs of the lowest income section of industrial wage earners and farmers the economic burdens of hard times.

If the federal government would stagger the incomes of all its officials—that is, take for the relief of unemployment half of all incomes above \$10,000 and below that proportionately down to the comfort level—would it not have a fund large enough also to stagger the incomes of the people employed on its works? It could reduce the hours of labor from eight to four and put twice the number of men at work, on full pay. Then for each locality the present purchasing power of labor would be doubled, the credit stringency of the store-keepers would be relieved, and it might be that, with this increased

demand for the necessities of life, the much promised end of the depression would come above the horizon more quickly.

It is estimated that it will take two billion dollars to feed the unemployed this winter. That will have to come from subscriptions and from government appropriations—not



CLIPPINGS FROM A SINGLE ISSUE OF THE N. Y. TIMES, MAY 12, 1929.

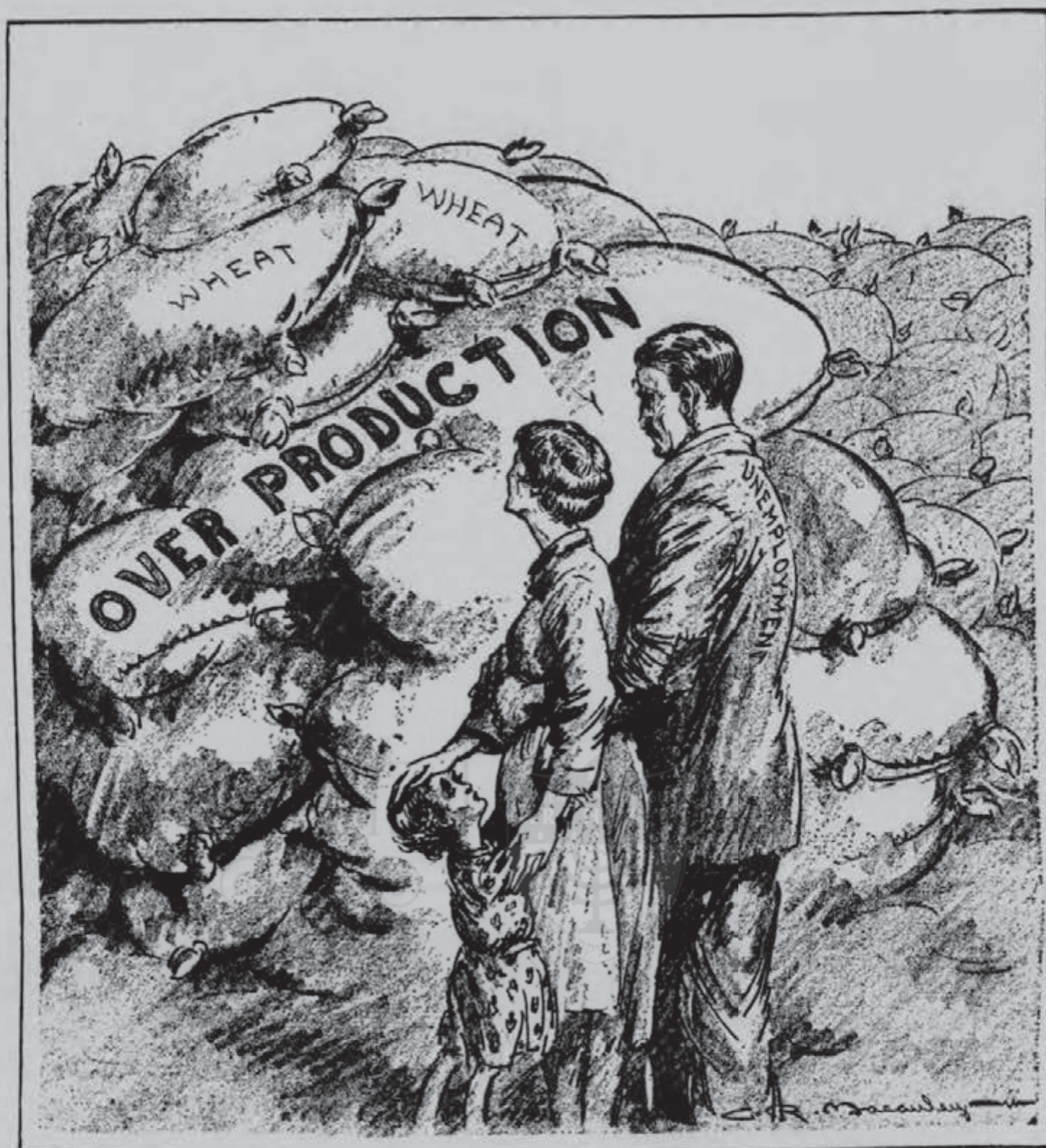


federal, if Washington can succeed in loading it onto states and municipalities. Having given back so much in taxes to the rich as the certain way to avoid the suffering we now face, it is too poor to help much. But the three hundred and fifty odd incomes of more than a million a year still provide their owners with spending money, no matter how much they shrank in the stock market crash. The one per cent of the population that draws the incomes above \$9,000 can give up quite a bit without any of the suffering that staggering jobs is bringing to workers' families. So can the other larger group that lives between that level and the comfort standard.

Stagger all incomes above \$100,000 at half and proportionately where income tax returns are due and the nation would have a fund more than ample down to the point to handle the whole emergency.

Of course no responsible statesman or business man has thought of it, and no responsible economist or engineer or preacher has proposed it if he did think of it, because he doesn't want to be called crazy. The reason it sounds so absurd is because of the sanctity of the legal doctrine of property rights. Yet social utility is the origin and the only ultimate guarantee of the sacredness of private property. Property which is unsocial or antisocial in its acquisition, property which is not available for use in social emergencies, is destroying its own sacredness much more than any government policy can do by levying on it for the public good. When enough people get hungry enough, the property of those who have bread and to spare suddenly finds itself without rights.

To stagger all incomes above the comfort level and use the fund to give a proper living this winter to the unemployed would



Drawn by C. R. Macauley

**"WHY MUST WE STARVE AMID PLENTY?"**

be charity of course, not economics, according to our current standard. So is everything else that can be proposed or done after winter once sets in in the north. All the talk against the dole—from those whose large incomes are in part or altogether created by the labor of others, and from such leaders of labor as have only inherited ideas or have a stake in insurance companies—cannot conceal the fact that making and paying for work which is not economically necessary is only relief. Paying full time for a four-hour day is no better and no worse. But it would create a precedent of a different sort—there's the rub. And it might show too much about the possibilities of meeting consumption needs with a shorter work day and a higher standard of living. That is the real reason why the proposal would not meet with favor in high places.

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*Not Merely Relief for the Unemployed, But a Cure for Unemployment—This Is What the Pastor of The Riverside Church Asked In a Recent Sermon.*

## The Church Questions Business

*by Dr. Harry Emerson Fosdick*

THIS LAST WEEK we were observing Armistice Day and remembering the tragedies of the War. Yes, but the tragedies of war are public and picturesque. They are dreadful but they are exciting. The whole body of the people rises on a high tide



*Drawings by Wilfred Jones*

of self-sacrifice to meet them together and the names of those who fall are inscribed on honor lists in the public squares of every village in the land. But the tragedies of unemployment are drab as well as dreadful. Men do not go into *this* battle all together with the thrill of cooperative enterprise in a hazardous endeavor. Here they walk solitary, one at a time, unnoticed and forgotten. Unemployment has no uniforms and no flags, no military crosses or congressional medals, no gold star mothers, no unknown soldiers buried at Arlington amid the plaudits

of a nation. In point of sheer agony and desperation of soul, lonely, bitter and hopeless, this land, I suspect, faces a heavier season this winter than any winter of the War.

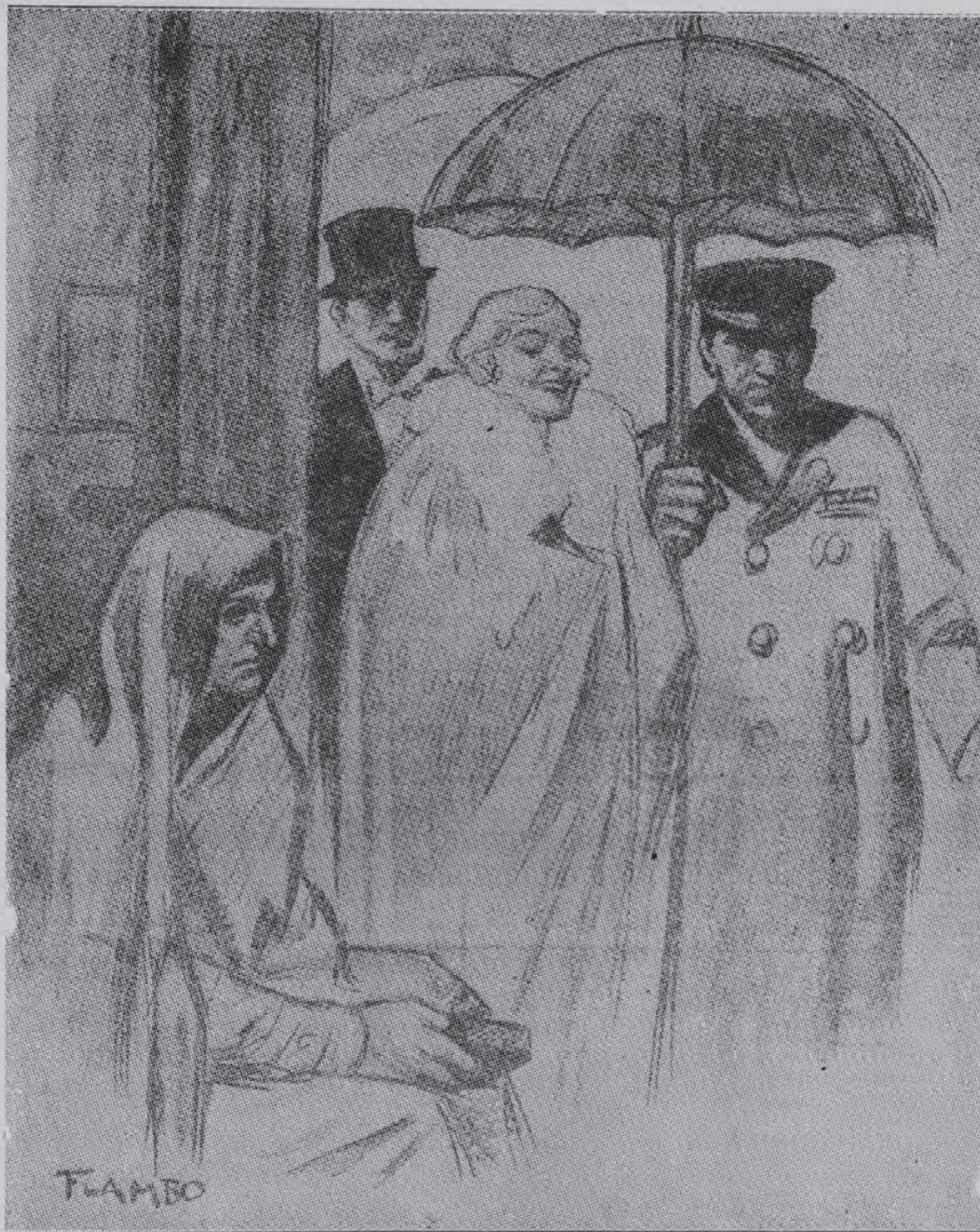
It is quite impossible to take the measure of unemployment as it exists in the world today save in terms of its individual instances. Government statistics roll off my mind like water from a roof. They do not percolate into my imagination. But



here in our Riverside community the other day there was an eviction—a family too proud to appeal to charity was put upon the street. There was a man who for months had sought for work in vain; a woman who had scrimped and starved in a desperate endeavor to carry on; three children, poor skeletons—and among them all not one extra garment or one extra stick of furniture left unpawned for the evictors to put upon the curb, save only one old bedstead. . . .

Yet, if I could say only one thing, I would plead not so much for relief as for the dedicated brains of this people. Lord Passfield of the British Cabinet says that the word "unemployment" never emerged into the English vocabulary until the last





## AN EVENING AT THE THEATRE

Drawn by Flambo

decade of the nineteenth century. This tragedy we face is new; the very word for it is new. No agricultural civilization ever faced it. Unemployment as we meet it today is a modern disease of the new machine system. Now, you men of science and of business created this machine system and it took brains, magnificent brains. You have them. And you are under the solemnest kind of obligation to use them now, not simply to make money

out of the system but to solve the social problems that underlie it and emerge from it.

