GOVERNMENT BY EXPERIMENT

I HAVE been invited to talk to you a little while this evening about some very serious matters. They concern the welfare of every one of you and the welfare of the nation as a whole. The issues we discuss are complex, they are controversial, and they are personal. For they affect the wages and the jobs and the businesses and the savings upon which you and your families depend. And since these matters are so deeply personal and so highly controversial you are entitled to know who it is that undertakes to talk to you about them. In these days of partisan discussion and political propaganda, it is well for you to find out who it is that speaks to you about your economic problems, what he represents, whether he has a personal purpose in his discussion.

Your speaker here, who is unknown to you, is a college professor, an economist, who has devoted his life to the study of economic forces. He is a salaried man, with no interest of any kind in stocks or bonds or corporations. All his life he has had a deep sympathy for those who suffer economic hardship, for the victims of economic distress, for the under-privileged and the under-dog. He has no political ambitions, no partisan motives. He is a Democrat, and if he has occasion to criticize the Administration he does so regretfully, as a citizen who is interested in his country first and his political party second. And finally, his views are his own, uninfluenced by those of any interest or organization.

League Stands For Sanity In Government

I speak to you tonight at the invitation of the American Liberty League. I have accepted their invitation because I believe their organization is serving a patriotic purpose. Founded as a non-political organization by leaders of both political parties, the Liberty League, more than any other organization that I know, stands for sanity and cool judgment in a time of popular confusion and muddled governmental policy.

I want to say a word to you about the subject of economics. You have been told that there is no science of economics. The statement is false. It is true that no man has ever lived who was able to understand completely the operation of economic forces. Our economic system is too complex for complete understanding, and there are many unsolved problems. When any man, whoever he may be, tells you that he has a plan that will solve all our economic problems you can be sure that he knows very little about our economic system and you can reasonably suspect that he wants something from you, your vote or your influence or your dollar. But there is a science of economics, and there are known and proved principles that govern the operation of our industrial system, that fix the wages you receive, the profits in your business, the value of your savings.

For example, you have been told that shortening hours by law in time of depression increases employment. Economics proves that it does not do this. It increases unemployment. You have been told that raising wages by law in depression promotes recovery. Economic science will tell you that it merely gives a minority an unfair advantage over the rest and thereby promotes unemployment. You have been told that what the country needs is more currency. But economics can show you that we already have twice as much money and credit available today as we have ever had in the greatest boom periods in our history. You have been told that inflating the currency relieves the debtor classes. Economics tells you that inflation never helps any class, unless it be the class of gamblers, speculators, and monopolizers. You have been repeatedly told that this is an age of limitless plenty and that poverty is due solely to unfair distribution of wealth. But economic science proves that we have not yet solved the problem of ample production for all and that there is not for our time any other system of production and distribution that promises to give the people even as good a living as we have now.