To be sure, I am no economist. I make no claim to expertness in realms that are not mine. But there are some facts that lift themselves like raised letters out of this situation that even a numbskull must see some meaning in.

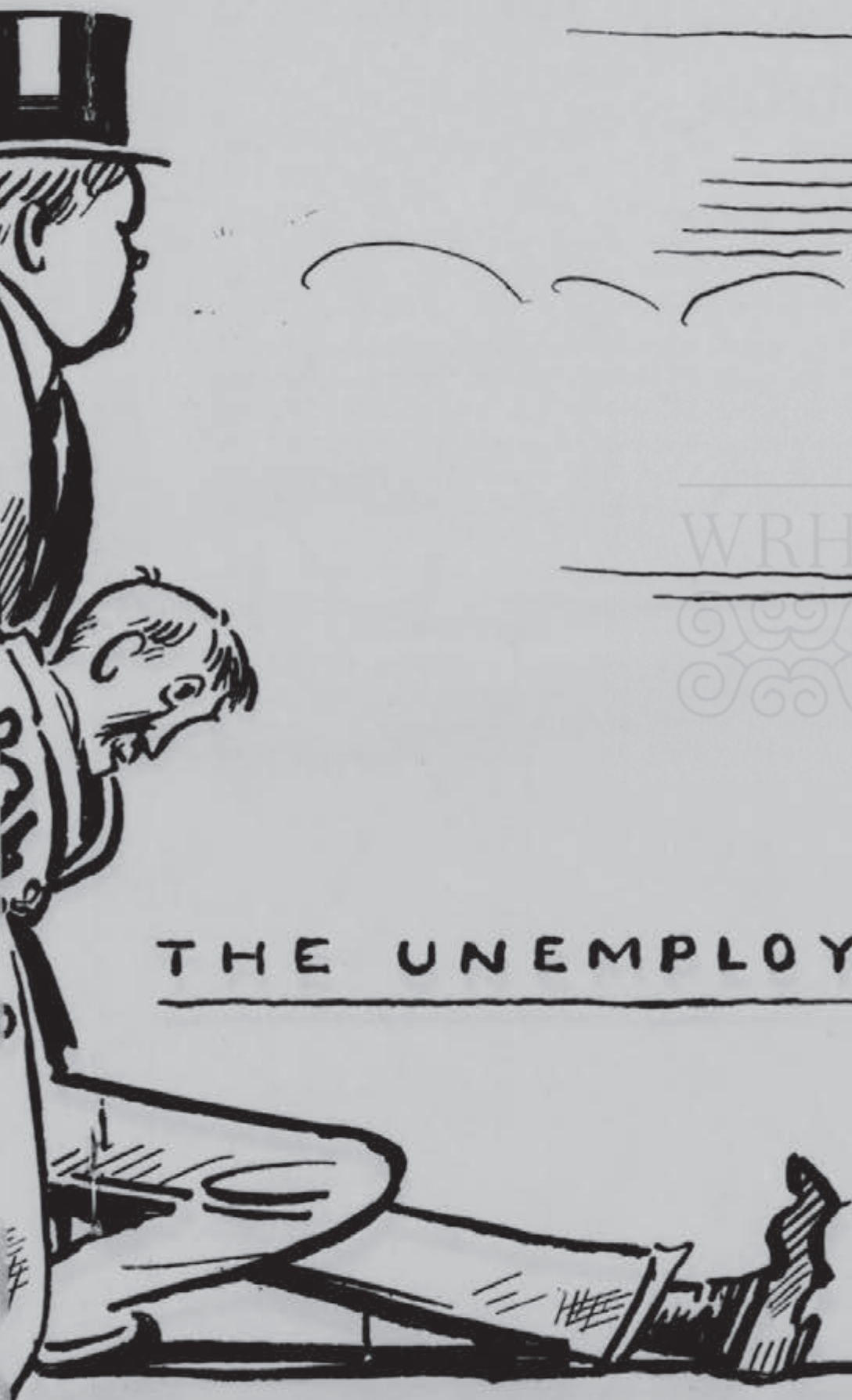
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THE COLLAPSE OF "RUGGED INDIVIDUAL"





## THE UNEMPLOYED

SEVEN AND ONE HALF  
MILLION OF THEM .

Drawn by Art Young

INDIVIDUALISM"—HELP WANTED!



*Should We Have Unemployment Insurance? How Would It Work? Dr. Laidler, One of the Nation's Noted Economists, Answers These Questions.*

## Unemployment Insurance for the United States

*by Harry W. Laidler*

**I**N THE PIONEER days in America when most of the population lived on farms an unemployed worker was usually looked upon as a shiftless fellow, one who didn't want to work.

Times have changed. Most of the workers today are employed in the factories, the mines, on construction work, on the railroads, in shops, and offices. They labor under high pressure. There is little loafing on the job. The machine and various speeding up devices attend to that.

Out of a clear sky workers receive a notice from the boss that their services are no longer required. Their work is satisfactory. But orders are not coming in and there is not enough

work to go round. The labor force—soft shirt and white collar labor alike—must be radically reduced. And the community wakes up to find thousands of men and women—honest and industrious men and women—desperately striving to find new jobs. Some get temporary jobs. Some leave for other cities in the hope that something might turn up. Many must tighten their belt, and wait until business revives again. The individual worker is unemployed generally through no fault of his own, but through circumstances outside of his control. Often he is out of a job because he and his fellows have produced too much.

"Without exception," declares Dr. Lubin of the Institute





of Economics, in summarizing the testimony on unemployment before the Senate Investigating Committee in 1929, "it was the opinion of all who testified before your committee that unemployment is primarily a problem of industrial organization and not of individual character."

Today we are in the midst of another major period of depression. This is the fourteenth period of hard times since 1885. Since the war we have had a severe crisis in 1920-21, milder depressions in 1924 and 1927 and the present depression that has thus far lasted some 15 months. Between four and five million workers—perhaps more—have for months been begging for a chance to work and have been denied that chance. Some have starved. Some in desperation have taken their lives. Millions have reduced their living standards with tragic results to themselves and families. Tens of thousands have been forced—against their best desires—to accept charity. They don't want charity; they want work. On an average wage of slightly over \$23 a week, it was impossible for more than a very small percentage to put aside, when employed, more than enough to keep going.

When the present crisis is over, the unemployed problem will not have been solved. All signs point to a slow industrial recovery. Foreign markets have been shot to pieces. Many of our people are in no condition to buy on the instalment plan as before the Wall Street crash. We can't depend on the building trades, on the automobile and other businesses to absorb our labor in the same manner as they did in the early twenties. And after a year or two, the curve of employment is likely to speed downward again. During the past few generations we have had a crisis about every 40 months.

Even during so-called "good times," millions may be found on the breadlines, among the unemployed of our great cities. The rapid invasion of machinery into business, the swift development of mergers and trusts, the practice of corporations not to employ new workers over 40 or 45 years of age, the shiftings of style and of location of plants and the increasing

inability of the masses with their small income to buy the goods that can be produced with such lightning rapidity by our mass production processes—all of these factors are leading to increasing insecurity in our industrial life. The National Bureau of Economic Research estimated that from 1920 to 1927 there were anywhere from a minimum of 1,400,000 to a minimum of 4,200,000 out of jobs. In our most "prosperous" years of our most prosperous new capitalistic era, around a million and a half workers were unemployed! And the number of unemployed in general increased by over a half million during that seven year period.

The individual who is a victim of this condition should no longer have to stand the risks of unemployment. Those risks should be assumed increasingly by industry and by society. There are two alternatives before society at present: the doling out of charity to the unemployed or some form of unemployment insurance.

Compulsory unemployment insurance is now in force in 10 countries abroad and covers over 45,000,000 workers. In seven other countries the state gives a subsidy to trade unions and other societies. The British system was organized in 1911. Under it, during periods of employment, the worker contributes to an unemployment fund something like 14 cents a week, the employer 16 cents, and the state, 15 cents. When a man finds himself out of a job through no fault of his own, he goes to one of the federal employment exchanges, which seeks to find a job for him without cost. If suitable work is available, it is up to him to take it. If a job is not to be found, the unemployed worker returns to the exchange from day to day, and, at the end of the second week of unemployment, receives an unemployment benefit of several dollars a week, and an additional amount if he has a wife and children. This lasts until he finds a job. (It may be said in passing that the word "dole" was not at first used to describe the insurance system, but to describe the contribution given by the state to returned soldiers after the war who found themselves jobless and who had not been in a position to contribute to the unemployed fund.)

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BREAD LINE REGINALD MARSH



*Too Much Wealth Produced Means too Many Workers and then Poverty and Hunger. The Labor Editor, Oscar Ameringer, known to many as Adam Coaldigger, Proposes, In Satiric Vein—*

## Perpetual Prosperity by Amputation

*by Oscar Ameringer*

THE IDEA OF promoting perpetual prosperity by amputation is not original with me. Like all great discoveries it was suggested by two events which in themselves bore not the remotest relation to the subject of prosperity.

Shuffling along upper Broadway recently in the midst of a dense crowd of pleasure seekers I suddenly stumbled upon a strange apparition. A man, or rather what was left of a man, mounted on a low platform equipped with castors was dexterously pushing himself through the multitude with the aid of his knuckles. This part-person, if so it may be called, was dressed in a faded khaki uniform, surmounted by a service cap of similar material and dilapidation. From this I surmised that the apparition was an ex-soldier, whose lower extremities had been reported among the missing. This surmise was further strengthened by a placard on the back of the man, which bore the legend

VETERAN OF FOUR WARS  
28th Infantry—1st Division  
PLEASE BUY A PENCIL

As the man is unknown to me I might simply designate him as the unknown soldier, but in order to avoid confusing him

with that well-known member of the martial profession I shall call him the unlegged soldier.

Now what struck me most forcibly about this delegged warrior, was the unusual number of lead pencils he sold among the surrounding theatre goers. I had observed itinerant pencil merchants before but none of them possessed the high-powered salesmanship and taking personality of this soldier.

"There is something about this man," I murmured to myself, "some IT that causes people to exchange their good money for a commodity for which they have no particular use or desire, which by the way, denotes the height of scientific salesmanship. But, what is this IT?"

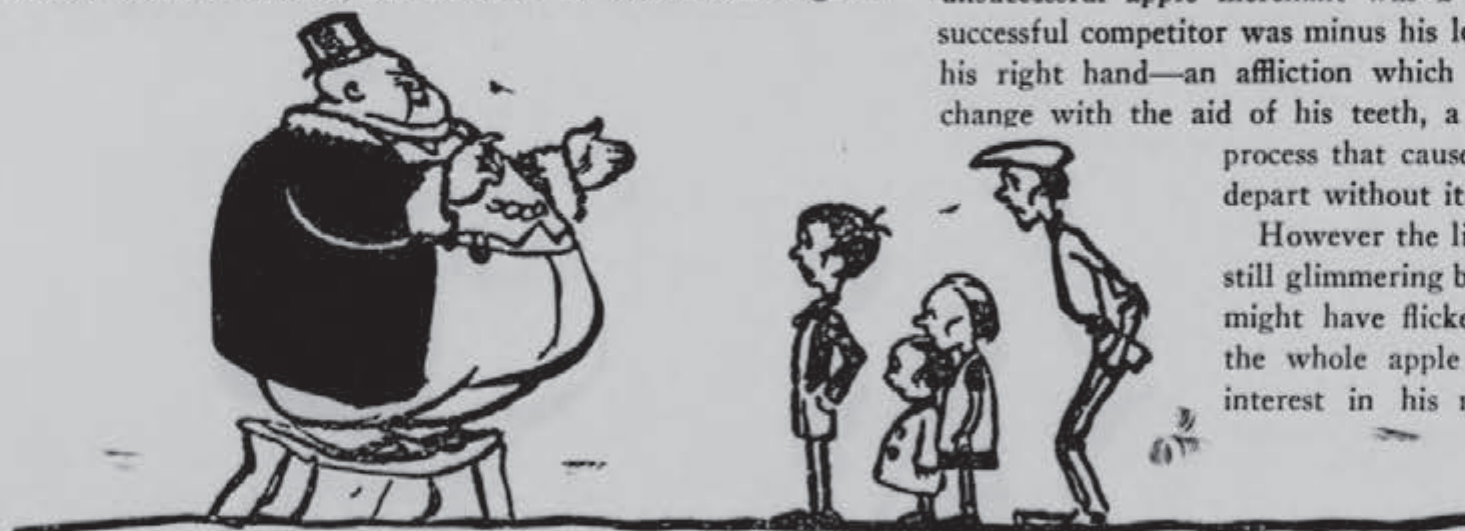
While still pondering over the riddle I noticed two of the unemployed apple merchants for which New York City has become justly famous. Judged by appearance the quality of the apples offered for sale was identical. But while one of the apple merchants sold scarcely any apples at all, the other disposed of apples as rapidly as he could make change. Here again was that mysterious IT. What was IT?

And then all of a sudden I saw a light.

"It's the minus in the human equation," I cried. For the unsuccessful apple merchant was a whole man, whereas his successful competitor was minus his left arm and the thumb of his right hand—an affliction which compelled him to make change with the aid of his teeth, a very slow and laborious process that caused many of his patrons to depart without it.

However the light of understanding was still glimmering but faintly in my brain and might have flickered out entirely had not the whole apple merchant, observing my interest in his minused colleague, hissed "Some people got all the luck."

And then like a blinding flash of



Mr. O. Bess Lecturing On "Children's Diets For A Season of Unemployment."

Drawn by Flambo





lightning out of the pink sky came the great discovery—how to perpetuate prosperity by amputation.

And here is the formula:

There are too many lead pencils, lead pencil factories and lead pencil makers and consequently we have overproduction of lead pencils, resulting in unemployment for lead pencil makers. Anything increasing the sale of lead pencils will increase employment in lead pencil factories and therefore decrease the visible supply of unemployed lead pencil makers. Half a pencil merchant can sell twice as many pencils as a whole pencil merchant. The same holds good with apple merchants. Apply this principle to the sale of grand pianos, opera cloaks, and Packards, and the problem of perpetual prosperity is near solution.

I say near solution, advisedly, because there still remains the problem of how to slow down the mad race towards increased mass production and the consequent lowering of



ABOVE: A New York breadline crowding both sides of the street.

BELOW: Women and children leaving a New Bedford, Mass., breadline.

the demand for labor. So in order to bring about the balance between production and consumption without which perpetual prosperity must remain forever an unsolvable enigma I propose the anatomic limitation of labor efficiency.

It has been suggested that perhaps the same result could be obtained by reducing hours and increasing wages, but as these remedies run contrary to all the canons of capitalism they can safely be discarded in favor of my own plan which is nothing more or less than the safe, sane and conservative diminution of labor efficiency by amputation.

There are for instance too many miners. Well, what of it? Would armless miners or at the worst even one-armed

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# The Unemployed and the Aged Workers

by Abraham Epstein

EVERY STUDENT OF American industry knows that the unemployed will always be with us. They have been with us since industry began. Meritorious as the present multitude of appeals for charity and breadlines may be, there is little of constructive value that is being suggested by the innumerable official and unofficial committees which have sprung up overnight throughout the land.

A fundamental fallacy underlies the entire present program,—the belief that the present situation is merely an emergency period which has come upon us suddenly as an earthquake.

Under such assumptions it can hardly be expected that any constructive contribution will be made in the present hysterical period towards a really effective method of relief for unemployment which will remain with us as long as the present method of production continues.

Both observation and investigation reveals that many of the men and women who now crowd our breadlines and employment offices are older persons whose chances of finding a job

(Continued on p. 30)



Drawn by Art Young

"I'M A HAS-BEEN AT 40, SON. I HOPE YOU HAVE BETTER LUCK."



# Jobless Parents and Working Children

by Sara Bloch

OF THE MANY factors contributing to unemployment, the labor of children is no small item. Here again, we find the familiar vicious circle; the family in straitened circumstances, eking out its small subsistence with the money brought in by the children, but the labor of the children in turn, depriving adults of the privilege of securing a job.

Though 1930 figures are not available, the census of 1920, showed more than one million children between the ages of ten and fifteen years of age gainfully employed. These statistics do not include the thousands of children working in the beet fields, cranberry bogs, cotton plantations, street trades, tenement home work, domestic service and canneries, who were even under ten years old.

Although the Southern states lead in the total number of children employed, those engaged in the mechanical and industrial trades, are found chiefly in the Northern and Eastern states, where one is accustomed to think of the child labor problem as fairly well under control. Pennsylvania alone employed 27,821, with Massachusetts, New York, New Jersey, and Illinois following in the order indicated.

Lest we indulge in a too easy optimism regarding probable changes in the past ten years, it is well to note that New York State issued 72,536 certificates to children under sixteen years for full time work in all types of occupation during the year ending August 31, 1930. New York City alone employs 35,628.

The immediate evils of child labor are apparent to all. The child misses the

necessary education for his future usefulness in the adult world, the physical stamina to carry him past the dangers of the children's diseases, and into the later industrial world where health and strength are so vital to the efficient execution of the daily job and the character development that will help to meet the

(Continued on page 30)



CAUGHT IN THE MACHINE



# "Rugged Individualism" or Co-operation?

by Henry Neumann

ONCE AGAIN human beings are plunged into extreme want because we still hug the old illusion that individual initiative, individual thrift, individual self-reliance, or individual goodness of any sort, will always pull us out of any hole.

This "rugged individualism," according to President Hoover, is the fountain-head of all America's blessings. Certainly it has already done great things. It cleared the wilderness, irrigated deserts, turned villages into proud cities, gave multitudes of immigrants a better chance to earn a living than they had at home, and stamped upon the character of our country a courage and self-reliance which are undeniably priceless.

But are all these many persons out of work in America today because they are lacking in "rugged individualism"? If any one fact is plain as daylight, it would seem to be that no one worker, all by himself, controls the conditions which decide whether he shall keep his regular job or peddle apples.

These conditions are social. We live in a world where holding a job anywhere depends on how many things are being made at the time, not there alone, but everywhere. Things are manufactured when somebody sees a profit coming to him; and when he fears that no profit will result, he stops manufacturing. If this throws men out of work, it is not at all because the manufacturer is hard-hearted. Often he has worry enough to keep out of bankruptcy. Our whole system of production is at fault because it is so lacking in any better, fundamental plan than this of everybody-for-himself. Each employer guesses in the dark how large a quantity of goods he shall produce. Each has to outguess his competitors. Nobody knows when



the market will be flooded with more goods than people can buy. Each takes a chance at cleaning up ahead of the other fellow. And all this "individualistic," "self-reliant" enterprise lands us every once in a while in misery like today's.

When the floods broke out along the Mississippi a few years ago, instantly the Red Cross was mobilized to rescue the thousands of homeless, hungry, plague-stricken sufferers. Then we said—"Call in the engineers and let no floods occur again."

Where are the human engineers to prevent the floods of such misery as the present? We did not ask the farmers along the Mississippi to look out for themselves. No matter how good and honest and public-spirited and thrifty every farmer in Louisiana could be, we knew that as an individual he was helpless. Those floods had their origin hundreds of miles away along the whole river and along the huge branches that swelled the main river every spring.

Here, we saw plainly enough, was a job where individual initiative could do nothing and only collective action could help. Why have we not the political and social imagination, to see in this other kind of repeated flood the need for large-scale, social re-building? We can organize co-operatively when a physical disaster is repeated often enough. We can organize co-operatively when a war is on. It required collective action and billions of dollars to kill Germans. Who called all this paternalistic? Are we really unable to work co-operatively to free every home forever from the fear of hunger?

America is warm-hearted and merciful enough when trouble comes. What it needs is a new kind of thinking to prevent the



trouble. Even in so-called normal times, people willing to work have no jobs. A million children are at work who should be in schools. Give their jobs to adults. Pension off the oldest workers. Reduce the age for this in New York from seventy to sixty. Lower the number of hours per week for all workers together. There are jobs enough to keep everybody employed. The trouble is the muddled way in which these jobs are distributed.

Let us plan public works, like road-building, which can be put into effect not when an immediate crisis is already passing, but before. Let us provide unemployment insurance. We have lowered the accident rate in some industries by our Accident Insurance and Working Men's Compensation laws. Why not apply the principle to reducing the risk of unemployment?

Most of all does this oft-repeated misery oblige us to ask ourselves, "What is fundamentally wrong with a method which breaks down so frequently? Can our system of holding up prizes for those who are quick enough to beat the other fellow give the multitudes the permanent security which they need?" The years immediately ahead of us are crucial. Either our present system of producing only when profits are likely will manage by some magic to eliminate this old evil, or else unemployment and the other insecurities will destroy capitalism and force us into collective production, deliberately planned and controlled, for the good of everybody.

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## Push Public Works

**H**OW CAN WORK be provided for the unemployed during periods of depression? One way is through the development of the long-ranged planning of public works to be undertaken when the situation points to a slump in employment. This means that Congress, the State Legislatures and the Municipal Councils should set aside during periods of comparative prosperity a sum of money to be used in the development of public works as soon as an industrial depression sets in.

There are many things which the Municipal, State and Federal governments are constantly engaged in or might legitimately be engaged in. There is the building of public roads, the construction of schools, libraries, post offices, hospitals and departmental buildings, the irrigation of arid land, the reclamation of swamp land, the building of dams, the construction of hydro-electric plants, reforestation, the improvement of rivers and harbors, the erection of light houses, the construction of levees and other projects tending to reduce the danger of floods, the cutting through of trails in the national forest, the wiping out of slums and the building of comfortable and beautiful houses for the workers, the construction of municipal subways, the development of parks and a score of other undertakings that instantly spring to mind.

Specifically the public works proposal suggests that an appropriation bill be passed by a public body, local, state or national, containing a clause reserving a certain part of the appropriation—say 20 per cent—for expenditure only at such times as it may be determined by the proper person or agency

that a period of national or local unemployment and industrial depression exists. Or a bond issue could be voted to be sold only during a period of unemployment. Such a plan should be decided upon prior to an industrial depression, and all arrangements made ready for the placing of a contract as soon as industry seems to be on the downward curve. If action is deferred until the depression is upon us, months are likely to be wasted before anything effective is done. This has been demonstrated time after time during the past few industrial crises. In a period of depression, furthermore, little effective coordination between local and national governments is likely to be obtained, and plans are at best haphazard. Furthermore, many legislators during an industrial crisis fear to make any large appropriation for new projects, through fear of the opposition of short-sighted tax payers who raise, particularly at such times, the cry of economy. Of course states and municipalities would have to unite with the Federal government on this program, since over 90 per cent of the contracts for public works are let by these local bodies.

The construction of public works during periods of threatened depression will not prove a complete solution for unemployment. By no means. It will hardly touch those industries—such as mining, textiles, agriculture—that are depressed during times of so-called general prosperity. To the extent that it gives work to those who otherwise would be jobless, to that extent it clothes workers with a purchasing power they otherwise would lack, and makes it possible for them to buy food, clothing and other necessities. This in turn means work to labor employed in food, clothing and allied industries, and the indirect influence of the purchasing power of these workers is far reaching. Local and national legislatures should immediately pass measures providing for the long-ranged planning of public works and begin an immediate survey of the tasks that might be now undertaken.

— o —

## PERPETUAL PROSPERITY BY AMPUTATION

(Continued from page 21)

miners produce as much coal as full armed miners?

There are too many structural iron workers. And so be it. But will anyone assert that delegged structural iron workers can rivet as many beams as full legged ones?

There are too many textile workers. Admitted. But would three-fingered textile workers tie as many threads as ten-fingered textile workers? And what a blessing, by the way, would four-fingered typists be to the overcrowded typing profession?

However, enough has been said to indicate the vast and far reaching, if not to say revolutionary—possibilities of my discovery. I will therefore only add that both for humanitarian and financial reasons these amputations should only be performed in the early infancy of the objects of our solicitude—that is,—at an age when the loss of working time is practically negligible.

So let us follow in the footsteps of the unlegged soldier. Let us grasp the opportunity presented to us by the thumbless hand of that one-armed apple merchant in order that the lofty goal of our age, "Perpetual Prosperity," may be attained at last.



# Connecting the Jobless With the Job

by Morris Ernst

EMPLOYMENT OFFICES do not create work. But with a decent system of public free employment offices employers seeking workers or workers seeking jobs are connected without the waste of newspaper advertising or the frauds and excessive fees of private employment agencies. More than \$100,000,000 is spent annually in New York State for "Help Wanted" and "Situation Wanted" advertisements. If an employer advertises



"Hoover says we're rugged individualists."  
"We gotta be rugged."

that he wants one tinsmith, or one stenographer, or one porter, a crowd of twenty to two hundred unemployed assemble at the gate. The waste of connecting men with jobs is the greatest preventable waste in our modern society, exceeding in dollars and cents the economic debauchery of war preparations.

If it were not for the influence of private employment agencies and the political power of the press we would have a nation-wide system of free public employment offices. The Federal Governments would handle inter-state labor demands, and give grants to the states in proportion to the amounts the states disburse. Each state should directly handle Clearing Houses for labor between different towns and cities of the state and in turn appropriate dollar for dollar against the amounts spent by townships, cities or counties.

Not only would employees be relieved from the distress of helplessly answering advertisements but we would get away from the shocking system of charging fees to those out of work. To permit a fee to be exacted from men when unemployed is a fantastic betrayal of the trust of government. Employers would be equally benefited. The state bureaus would supply labor without charge, would in time develop processes of selection so that we would not forever be placing round pegs in square holes. The State would create special bureaus for the proper placing of children when they leave school.

More than fifteen years ago in behalf of the City Club of New York, I prepared a bill for a state system of Free

Public Employment Offices. Such measure was passed and almost forgotten. Since that time the state has starved this bureau so that now the total appropriation made for this important service for an entire year is less than the amount spent in a single day by the community in newspaper "Help" or "Situation Wanted" advertisements. To be sure the City of New York had a Free Employment office fifteen years ago, abandoned it and only this year opened it up again. But we need more than one agency. We need a chain of them.

This nation is the only civilized portion of the world that has failed to supply facilities for connecting the jobless and the job. Private agencies, charitable societies, agencies which make profits out of unemployment, are permitted to control this important phase of industrial stability.

To connect the man and the job is surely as much a function of government as to connect New Jersey to New York by a bridge. The New York State Employment Bureau will continue to be ineffective as long as Governor Roosevelt and the Legislature fail to supply sufficient funds to establish employment offices in every center of population in the State. For three million dollars a year we could stop the "roaming for jobs," end the demoralizing influence of "hanging around gates" and cut down the bounties paid to newspapers and others who make profit out of unemployment.

A three million dollar Public Employment Bureau System would actually save the community many times that amount.

The next move and the prime responsibility rests with Governor Franklin D. Roosevelt.

## LET'S BUILD A WORLD WITHOUT UNEMPLOYMENT

(Continued from page 11)

worth living. Happiness flies out the window when unemployment comes in. And yet our national and state governments have stalled and stalled when they have been asked to take the simplest measures in preventing unemployment. They have no adequate system of employment exchanges and no self-respecting scheme for unemployment relief. They ask the workers to take the American dole and be patient.

One answer that the workers can make to such eleventh-hour charity is to work with determination for a fundamental ideal. Let the kindly and humane people give soup and beds to the unemployed—God knows they need all the soup and beds they can get—but let those who have a vision fight for complete social reconstruction. The operation of industry for the private profit of one class has brought degradation and poverty to the workers. The old individualism is as archaic as a horsecar. If the world is to be a place of beauty and happiness and peace the wealth and work of society must be administered and distributed by the community in accordance with a standard of productive service.



# The American "Dole" System

by Rev. Charles N. Lathrop

**I**F I HAD to choose between the dole and the dolorous condition of our country, I would choose the dole every time. It is better than starvation.

As a matter of fact, we have nothing but the dole in America. As soon as a man is out of employment, he and his family have got to be taken care of by charity. All these sums of money that our country, our states, our cities are raising—what are they but a dole? I wish that it might in some way be possible to explode the hypocrisy that talks about the innate independence, sometimes in good faith, of our American people and shows hostility to any organized pay to the unemployed lest it sap the integrity and force of our people. We can get neither integrity nor force when we permit masses of our people, several millions of them, to be in a situation where they don't get enough to eat! It is irritating to think of a man sitting in his comfortable office, or in his study in his palatial apartment, writing about the possibility of sapping the integrity and force of people who cannot pay their rent and who are unable to buy meat and shoes for their children.

This situation is utterly unnecessary. Want is utterly unnecessary; it is due entirely to a failure in our system—that millions are without the necessities today because we have a system of distribution that is so utterly at fault as to result in this suffering. And I say, further, that if the system under which we live cannot correct this serious failure, then it is going to be our business, the business of the masses of the people of our

country to find a system that will correct the injustice and that will result in a reasonably equitable distribution of income from our production.

The large majority of our people are working people. It stands to reason that capitalists as a whole are not going to correct the system of distribution by which they get their share; business is not a philanthropy. The only way I see by which a just division of the industrial income of our country can be attained is by the effective power of an organized movement in the labor class to compel governmental action to establish unemployment insurance.

Those who know anything about the English situation know it is not all the dole. There is an unemployment insurance. They know, too, that this insurance is

limited in amount and, therefore, when men are unemployed for a certain period they have to fall back on the dole. We have the experience of England and Germany to show us the mistakes and to suggest best methods. We have definitely the obligation to correct the iniquity. If anybody can find another way of correcting it, I want to hear it.

The moves for relieving immediate unemployment today are too obvious. I am far more interested in drawing from the situation in which we find ourselves today a great impulse to move toward a constructive arrangement by which it never can happen again. For underlying unemployment, and more important even than unemployment, is the question of security. The people of our country, if they inherit the patriotic devotion of our fathers, will demand from the system under which we live as an essential part of the system, the establishment of security for the masses who work. The recurring unemployment crises bring many plans to aid those who suffer most. That is well, as far as it goes. But we should go farther and determine this crisis shall be the last to take toll on men and women forced into idleness and poverty.

If both of the major parties of our country refuse to meet the demand, then I see no other way than for a party to rise out of intelligent American citizenry of the labor masses, centering on this one specific issue—the demand for security for the laboring man. They will find grouped about them the intelligent and sensible, even conservative, labor people, and they with the strong arm of labor raised again to lift labor from the mire of misery, would sweep the country on this issue—the simple—the most directly appealing, the plain bread-and-butter issue.



Big Business: "We may have bread-lines but, thank God, no dole."

*The publishers of THE UNEMPLOYED extend thanks to The New Leader for permission to reprint most of Art Young cartoons, and the Bressler cartoon; to the St. Louis Post-Despatch for the Fitzpatrick cartoon; to the Brooklyn Eagle for the Macauley cartoon; to the MacMillan Company for the Wilfred Jones drawings; to The New Leader of London for the Flambo drawings; to The New Yorker for the Marsh drawing; and to the National Child Labor Committee for "Caught in the Machine."*



# Yesterday, Today — and Tomorrow?

**1907**

*From the N. Y. World,  
December 9, 1907.*

## NEW YORK ARMY OF UNEMPLOYED 125,000 STRONG

Suspension of Building Operations  
Throw 25,000 Skilled Mechan-  
ics Out of Work

## CLOTHING TRADES WORKERS LAID OFF NUMBER 60,000

*From the N. Y. World,  
December 17, 1907.*

## GOMPERS WARNS EMPLOYERS NOT TO REDUCE WAGES

In Menacing Tones the Noted Labor  
Union Leader Tells Them at Civic  
Federation Dinner They Will Not  
Find the Workingman as  
Tractable As He Was A  
Few Years Ago

*From the N. Y. World,  
December 30, 1907.*

## UNIONS TO ASK GOVERNMENT AID FOR UNEMPLOYED

Central Federation Moves to Draft  
Plan of Relief for the City's  
Army of 125,000 Now  
Out of Work

## BREADLINE LONGEST AND MOST DESERVING

All of the thousands out of work are living on hope . . . The unemployed . . . are praying for an open winter. . . . In the Bowery bread lines there never has been such a large proportion of well-dressed, clean, intelligent men. Few wear the stamp of the "Bowery bum". . . . When finally reduced to the breadline, many of them in mortification try to hide their faces from the inquisitive onlooker while they snatch the one roll and devour it like famished men.

**1921**

*From the N. Y. Times,  
January 26, 1921.*

## 3,473,000 MORE ARE OUT OF WORK

Government Survey Finds Large De-  
crease in "Mechanical Indus-  
try" In a Year

## DOES NOT COVER FARMING; 234,243 IN NEW YORK CITY

Washington, D. C.—Figures made public today by the Employment Service of the Department of Labor indicate that there has been a decrease of 3,473,466 in the number of persons employed in the United States in January, 1921, as compared with the number employed one year ago.

The government figures of the unemployment are disputed by the American Federation of Labor which insists that they are too low. Frank Morrison, Secretary of the Federation, said that reports received from central federations in the cities throughout the country indicate the number of the present unemployed was between 4,000,000 and 5,000,000.

Mr. Morrison asserted that unless the large employers of labor would devote themselves to evolving means of putting men to work instead of reducing wages, lengthening hours of labor, and reducing standards of labor, they would find their efforts resented by the employed as well as the unemployed.



*"We must go abroad. Precious can't  
stand the New York winters."*

**1930**

*From the N. Y. Times,  
July 26, 1930.*

## FEDERAL JOB COUNT CALLED INACCURATE

Miss Perkins Thinks "Truer Survey"  
Would Show 8%, not 3% Un-  
employed in Brooklyn

## Ratio of Idle to Whole Population Gives Wrong Picture She Says

Challenging the basis and interpretation of the Federal Government's Census of unemployment in Greater New York, including that for Brooklyn, made public yesterday, Miss Frances Perkins, State Industrial Commissioner, declared last night that a "more accurate count" would reveal a greater percentage of idleness than the Federal figures indicated.

*From the N. Y. Times,  
April 3, 1930.*

## RECORD ATTENDANCE AT CITY LODGING HOUSE

1,538 Cared for Tuesday Night Is the  
Largest Number Since Shelter  
Opened in 1909

Christopher J. Dunn, Acting Commissioner of Welfare announced yesterday that the 1,538 men, women and children who spent Tuesday night at the Municipal Lodging House broke all records since the shelter was opened in 1909.

## NEW TEACHERS HERE SWELL IDLE TO 3,431

Licensing of 749 Intensifies Unem-  
ployment Problem in City's  
School System

**CLIPPINGS SELECTED  
BY JOHN HERLING**



## THE PROFIT SYSTEM AND UNEMPLOYMENT

*(Continued from page 7)*

that after the landlords have taken rent for land which they did not make and absentee owners have taken profit out of the price of goods they did not make, the workers with hand and brain collectively do not get back in personal or social income the equivalent of what they produce. The workers create the stream of life-giving wealth. It is sluiced off by others. To be sure, the landlords and the profit takers in time reinvest most of what they have taken and so provide more work. If they did not long ago our system would have come to an end. But out of rents and profits much is wasted in luxury, there are delays, great follies and much pure gambling in the process of reinvestment, the underpaid workers cannot get the things they need, surpluses pile up, which even the most frantic efforts cannot market abroad against the competition of other capitalist nations. With amazing regularity this sort of unplanned production and inequitable distribution result in a business crisis or depression. On the average of about every seven years machinery is stopped, men are unemployed, often prices fall. Slowly the surplus is absorbed and the cycle begins again. In America we were told that the new capitalism had found a way to avoid these cycles of depression. It was not so. At best our great capitalists found ways to mitigate the shock of a financial panic and somewhat to lessen inventories when the crisis came. More than that they cannot do. Only planned production for use, the abolition of parasitic ownership and the increase of spending power in the hands of the masses of the workers will end unemployment.

I do not say that this way to end unemployment is easy. In the long run it will have to take account of the whole world and not merely just the United States. The final answer to unemployment and to poverty is intelligent international Socialism. There is no other way. Immediate remedies for some of the suffering of unemployment will be good not only in themselves but because they help our progress toward this goal. Such immediate remedies are discussed elsewhere in this magazine. It is not likely that we shall be able even to utilize these immediate remedies as we ought unless we are willing to look facts in the face, recognize that the tragedy of unemployment is inherent in the profit system and seek to substitute for that system production for use. So great a task requires a new philosophy and vision about the terms of our life together, a new program for working it out, and new or, rather, stronger organizations of consumers, of workers and citizens to put power behind our ideals. If the answer to unemployment is intelligent Socialism, it is folly to expect that answer to be given by parties belonging to the profit makers. The workers must have their own party. If eventually, why not now?

## STAGGER INCOMES INSTEAD OF JOBS

*(Continued from page 13)*

I will be told that the staggering of incomes would destroy the economic virtues of industriousness and thrift. But what is unemployment doing to them? Of course it is only the wage earners who are demoralized by unearned income—not the sons of the rich nor research students! If, in order to keep face with

ourselves, it is necessary to pay tribute to inherited superstitions and have men and women—and some children—put in eight hours somewhere going through some motions because we would be paying them for it, then why not start some real adult education for four hours a day, in the factories or in public buildings? That would make more jobs for some of our college graduates who are finding the teaching world overcrowded. But to pay working people to get education they need and want sounds crazier still. It is sensible only when rich people pay their sons to go through the motions of a college course they don't want and can't absorb.

To stagger half the national income above the comfort level for unemployment relief would cut off the supply of capital plant, my economist friends will say. But our trouble in most industries now is too much plant. What we need now for some time to come is more consumers' income, more purchasing power to set our idle plants going. We do not need even half our surplus income for new plant. It isn't going there. It is going into foreign loans and speculative ventures.

But the proposal is impossible because government has not the power and cannot get it! Moreover, it ought not to have any such authority, says my banker friend. It would be dictatorship and coercion. But what else is staggering jobs on government order? Has the wage earner any choice but to submit in these hard times? Is any dictatorship more effective than that which controls jobs? If the choice is between that and one which controls incomes, then both rationally and ethically, social utility must settle it.

Clearly, however, our public life being what it is, and our private economic beliefs being what they are, our government authorities cannot and will not propose anything like staggering incomes. The best we could expect would be that they should stop staggering jobs at the workers' expense. But is it so sure that the American people would not in large measure respond to an appeal voluntarily to stagger incomes proportionately, during the emergency weeks of the terrible winter that is before us? If they responded in any measure to such a proposal it would institute some valuable economic education.

## THE CHURCH QUESTIONS BUSINESS

*(Continued from page 15)*

I ask you men of business two brief questions this morning. First, why cannot we have unemployment insurance? We insure against almost everything else, fire, death, disease, invalidism, industrial accident. Why cannot we insure against unemployment? In 1911 in America we passed the first laws concerning insurance against industrial accidents and since then there have been fifty legislative acts covering pretty nearly the whole country, so that it is estimated that annually about \$200,000,000 are paid out by American industry to its workmen and their dependents. We had brains enough to face that social menace and to lift that burden of fear from the backs of multitudes. They used to say we could not afford to do it. We know now that we could not afford not to do it. Can we afford not to extend insurance to this appalling menace of unemployment? Mark it! We are going to foot this bill one way or the other. We are going to pour out millions in charity this winter. Why cannot we



use our brains, so that we may spend our money in businesslike fashion to insure against it.

I ask you men of business one second question: Why cannot we stop repeating that insane formula about competition being the life of trade in a new age when obviously competition is the death of trade, and begin drawing the basic industries of our nation together in co-operative planning under wise social control? To take one of Stuart Chase's illustrations, we have in this country fully equipped factories able to turn out annually almost 900,000,000 pairs of shoes when we never buy more than 300,000,000. Of course, unemployment, inevitably unemployment! That is typical, too typical, of our coal mines, gasoline refineries, automobiles, and what other industries let economists say.

We are not using our brains upon our basic industries as we do upon the telephone, for example, fitting production to consumption, accommodating what we make to what we can buy back and so preventing this wild overproduction, underconsumption, spasmodic depression, and inevitable unemployment. We even keep upon our statute books a belated act, the Sherman Law, that makes it illegal for business men to do the one thing that can save us from disaster. Why cannot we use our brains for co-operative planning and social control?

If somebody wishes to call that Socialism, let him call it Socialism! Pretty nearly every decent and co-operative thing we ever have done has been called by somebody Socialism. They called municipal waterworks Socialism. They called public schools Socialism. They called municipal electric light plants Socialism. They called municipal markets Socialism. There never has been a case yet when we found that we could no longer do things well apart and tried then to do them together that somebody did not call it Socialism. Do not be fooled by a word. We face a fact. We cannot go on building factories able to turn out 900,000,000 pairs of something when we need only 300,000,000 pairs. That is the fact. Why cannot we use our brains for co-operative planning?

I plead, therefore, today for the dedication of your intelligence. Relief is not enough. This disease calls for preventive medicine. The ministers cannot supply it. We are not experts there. You men of business must, and the trouble is that in America business in general has been so prosperous that the magnificent brains of the business world have expended themselves in making money out of the system instead of facing the social problems involved in the system.

*Excerpt from a sermon delivered November 16, 1930, and selected by Dr. Fosdick for this publication.—Ed.*

### UNEMPLOYMENT INSURANCE FOR THE UNITED STATES

*(Continued from page 19)*

In Germany the employer and the worker contribute, and the jobless worker is paid for a period of 26 weeks. An additional state fund may supply him with benefits during an additional 13 weeks. The contribution of the worker and the employer and the benefit given are in general proportionate to the worker's wages. The lower paid employee receives in

benefit 70 per cent of his wages; the highest paid workers, 35 per cent.

While details about these systems are subject to criticism, practically every student of the subject has agreed that the system as a whole has justified itself and that cases of abuse have been comparatively rare. An American student of the subject, Mary B. Gilson of the Industrial Relations Counsellors, declares, speaking of the British System: "In conversations with numbers of employers, workers and others in Great Britain during the winter of 1928-29, I found not a single employer who would willingly abandon unemployment insurance for the old, haphazard methods of relieving destitution due to unemployment." The Balfour Committee of 1929, describes it as "one of the greatest advances in social amelioration made during the past century."

Numbers of bills have been introduced in the United States in favor of unemployment insurance. Some, including those sponsored by Professor John R. Commons, and the Conference for Progressive Labor Action, urge that the employer pay the entire benefit, and advance the argument that industry should set its own house in order. Others favor the British scheme. They feel that the workers, by contributing, can claim a say in the operation of the plan and in its perfection. They believe that the state should be asked to contribute in order to insure the stability and permanence of the fund. Further, the problem of unemployment is a great social problem. It can be solved only by society as a whole. But whatever form unemployment insurance takes, some system of compulsory insurance must be adopted in the near future as the only alternative to the great American dole.

### THE UNEMPLOYED AND THE AGED WORKERS

*(Continued from page 22)*

even in normal times are anything but hopeful. At least this group could be effectively taken out from the ranks of the unemployed by the establishment of a comprehensive nationwide pension plan.

Such a pension, granted as a reward for previous service to the community, would provide a constructive and permanent solution of the problem of these aged and would eliminate them from competition in the labor market. Nearly one million old people could be retired from industry by a liberal pension at the age of sixty-five.

### JOBLESS PARENTS AND WORKING CHILDREN

*(Continued from page 23)*

complex problems of the modern world.

What then is the picture of his future and that of endless successive generations but that of grown men or women with family responsibilities of their own, themselves shunted to the field of the incapacitated and unemployed, depending in their turn on the pitiful labor of children.

The time is now desperately urgent to do something immediate and permanent to eradicate forever this blot on American civilization.



# UNEMPLOYMENT and Its Remedies

by HARRY W. LAIDLER

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Drawn by Edmund Duffy



## Temporary and Permanent

THE Pringle bill, permitting cities to issue a limited amount of bonds for the relief of those made destitute by unemployment, passed the House in amended form yesterday and is ready for the governor's signature.

At the same time, a Senate committee killed the unemployment insurance bill.

The branding of the unemployment insurance bill by its opponents as a dole was part of the strategy of the opponents. Obviously, the Pringle bill does permit a free gift by cities to the unemployed which differs from a "dole" only in the fact that it is not intended as a permanent system.

The unemployment insurance bill looked to the future rather than to the present emergency. Its purpose was to establish a permanent system by which employers and employees together would provide for a limited degree of relief for the latter in hard times.

Both houses, in accepting the Pringle bill, have showed that they recognize the necessity for temporary relief in times of emergency.

The Senate committee's action may indicate that its members do not believe that emergencies will occur periodically in the future—or, at least, that they will not occur in such a manner that provision can be made against them according to actuarial principles.

Obviously, it is more difficult to apply actuarial principles to the probabilities of unemployment than to the probabilities of accident, for instance. (The unemployment insurance bill was modeled as closely as possible on the workmen's compensation act.)

If it were possible for the statesmanship of the country—political and industrial—to devise means of preventing periodic unemployment, there would be no demand for unemployment insurance.

To date, however, no progress has been accomplished in that direction.

For that reason, it seems reasonable that an effort should be made to provide in advance in an orderly manner for the suffering that is bound to occur at such times.

No American state has yet done so. We should have been glad if Ohio were the first state to make the experiment.

*With Impunity of  
J. M. Know*

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## STABILIZATION *VERSUS* INSURANCE?

### I

**T**HE tremendous increase of interest in methods of meeting results of economic depressions as well as preventing them, if possible, is the one redeeming feature of the present economic catastrophe. Never in the writer's memory, not even in 1921 or 1893, was there such a flood of literature on various aspects of unemployment, nor such an avid demand for it. If, as a result of the panic of 1929 and the depression of 1930, there should come in 1931 a really constructive program which would mitigate conditions that may arise again some time in 1937 or 1938 (if not earlier), then all the economic losses sustained and the human suffering endured will not have been in vain. To be sure, it seems like a very heavy price to pay for what might have been recognized as necessary without it.

It is well, however, not to be too optimistic. Many wise social measures have demanded public attention during moments of distress, only to be forgotten, or perhaps to be successfully fought and destroyed, as soon as the emergency had passed. It is not the first time that necessary measures to fight unemployment have been discussed. Some constructive action appeared more than likely in 1921, but the era of unusual prosperity quickly wiped out all interest in the problem. What happened then may happen again. It is important that something should be done. It is no less important that whatever will be done should be done wisely. From this point of view, no amount of discussion of the programs proposed is excessive.

In this wealth of discussion certain definite measures have emerged from the rather naïve avalanche of cures which flooded the press in the beginning of the depression. It has come to be recognized generally that in face of utter lack of preparation for the emergency, due to total failure to foresee it, the problem of today is primarily one of energetic and generous relief, whether by direct charity or, wherever possible, by "made work." It is beginning to be recognized, at least by some writers, that private philanthropic effort is inadequate to meet the situation, notwithstanding all the generous publicity it re-



ceives; that community chests, in face of a slight increase in collections, have proved themselves unprepared to meet the situation; that public relief appropriations, available as yet in a very small number of states or communities, must be insisted upon in addition to private philanthropy.

Beyond these immediate needs the useful suggestions are:

I. A complete system of unemployment statistics.

II. The organization of the labor market through a system of public labor exchanges.

III. Efforts to counteract the fluctuations of the volume of employment through long-term planning of public construction, national, state, and municipal.

IV. Unemployment insurance, whatever name it may be designated by (wage reserves, dismissal wage, etc.).

V. Stabilization of industry.

To one who has watched economic conditions and economic thinking in this country for two or three decades, this program, either piecemeal or in its entirety, presents no elements of novelty. Relief, unemployment statistics, public building reserve, employment exchanges, unemployment insurance, and stabilization of industry, all these slogans have been discussed in 1915, again in 1921, and more so during the last two or three years. It is not important that a social program should be novel. It is enough that it be judicious. So long as we still remain in the stage of discussion there cannot be any too much of it. In fact, discussion alone appears insufficient. The chance for early action will depend upon the amount of education and (one may as well admit it) active propaganda. It is the more necessary because already a good deal of counter-propaganda has developed, certainly against some of the measures advocated, particularly against organization of a national chain of employment exchanges, and against unemployment insurance. The adoption of the program, either as a whole or in part, will not be accomplished without a very hard struggle in which a great many group interests will defend themselves against what appears to them to be an encroachment of their vested rights. It is well, then, to be prepared for that struggle, and to be sure that one's ammunition is in good condition.

Though predictions in the field of social action are always dangerous, one may venture the guess that the opposition to a system of employment exchanges will not prove too strong to overcome within a reasonable time. No system of employment exchanges can altogether destroy the employer's privilege of hiring or firing at will. It is doubtful whether a public employment exchange system, even if it were to wipe out all commercial agencies, would interfere with labor and employment departments organized by large corporations for their own use. One would hate to think that the narrow vested interest of private employment agencies could prove sufficiently strong to overcome a measure of such importance.

On the other hand, the problem of stabilization scarcely offers any opportunity for legislative struggle, at least in the near future. It is, of course, perfectly logical for students of economic and social conditions to endeavor to reach out for the fundamentals of the situation. A radical remedy for prevention of economic cycles is the elimination of such cycles, namely, stabilization of industry. But such stabilization appears to be a function of industry itself rather than governmental authority. The necessity for national planning of economic life is pointed out by many and even Russia, with its Gosplan, is referred to. It is recognized, however, that even national planning may prove incompetent to deal with so cosmic a situation. Obviously a discussion of world-wide planning of production is interesting speculation, may make interesting economic literature, but cannot serve for many years as a basis of legislative proposals or of definite social action. It is what the Germans characteristically call "*Zukunftsmusik*."

Between these extremes, therefore, the proposal for public labor exchanges which should be capable of achievement without excessive difficulties, and national planning which must remain an interesting subject for theoretical discussion, there lies the program of unemployment insurance, as yet the most effective way of overcoming, if not economic crises, at least most of the social cost in human suffering which such crises and unemployment in general entail. And it is in reference to this proposal that the strongest opposition has already developed and the conflict is certain to be very sharp.

A large and an increasing number of European countries have



availed themselves of the advantages of unemployment insurance. It is quite safe to assert that in no country in which general compulsory unemployment insurance had been operative for some time would the working masses be willing to forego its advantages. It is almost equally true that in most countries, even in Great Britain, the employers and taxpayers, on the whole, have adjusted themselves to the financial burden, and, though there is no dearth of grumbings and criticisms, I doubt whether they would be willing to take the chance of abolishing the system. Of criticisms and suggestions and changes there is no dearth, but even so conservative a statesman as Winston Churchill admits that on the whole the unemployment insurance system, that much-abused "dole" system, has saved the situation in his country. But what the employer or taxpayer is often willing to admit *ex post facto*, he is seldom in a mood to welcome in advance. There is nothing new about this psychologic reaction. One may need only recollect the obstinate struggle on behalf of organized industry against workmen's compensation some 20 years ago. And yet it would be rather difficult to find any employers' organization, or even individual corporation, that would now express its preference for the old liability system against workmen's compensation.

This is the psychologic situation which must be faced today, if the growing interest in unemployment insurance is not to be allowed to go to waste. On one side of my desk there is a growing heap of unemployment insurance bills and clippings in defense of them—on the other side an equally rapid growing stack of pamphlets and newspaper clippings against unemployment insurance. Of these perhaps the most influential, the most alarming, is the antagonistic attitude definitely assumed by the president of the American Federation of Labor, meekly followed by most of the leadership within the Federation. The great speed with which the sage of Northampton expressed his approval of Mr. Greene's attitude and the total silence of the national administration on the entire subject are equally significant. So much for the general setting in which the proposal of unemployment insurance will have to be discussed. It is because of this setting that certain attitudes in the present discussion of the subject appear to contain an element of danger and require careful consideration.



"We must recognize the danger," says Professor Mussey, in the *Nation*, "that insurance will lessen the intensity of individual and collective efforts at stabilization, which, after all, is the ultimate goal to be sought."

"The American workman wants a job, not the dole," said President Greene, and it was this perfectly wholesome sentiment that called for the enthusiastic approval of Mr. Calvin Coolidge. A joint committee of the National Association of Manufacturers and the National Industrial Council, in presenting its pamphlet *Public Unemployment Insurance*, issued last spring, among many alternative solutions for the problem, emphasizes stabilization of industry and employment. In the numerous hearings before various committees of both houses of the Congress of the United States on unemployment, it was stabilization that was most exhaustively discussed and of course approved by everybody, perhaps largely because no government action was indicated and the whole matter could then safely be left to the wisdom and efficiency and generosity of the private employer.

Now there is nothing novel about this method of fighting an important legislative proposal. It is the traditional method of drawing the red herring across the path, and it has become particularly popular in the field of social insurance legislation. Unfortunately, it has often proved to be effective in killing or at least delaying or limiting such legislation. "Isn't it better," went the argument twenty years ago "to prevent accidents than compensate for them?" "Isn't it better to improve health of the workers and reduce the amount of sickness than to give sick benefits?" "What we want are jobs, not doles." It is therefore stabilization of industry *versus* unemployment insurance. If to this can be added the force of national pride, if insurance can be characterized as the ineffective European method, and stabilization as the American contribution to the problem of unemployment, an important additional point has been gained. Even Professor Mussey speaks of stabilization or regularization by the individual employer as the "distinctive American contribution to the problem of preventing unemployment." In other words, an alternative is created when no alternative exists. For obviously both are necessary. It is desirable to reduce the number of accidents and



to compensate for such accidents as have happened, nevertheless. And this is equally true of every human hazard with which the insurance method has been called upon to deal.

I hope this will not be interpreted as merely captious criticism and hairsplitting. The problem is entirely too important for any pettifoggery. Nor is it intended to imply that all advocates of stabilization are necessarily guilty of this sophistry. There is, however, the underlying attitude that insurance is after all only a makeshift, a palliative; that stabilization (meaning prevention) is the fundamental, radical cure.

It is extremely difficult to argue against such an attitude without subjecting one's self to the charge of lack of social vision. Of course, it is best to prevent accidents, disease, premature death, fire, or unemployment. Of course, all possible measures should be encouraged to expedite the approach to the millennium. The questions, however, which continue facing us are: Do we know how to do it? How much of a success can we reasonably expect? What are we to do in the meantime? And finally, what is the influence of the insurance method? Does it or does it not detract from the efficiency of preventive efforts? In other words, the whole problem of "prevention *versus* insurance" is again brought forward as it had been in the days of fighting for compensation and later for health insurance.

Do we know how? I think it would be quite wholesome in the current discussion of the situation to admit that as yet we are altogether uncertain of the ways of counteracting economic crises, as we are uncertain of their causation. There are probably as many theories in explanation of economic fluctuations as there have been prominent economists during the last two hundred years. Without going into too exhaustive a discussion of this situation, it is sufficient to point out that less than two years ago, prevailing economic thought in America not only did not foresee the inevitability of the collapse of 1929 but, quite to the contrary, was rather inclined to assume that we had already solved the problem and abolished all crises. Surely, such an attitude would have been impossible if we understood the nature of the economic cycle. And not understanding it, how can we assume that we know how to deal with it?

National planning now appears as a rational remedy, but, after all,



the only illustration of it we have is under the very peculiar conditions of the Soviet Republic, peculiar not only politically but because what is happening in Russia is a process of enforced accumulation of capital goods in face of a great shortage. What may happen to the Russian scheme after ten or twenty years when the productive facilities will begin to approach those of America still remains to be seen.

It is true that a great deal has been said about results already achieved by the American method of stabilization. Books have already been written on the subject, as for instance, Professor Feldman's *The Regularization of Employment* or Edwin S. Smith's *Reducing Seasonal Unemployment*. At best, such individual efforts can only deal with problems of seasonal fluctuations. Beyond that, no individual employer is big enough to be independent of market conditions. But how pitifully few are these so much advertised examples of successful stabilization, even of seasonal fluctuations. Every writer or speaker on the subject of stabilization mentions without fail some well-known examples—the Dennison Manufacturing Company, and Hills Brothers, packers of Dromedary dates, the Procter and Gamble plan which made Cincinnati famous, and . . . usually stops there.

In every case of successful stabilization, very favorable market conditions have been available. Soap or paper boxes are not perishable, and comparatively little subject to sudden changes of style. A long line of railroad executives testified before Congressional committees concerning their efforts toward stabilization, but a glance at their own statistical tables and their eloquent diagrams indicates that while, for instance, in shop-crafts the number of employees is fairly steady, in the maintenance of way departments the number of occupied positions is still subject to violent fluctuations.<sup>1</sup> Even in the comparatively simple problem of seasonal unemployment, the task of eliminating fluctuations is prodigious. How much more difficult must it become in dealing with cyclical or technological unemployment. It is a task of decades at least, and perhaps of centuries,

<sup>1</sup> See, for instance, the diagram of the Chicago & Northwestern Railroad for years 1923-28, *Hearings before the Committee on Education and Labor*, United States Senate, Seventieth Congress, second session, December 11, 1928, to February 9, 1929, p. 130.



and it may well be that it is entirely beyond the power of individual and industrial concerns. Of course it is an important task. It must be grappled with, but it must not be used as an argument for delay in taking such steps as are immediately necessary.

No indictment of American industry on this score is intended, nor is the situation singular and applicable to unemployment only. Compare, for instance, the situation in the field of industrial accidents. "Better one accident prevented than ten compensated," was a slogan created by a literary president of a casualty insurance company some twenty years ago as an argument in opposition to compensation. Undoubtedly so. To counteract the force of that argument, advocates of compensation legislation insisted that through such legislation and only in this way will industrial accidents be materially and rapidly reduced. The striking success of certain individual establishments in reducing their industrial hazard should not obscure the facts which statistics of industrial accidents amply demonstrate, that the hazard curve has not been declining. Safety work is not a useless effort. The "Safety First" movement, though perhaps unduly advertised, has probably not been a failure altogether. Though it is difficult to prove it, it has probably succeeded at least in reducing the accident hazard below the level to which it otherwise might have risen. But facts are facts—that there are more industrial accidents today than there were twenty years ago, and, in the meantime, Workmen's Compensation, by distributing perhaps more than two hundred million dollars a year to the injured workmen and their families, has prevented a tremendous amount of human suffering and distress. The same argument could be easily repeated in the field of sickness or fire. For, after all, there are only a few branches of insurance, such as hail, tornado, or earthquake insurance, which, dealing with acts of God, offer no opportunity for preventive effort.

## II

Of course, undue pessimism in regard to possibilities of stabilization should not be indulged in. No social problem should be confronted in this spirit of defeatism. Some prevention must be possible in the field of unemployment as it is in the field of other hazards of modern life. While the argument cannot be emphasized too strongly



that preventive effort is not an alternative to insurance, some relation between insurance and prevention undoubtedly exists.

It may as well be admitted at the outset that the immediate and direct effect of insurance—any kind of insurance—upon the individual may be contrary to the ideals of prevention. So far as care and caution are based upon fear of consequences, insurance, by eliminating the fear at least of economic consequences, may affect this caution and care. One is doubly careful—or should be—with his matches if the insurance policy has lapsed. The automobile driver who is not protected by a half-dozen different kinds of insurance policies may be—or should be—particularly careful in his driving or he may refuse to drive altogether until the insurance has been effected. Would that be a sound argument against the insurance principle altogether? Whether a sound argument or not, it has been used—as for instance in the propaganda against compulsory automobile insurance. It has been argued that such universal insurance would result in an increased accident rate by making automobile owners less careful.

This direct effect of insurance is not only inevitable but—one might venture to say—desirable. It is after all the very essence of the insurance process to eliminate excessive fear. One rather dreads to think of what cowards or at least neurasthenics we would all become in face of the various hazards of modern life, if the insurance principle did not give us some sense of security. It is this relationship that must have influenced Sir William Beveridge to speak of "the risk of demoralizing Governments, employers and trade unions so that they take less thought for the prevention of unemployment. . . . Once it is admitted that general unemployment can be relieved indefinitely by the simple device of giving money . . . prevention is too likely to go by the board." An American writer, non-unsympathetic to unemployment insurance, nevertheless refers to this quotation as "weighty words to be pondered carefully by every friend of unemployment insurance." With a slight editorial change, the same statement could obviously be made with reference to compensation or health insurance, perhaps less effectively to old age insurance—for try as hard as we may, one cannot prevent old age.

Perhaps it would require a more intimate knowledge of British



industrial conditions than is possible at this great distance to express an authoritative opinion as to the effect of British unemployment insurance upon British unemployment. It is, of course, comparatively easy to jump at the conclusion: Great Britain has had unemployment insurance for twenty years, and has had over two million unemployed for several years. "*Post hoc, ergo utque hoc.*" Great Britain did not succeed in eliminating or reducing the amount of unemployment. The insurance system, therefore, is responsible. With the same logical force, one could say the United States has had no system of unemployment insurance and it has now four or five or six million unemployed. Therefore, the absence of the unemployment insurance system is responsible.

What should England have done to eliminate unemployment? Is anyone absolutely certain of the right answer? Is it because England does not want to eliminate unemployment, because it doesn't care, or because it doesn't know how, or because it can't agree upon the comparative merits of the numerous suggestions made? Surely the individual worker in receipt of unemployment benefits, the one upon whom the demoralizing influence should have played with the greatest force, is not in a position to affect the unemployment condition very substantially. Of course, charges of that kind have been made. They are made largely by American observers, sometimes by British social workers, but such authoritative writers as Sir William Beveridge and Professor Mussey deny that charge.

Eliminating the workman, therefore, who is both the direct sufferer from unemployment as well as the beneficiary of the insurance system, in what way has that system demoralized the government and the employer? The employer bears a substantial part of the cost and frets. The government has had an appalling financial burden to carry. Are those the forces that would influence either the government or the employers to take less thought? Wouldn't the effect of those forces be in the diametrically opposite direction?

Here again a few analogies with other forms of insurance may be very illuminating. Compensation in this country, for instance, has been defended as one way of forcing the attention of employers upon the cost of industrial accidents, and therefore the necessity for greater safety. Health insurance has been advocated as a great



health measure. One shouldn't blow hot and cold at the same time. One shouldn't argue on one hand that insurance will help prevention because of placing the burden of the cost upon those in whose hands the possibility of prevention lies, and on the other that insurance interferes with prevention by creating a false sense of security.

The real solution of this seeming contradiction lies just in this—the insurance method, by creating a certain sense of security, by reducing excessive fear, may reduce the degree of caution on the part of the individual who is the insurance beneficiary. That to some extent is inevitable, but in lieu of this individual caution and care, it substitutes a collective preventive force by concentrating the cost of insurance within an organization whose possibilities for preventive efforts are very much greater. Thus, in accident compensation, insurance has stimulated the safety movement on the part of employers who pay the premium and on the part of the insurance carriers who pay the losses. In life insurance, it has created the life conservation movement, better vital statistics and home nursing, as practiced by insurance companies. In health insurance, it was responsible for a large number of curative and convalescent institutions, health education, and other health conservation measures. Even so, unemployment insurance has been responsible at least for the organization of the labor market through labor exchanges. It is not unreasonable to assume, difficult though it may be to obtain exact measurements, that this collective responsibility must be more effective than the individual responsibilities of the millions of insured workmen. It is, therefore, theoretically no justification for the assertion that insurance is *versus* prevention, and therefore no ethical justification for the advocacy of prevention (stabilization in case of unemployment) as *versus* insurance. There is no antagonism but, on the contrary, co-operation. The two measures are not alternatives. They supplement each other, though to a large extent they may be independent of each other.

Finally, another word of caution may be necessary. The automatic preventive influences of the insurance method may be overestimated. They have been often overestimated. Extravagant promises were made, for instance, concerning the influence of workmen's compensation upon accident frequency at the time when the



battle for compensation was raging. Extravagant statements are now even made as to the past achievements of compensation upon the accident rate. It is only natural that in proselyting for a measure of social importance, statements of this kind should occur. The various proposals for unemployment insurance in this country—Professor John R. Commons' bill, the A.A.L.L. bill, the Ohio bill, the California bill and others—all demonstrate the influence of the same thought-pattern. It is proposed by some that the entire cost of unemployment insurance be placed upon the employer, because in that way industry will be forced to realize the waste and cost of unemployment, and of course immediately proceed to stabilize itself. It is proposed that the premium rate for unemployment insurance be adjusted to the unemployment hazard in each industry so as to produce the same remarkable effects that workmen's compensation has had upon industrial accidents. No fault need be found with the ethical aspirations underlying these provisions and the reasoning in defense of them. Some skepticism may be expressed as to the economic soundness of that reasoning. Unemployment is not the same thing as an industrial accident. To a very much lesser degree does it depend upon the care exercised by an individual employer. The degree of labor turnover may depend upon his good will or judgment, but much more potent influences are those which govern the market, of which not only the individual employer but even the entire industry may be an unwilling victim. To stabilize an industrial plant, or even an entire industry, we must first learn how to stabilize the market. Until we are ready to restrict the freedom of the consumer's choice in his "pursuit of happiness" guaranteed by the Constitution, we cannot expect the individual employer to control the unemployment situation. Surely not so far as cyclical or technological unemployment is concerned, which is much more important in its destructive effect upon standards of life than simply seasonal fluctuations.

The inadequacy of this line of reasoning becomes particularly evident when all these bills are examined. Not to frighten industry by the excessive cost of unemployment insurance, a maximum of 2 per cent, or at most 3 per cent, of the pay-roll is provided for as the employers' contribution. When some industries have a regular loss



of time from 10 per cent to 25 per cent or 30 per cent, the 2 per cent or 3 per cent cost can provide only a very small amount of compensation to the workman. The provision which is found in almost all those bills, that the amount or duration of the unemployment benefit must be reduced in those industries and that the total cost shall not exceed the maximum of 2 per cent or 3 per cent, practically nullifies both the relief and preventive effectiveness of these bills in certain industries. The same tendency to blow hot and cold at the same time—on one hand to create a force for prevention by making industry responsible, and on the other hand to calm the employers' opposition by holding the cost within narrow limits—produces results which are nearly absurd.

The fundamental fault of this approach is in its economic reasoning in the disregard of the realities of economic life. Violent fluctuations, whether seasonal or cyclical, are never the result of intentional policies of the employer. Whatever the apparent saving of wages may be, overhead charges remain undisturbed. The loss to the employer and industry out of such irregularities of employment is very much more than the maximum provided in the unemployment insurance bills. Rents, salaries, interest charges, maintenance of plant, the cost of these is many times the 2 per cent or 3 per cent of the pay-roll. If all these factors by themselves are not sufficiently potent to produce a stabilized plan, why put such naïve faith in the influence of the insurance premium charge?

Prevention and insurance are not opposed to each other. Stabilization of industry and unemployment benefits are not opposed to each other. They are both extremely necessary and important developments in the field of economic and industrial relations. There is that difference between the two, however: *We know exactly what to do* to create an unemployment compensation scheme and thus at one stroke eliminate most of the *human cost* of our industrial disorganization. On the other hand, *we know very little* about the proper methods of stabilizing industry and reducing the economic waste. And as between the human waste and the economic waste, the human waste is very much more pressing. Let us, therefore, realize quite clearly the limitations of the unemployment insurance process. Let us realize those limitations not for the purpose of objecting to



it but so as not to expect the impossible from it. Unemployment insurance has not eliminated unemployment in Great Britain, nor will it eliminate unemployment in the United States. It didn't because it couldn't. Sufficient progress will have been made if unemployment insurance will prevent the kind of demoralization of millions of wage workers which we are witnessing in our own country today.

There is, however, that much to be said about unemployment insurance which may be utterly inapplicable to compensation in so far as the root of the evil must be found in the disorganization of the market, in so far as stabilization of industry can only follow stabilization of the market. Unemployment insurance does introduce a stabilizing force of tremendous importance. A hasty computation would indicate that a decent unemployment insurance law, if it were universally applicable to the entire industrial population of this country, would preserve a consumer's demand of perhaps from a hundred to a hundred and fifty million dollars a week. Would that not have been a sanitary influence in balancing conditions in this country during 1930? How much of the catastrophic condition toward the end of 1930 was due to the collapse of retail trade earlier in the year, because of the withdrawal of the purchasing capacity of the unemployed as well as of the many more millions of working people who were frightened that they might be soon among the unemployed. A restoration of this consumers' demand might be more effective than the signs "Do Your Buying Now" spread over the pages of the popular weeklies or displayed in the taxicab windows. A restoration of a purchasing power of half a billion dollars a month might have acted like the balance of a fly-wheel.

Why didn't the unemployment insurance system have that effect in England, one might ask. But how does one know that it didn't? The critical condition of British industry to a very large extent was due to the loss of its foreign markets. That, a domestic unemployment insurance system could not have affected. But by general admission, the standard of life of the British masses was not allowed to deteriorate, which means that internal consumers' demand was not affected too much. It is only reasonable to suppose that had England no protection through its unemployment insurance scheme,



its industry and trade would have broken down to a very much more alarming extent than it did.

By all means let us go on talking stabilization, studying it, experimenting with it, but unless an unemployment insurance system results from the crisis of 1930, it is not difficult to foretell that a similar situation, perhaps very much worse, will again confront us in five, or six, or seven years from now.

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# Principles of Unemployment Insurance

By SAM A. LEWISOHN

A GREAT DEAL of the quality of the ostrich is to be found in the attitude of business men towards many legislative problems. This is particularly true when it comes to the agitation for compulsory legislation for unemployment insurance, or what might better be called the compulsory setting up of unemployment reserves. The question is not as to whether unemployment reserve legislation is sound or unsound, or whether it is desirable or undesirable. The main thing is that such legislation is coming, and business men should make up their minds to do some thinking about it. If I may change my metaphor for a minute, the habit of hiding one's head in bedclothes, and quaking, is more appropriate to children than it is to adults.

I am not venturing an opinion whether compulsory legislation requiring the setting up of unemployment reserves is desirable. I do believe that if directed along the lines indicated in this discussion, and if properly safeguarded (which are two big "ifs"), it could prove a very useful palliative, though of course not a cure, for meeting situations that seem inevitable under our present structure. But if the medicine is not to be worse than the disease, we must decide just how it is to be administered. As with many radical prescriptions, the details of application are overwhelmingly important. Thus it is particularly deplorable that business men, in imitating the ostrich, are abstaining from any participation in guiding this legislation or even from devoting any serious thought to it.

Indeed it has not only been business men that have refrained from giving sustained thought to the principles that should guide such legislation; with a few notable exceptions this is true of public men generally. Interest seems to have been largely confined to those economists and social students who have specialized in this particular subject.

We may have misgivings as to the undesirable complications which such legislation involves, and yet admit that there are certain very desirable results which can be secured by its passage if it is properly guided, and which if they do not outweigh the undesirable results will at least balance them. Even those who are stern critics of such legislation must admit this if they are fair minded. The difficulty is that there does not seem to have been a clarification of what are the most desirable objects to be secured. Indeed, many of the proponents of this legislation, as well as the critics, do not seem to have clearly thought through and itemized in their minds what are the main and the minor purposes to be achieved.

What I shall attempt to do in this discussion is not to argue the pros and cons of such legislation as a general principle, but rather to take it for granted that

such legislation (even though we regard it as a necessary evil) will be passed, and to suggest what is the most important objective to be achieved.

In determining the objective, it is well to recognize that there are two very different sets of circumstances in which men find themselves unemployed. There is unemployment during good times, and unemployment during bad times. For convenience I shall call the first "fair weather unemployment" and the second "hard times unemployment."

During periods of industrial prosperity men become unemployed for many different reasons. Thus fair-weather unemployment includes: in the first place, unemployment which occurs every year with a certain amount of regularity in seasonal industries; secondly, the unemployment which occurs regularly in practically every industry that is dynamic, owing to the introduction of new processes or labor-saving devices. In this case men are forced to find new positions elsewhere and there is a lag during which they are seeking for these new positions. Aside from this lag there is no scientific warrant for the extravagant claims that the machines have created a permanent pool of unemployment. Such forebodings of imaginative statistics will probably prove as sound as Malthus' fears that the population would outstrip the food supply of the world. Thirdly, there is unemployment in the so-called casual trades, such as the longshoreman, where the unemployment is irregular during all the year. Finally, there is unemployment in the industries that because of a change in style or trade practices are dying even in good times.

THIS ENUMERATION is by no means exhaustive, but it gives a fair idea of types of unemployment during periods of comparative prosperity. They have this in common: those thrown out of work can find jobs elsewhere. It may take time, but they can ultimately find jobs if they or their friends, or the agencies helping them, exert sufficient ingenuity and energy. In hard times this is not true.

Again, what distinguishes these different types of fair-weather unemployment from more widespread unemployment during hard times is that distress is apt to be much milder among those unemployed, while the number of those who are unemployed is but a small fraction of those who find themselves out of work during hard times.

Indeed, the difference in extent and intensity of distress caused by hard-times unemployment, as compared with those of the fair-weather unemployment, is so great as to amount to a difference of substance rather than of mere volume. In Ohio, during the compara-



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tively prosperous years 1923 to 1929, unemployment varied between 5 and 15 per cent.; but in 1931 the percentage of unemployment was 30. Thus the depth and breadth of these two unemployment problems vary to such an extent as to make them different not only in degree but in their very nature. The one is a great social tragedy which menaces our entire economic system; the other a localized disaster or inconvenience. One is an individual sickness or a local outbreak; the other an epidemic in which everyone is in danger of being infected.

To return to our objective. This may be:

(1) To take care of fair-weather unemployment by: (a) supplementing the wages of unemployed workers in seasonal industries by providing them with funds during the weeks or months that they are unemployed in each year, and thus giving them a more adequate yearly earning power; (b) furnishing assistance to workers unemployed during good times because of the lag between the larger production caused by our rapid mechanization and the finding of new markets for this larger production, or to those unemployed sporadically in the casual labor trades, such as longshoremen; or

(2) Our objective may be to stimulate backward employers by furnishing them with incentives to regularize their seasonal industries or by furnishing them with incentives to stabilize their industries generally by making it unprofitable for them to take on or throw out men too rapidly, thus minimizing the amount of so-called technological unemployment; or

(3) Our objective may be to take care of hard-times unemployment by building up reserves of a substantial volume to provide funds for supporting workers during long periods of business depression—that is, to alleviate so-called cyclical unemployment.

**D**ETAILS of the unemployment insurance scheme that should be urged depend upon which one of these three alternatives we conclude to be our chief objective. For example, should we decide that Number Three—namely, providing reserves for long depression periods, and thus alleviating hard-times unemployment—is our main objective, a long “waiting period” should become an important item in any future scheme. This waiting period is the probationary period after a worker loses his job during which no benefits are paid to him. It is the pivotal and crucial provision in any insurance scheme, and its length—that is, the number of weeks before which benefits are paid—has an important effect upon the manner in which the insurance scheme works. It is a controlling feature in determining the period during which the funds shall be distributed, whether during prosperous times or during hard times.

There is, after all, a maximum amount of premium that industry can afford to pay; and this premium will go much further in relieving real distress if it is not dissipated during periods of minor distress. One can usually buy a surprisingly large amount of major risk protection by rigorously eliminating any attempt to protect the minor risks at the same time. This is a well-recognized principle that is found in accident and health insurance.

Most of those interested in unemployment insurance would agree that Number Three—alleviating hard times unemployment—is by all odds the most important objective. Personally I am strongly of this opinion.

If we agree that it is our main purpose, we must realize that there is danger of joining this main goal (relieving hard times unemployment) with such minor objectives involved in the alleviation of seasonal and technological fair-weather unemployment. Any funds accumulated may be largely dissipated, during reasonably good times, by substantial payments for relieving these minor types of “fair weather unemployment.”

This was the experience of the administrators of the most important union unemployment insurance plan in this country. Despite the wisdom and shrewdness displayed by these organizers, a large part of the funds was used up in providing for seasonal unemployment during fairly good years. The result was that the reserves were none too large when hard times really came. Provision for a long waiting period would have a salutary effect in minimizing the amount of funds spent for seasonal and transitional unemployment.

This waiting period might be as long as sixty days; for it might be taken for granted that any fairly provident worker had sufficient funds to take care of unemployment for that period. Perhaps there are other provisions that could be devised for making it likely that adequate reserves would be piled up in good times, preserved for years of depression, and not dissipated through being paid out for the minor forms of fair weather unemployment.

In any event, during hard times it is decidedly more important to provide benefits for an adequate period, rather than to start the payment of benefits after a comparatively short time of unemployment. Most unemployment insurance schemes in this country have provided a pitifully inadequate period of benefits when the needs of a period of prolonged depression are considered. The highest scheme is only sixteen weeks. At the same time their waiting periods have been comparatively short, two or three weeks. Under the actuarial principles already mentioned, an extension of the waiting period would provide many more weeks of benefit without increasing the yearly premiums. Indeed, it is surprising how many more weeks of benefit can be purchased by a few weeks' longer waiting period. The difficulty will be—if there is such a provision for a comparatively long waiting period—to prevent its being modified. Every effort must be made to prevent an impairment of sound principles under the pressure of political expediency. If there is adherence to this principle, very substantial reserves could be built up for our next hard times.

**O**NE of the advantages of such a long waiting period is that it would lessen any possible harmful effect of insurance upon the mobility of labor. An earnest controversy has existed as to whether unemployment insurance to mitigate the constant unemployment that is with us during prosperous times does not create undesirable social and economic complications. The particular effect most feared is the decrease in labor mobility. It is claimed that workers have slackened their efforts to hustle and rustle for new jobs, despite the introduction of many ingenious safeguards; and it is urged that this is the inevitable by-product of providing insurance to alleviate fair-weather unemployment.

Impartial students whose obvious sympathies are with the employee groups, and whose competency as observers cannot be denied, have expressed serious concern



over the possibility of such unfortunate results. Other students vigorously maintain that a properly organized system not only avoids such complications but actually is beneficial in its effect. I shall not venture an opinion as to which group of observers is correct. But this can be said: whereas this controversy may exist when it comes to fair-weather unemployment, it would be admitted (even by those that are fearful of the possibility of this danger) that such complication is practically non-existent when it comes to the relief of hard-times unemployment. This is an additional reason for concentrating our efforts upon the alleviation of hard-times unemployment. Not only is it essential, but it is also free of the possibility of such complications.

**T**HERE has been a school which has claimed that our second stated objective should be our principal goal; that is, to provide a stimulus to employers to induce them to regularize their industries. Our experience with the recent depression would indicate that the hope that employers can exercise much influence in preventing cyclical hard-times unemployment is fantastic. Thus, as far as cyclical unemployment is concerned, any idea of using unemployment insurance as a preventive method is out of the question. It would be like endeavoring to use pills to cure earthquakes. Our conclusion must be that if objective Number Three—namely, the relieving of want during a depressive period of hard-times unemployment—is our main goal, we may as well scrap any attempt to use the insurance scheme as a vehicle to furnish inducements to stabilize and regularize industries.

As one who has long been interested in better seasonal planning, I am not suggesting any let-down in our efforts to keep employers alive to the social and economic advantages of preventing unemployment. I merely suggest that the setting-up of unemployment reserves is a most valuable method of taking care of menacing emergency situations, and that it is a pity to run the danger of impairing its effectiveness for this purpose by trying at the same time to use it for another purpose. It is something like allowing fire-escapes to be used for sleeping porches. Fresh air is an excellent thing, but the fire-escape is not an appropriate means to that end. There is always a temptation to use emergency apparatus for routine purposes.

One of the additional advantages of having adequate insurance funds, to meet requirements of unemployed workers during severe depression, is that it would make it much more possible during such periods to balance governmental budgets. It obviates the plea raised by legislators that it is impossible to balance the budget because of the necessity of raising relief funds. It avoids complicating the general economic and fiscal policy of the government with the unemployed relief problem.

Whatever our main objective in unemployment insurance, the best plan would seem to be to have the funds administered as far as possible by each industry separately—e.g., by the electrical industry, the textile, the packing industry etc.—of course in each state. I am taking it for granted that legislation shall make it compulsory for every industry to provide this protection, and to set aside and pay out proper reserves. Within certain broad maxima and minima set by general legislation, each industry could provide its regulations.

I am also taking it for granted that there should be

a joint contribution by the workers and employers and no contribution by the state. If the state contributes it will be difficult to have the pools collected and administered by industries, and this would involve the danger of having the insurance scheme turned into a relief scheme, as has been the case in England. There would be continual pressure to increase benefits, and we might get some of the political abuses which have been connected with our pension system.

The advantage of having the pools collected within each industry, and limited to each industry, is that it restricts the danger of freezing labor in decaying industries or localities. A state-administered pool always involves the danger of preserving dying obsolete industries and foisting their charge upon other industries. This has been the case, I understand, in England. It would be particularly the case if the state contributed any funds towards the reserves out of which benefits are paid. Indeed, it has been generally recognized by observers of European practice that the pooling of reserves has had these unfortunate results. Certain irregular industries have been practically subsidized by enabling them to draw benefits, and enabling these workers to remain in those industries. This has had a tendency to shift responsibility for the cost of the unemployment in those industries to more stable and profitable industries, and it has prevented the adequate reorganization of irregular industries. It has prolonged their dying processes.

In the legislation proposed in this country, the tendency has been to provide that each employer should keep a separate fund and a separate pool. The danger is that this would mean—if our objective is the providing of reserves for unemployed workers during cyclical depressions—that the employees in a weak establishment would be very much sooner thrown upon the community than in the stronger establishment. This is the reason for the suggestion that the best method is to reorganize each industry to act as separate administrative units in working out these problems.

**H**OWEVER, it must be quite obvious to those of us active in industrial matters that there are many practical difficulties in bringing about such an organization, industry by industry. Many industries will find it difficult to work out their organization, and overlapping will introduce perplexing problems. Perhaps this difficulty could be met by having a miscellaneous division composed of concerns which do not easily fit into obvious industrial groups.

The difficulties in bringing about organization in industry by industry may prove insuperable; and in that case the only recourse will be to make the individual establishment the unit, despite the drawbacks to which I have alluded. Physically the funds could be kept in a general trust pool, with separate credits for each establishment. This may not be as effective as having a fund for each industry, but it would be better than having a general state fund. Perhaps there may be both types of organization: industry by industry, as far as the industries can organize themselves; and the remainder establishment by establishment.

I have confined myself to certain general fundamentals which I feel need emphasis, and to details only in so far as they are important in carrying out the general principles upon which we are agreed. To go into more detail would be beyond the scope of this discussion,



but it would not be out of place to suggest that there must be a reasonable and proper limitation for continuous and satisfactory service as a condition for eligibility, in order that the plan may be limited to the stable and permanent working force. Otherwise the danger is run of having the fit take care of the unfit. The problem of the unemployable is a separate problem in itself, which should be isolated and which emphatically should not be allowed to complicate any plan of setting up unemployment reserves.

I would like to review and condense our main thesis:

To abandon, as one of our main objectives, protection against unemployment during prosperous times is a revolutionary suggestion and will perhaps shock some of those who have been worthy pioneers in advocating unemployment protection. For it has been

assumed by most proponents of unemployment insurance that a very important objective would be the mitigation of seasonal and technological unemployment. Yet, if the foregoing analysis is correct, to overstress this aspect of relieving good-times unemployment would seem to be incompatible with retaining the very large reserves that would be necessary adequately to meet the serious cyclical depressions.

The alleviation of hard-times unemployment is essential. The alleviation of the constant fair-weather, seasonal, and technological unemployment may be useful but is non-essential. The danger is that the non-essential may drain the essential, and fritter away our reserves. Therefore a long waiting period is important. It is a matter of balancing one advantage against another. We cannot afford to sacrifice an essential for a non-essential.

There is an additional benefit in concentrating our efforts upon the alleviation of hard-times unemployment and providing a long waiting period for this purpose. During a period of intense cyclical unemployment, the hindering of mobility is not as great a social or economic danger; and there is generally not as much danger of malingering. It is much more important to preserve the incentive of the individual to keep looking for a new job during prosperous times, when jobs are available, than it is during periods of depression when jobs are scarce.

There is no phase of social legislation in which sharply defining our objectives is as important as it is in this attempt to ameliorate the distress of unemployment. We must clarify our minds, and determine exactly in what direction we are going. Then we can be courageous without being foolhardy.



This article setting forth some principles of unemployment reserve legislation is published by arrangement with Mr. Lewisohn and the American Management Association.

Mr. Lewisohn is Chairman of the Board of the American Management Association, Member of the firm of Adolph Lewisohn & Sons, and Vice President and Director of the Miami Copper Company.



# Memorial to the President, Members of Congress and the American People

In his Memorial Day address, President Hoover spoke eloquently of the suffering of American patriots at Valley Forge and pointed out that the American people are going through another Valley Forge at this time. It is generally conceded that we are in the grip of the worst depression for the masses of our people, since 1873.

There are still about 6,000,000 unemployed and perhaps as many more working on such short time that their income is severely reduced.

The United States Bureau of Labor Statistics reported payrolls in manufacturing industries declined from September 1929 to December 1930, 34.3%, and the number of workers, 24%.

The loss of wages and salaries in 1930 is estimated by the Standard Statistics Co. at over \$9,000,000,000. The reduction in wages and salaries for the year will probably be about the same from the payment of 1929, as in 1930.

Private charitable funds are inadequate to alleviate the suffering resulting from these conditions, and many of these funds are nearing depletion, while it is increasingly difficult to secure contributions.

Many local and State governments which have supplemented private relief funds are reaching the limit of their legal capacity to borrow.

The private savings of the workers, especially the unemployed, are virtually exhausted.

Regardless of any change that may occur in the business outlook, millions of our fellow-citizens face a winter of acute poverty and distress; nor can there be any marked improvement in business conditions, till there is a marked increase in the purchasing power of the American people.

Under present conditions the Federal government is the only agency which can immediately lead the way to the provision of substantial relief.

The Federal government can assist by the enactment by Congress of such measures as the following:

- 1—Appropriation by Congress of at least \$3,000,000,000 for public works, and for the extension of credit for municipal housing programs, and similar measures.
- 2—Appropriation by Congress of at least \$250,000,000 to match amounts already spent or to be spent by states and localities for relief of the unemployed.
- 3—Appropriation by Congress of at least \$250,000,000 for subvention of State Unemployment Insurance Systems, to expedite the adoption of such systems.

However, to postpone till December the execution and even the planning of these or other measures of relief is to ignore human misery and to court domestic disorders which, with one-fifth of the working population unemployed or so irregularly employed as to make impossible even a health standard of existence, may be unprecedented in our history.

We, the undersigned economists, sociologists, authors, publicists, clergy, and other citizens, appeal to the President immediately to call a special session of Congress to deal with the present grave situation.

In view of the fact that the President in thus far rejecting appeals for a special session, has expressed the conviction that a poll of the members of Congress would reveal that they are opposed to such a session, we appeal to United States Senators and members of the House of Representatives to urge the President to call a special session.

We appeal finally, to the American people to assert their inalienable right to petition the government for a redress of their grievances, and urge them to demand of their United States Senators and Representatives in the House, that they insist that the President promptly call Congress into special session to consider and enact measures of relief in the present emergency.

Name.....

Street and Number.....

City.....State.....

