

Our Plan for Plenty



AND A MINIMUM INCOME OF \$1,200 A YEAR FOR EVERY AMERICAN FAMILY

INTRODUCTION

FROM press and radio news comes to us as it has several times since 1934.—“Our industrial index is up to the peak levels of the ‘boom’ years.” “Corporation profits hit new highs; expect record dividends.” Yet no real recovery *has* been achieved and our NUMBER ONE PROBLEM still haunts us.

Widespread, large scale unemployment exists side by side with large-scale profits. Poverty, want and insecurity exist side by side with potential plenty. Millions of Americans—a vast majority—suffer from lack of the products that our industry and agriculture can provide in great abundance. Yet industry and agriculture profess no markets within our borders.

This condition must be recognized for what it is—a chronic, malignant disease. The bitter experience of the past eleven years, the halting experiments, costly because they were ineffectual, tell us we cannot continue to live from hand to mouth on the basis of temporary, emergency measures.

We cannot continue to ignore the fundamental causes of this creeping paralysis that has affected our economy.

We cannot, if we have faith in the future of our country, continue to have faith in unfulfilled hopes, in promises that some day, somehow our serious economic and social maladjustments would right themselves through the so-called “slow but inevitable” processes of economic “laws.”

We dare not continue to postpone year after year the bold and vigorous action that is demanded if we are really to advance toward prosperity and recovery.

We dare not put our trust in armaments and war. Guns will not defend the home ravaged by unemployment. Battleships will not ward off the attacks of destitution and old age. Military training will not give youth the opportunity for useful development of its energy and talents. Conquest of foreign markets will not abolish the slums, the poverty, the misery and degradation that blanket two-thirds of the American people.

The record shows that those entrusted with the power and authority to govern in the interests of “all the people” have failed to do so. Those controlling America’s great wealth and productive capacity have been either unwilling or unable to find the means whereby the income and abundance from this wealth and productive capacity might be distributed consistent with the general welfare. If we are to recover from the crisis, if we are to find the answer to the problem of economic insecurity, we, the people, must be the ones to devise it and to strive for its adoption.

OUR PLAN FOR PLENTY is the product of such efforts on the part of countless men and women who not only have been patient and tolerant of the promises of others, but who have worked tirelessly and courageously in behalf of their families, their fellow-Americans and their country to promote measures for a happier life blessed with some security.

It is to these millions, therefore, that OUR PLAN FOR PLENTY is dedicated. When they unite once more for determined, persistent, democratic action they will attain OUR PLAN FOR PLENTY and the purposes to which it is directed.

HERBERT BENJAMIN
Nat'l Executive Secretary, I.W.O.

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The TRUE Picture of America

"It is necessary, in the interest of the general welfare, that every American family and individual be assured a minimum income sufficient to maintain health and well-being. . . ."



OUR country is the richest in the world. Yet it is a nation of poor people.

Why should millions of able, willing workers be idle with so many necessary jobs to be done?

Why should billions of dollars of wealth lie idle, robbing the people of purchasing power because it is not invested to provide work, to produce goods?

Why should millions of families lead lives tortured by disease, illness and physical disabilities—all preventable—while the talents of thousands of doctors and public health men waste away in idleness?

Why should our farmers be unable to market the product of our fertile land when millions lack the foods necessary to sustain life?

Why should merchants be bankrupt for lack of customers when 130 million people want to buy the things these merchants have to sell?

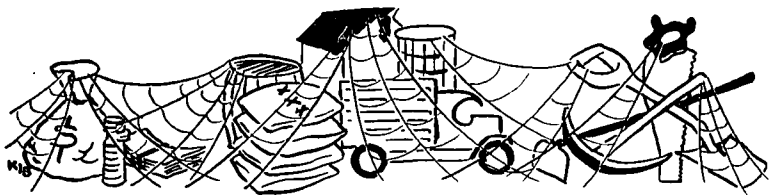
Why must "one-third . . ." of us live in slums, hovels and rickety shanties that breed crime and stunted bodies and minds?

Why must old folks suffer the misery of want and destitution after a lifetime of work and service to their country?

Why are we a nation of poor people?

The answer is simple—*planless distribution of our national income!*

The majority of our citizens receive shamefully little for their



labor—the labor that makes America so rich. Nineteen million families in all, about 65 per cent of our people, live on incomes so meager that they cannot possibly provide themselves with what is known as a “minimum standard of health and decency.” Millions of them do not even reach a bare subsistence standard.

An official government report issued February 1940 (based on studies by the Bureau of Labor Statistics, the Bureau of Home Economics and the National Resources Planning Board) established the facts that reveal that not “one-third . . .” but *fully two-thirds* of our nation is “ill-fed, ill-clothed and ill-housed.”

Consider these facts:

Four million families' incomes average \$312 a year (\$26 a month)

Eight million families' incomes average \$758 a year (\$63 a month)

Seven million families' incomes average \$1,224 a year (\$102 a month)

Such inadequate incomes mean, most important of all, lack of sufficient and proper food. While the 2½ per cent of our families who have incomes of \$5,000 a year and over spend an average of \$6.09 a week per person on food, and those in the \$2,500 a year group spend what may be termed the minimum health and decency amount of \$3.15 a week:

The 14 per cent of American families with \$312 income spend only \$1.00 a week per person!

The 27 per cent of American families with \$758 income spend only \$1.62 a week per person!

The 23 per cent of American families with \$1,224 income spend only \$2.18 a week per person!

Spending for other necessities of life—decent housing, sufficient clothing, medical and dental care—is likewise far below minimum

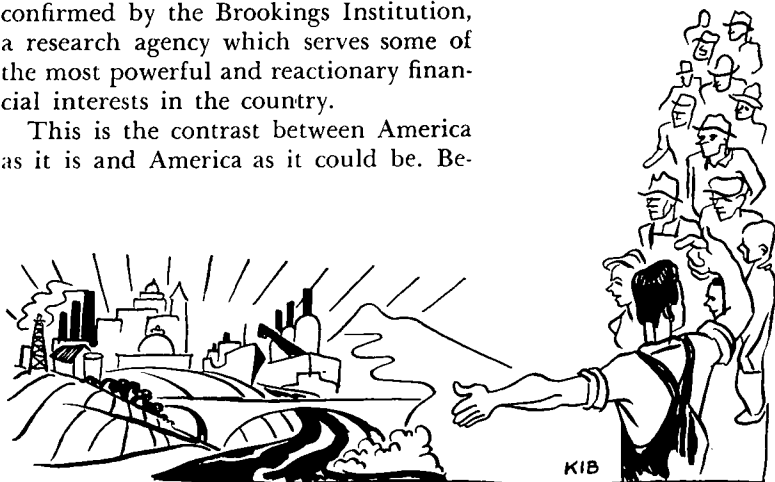
health and decency levels. Mere cold statistics cannot portray the suffering and need that ravages two-thirds of our people.

Want Amidst Potential Plenty

How can we square these stark realities with the picture of America as a land of abundance? Does not our poverty weaken us? "Forty-five million citizens . . . below the safety line . . . hungry people, undernourished people, ill people do not make for strong defense" says the Consumer Commissioner of the National Defense Advisory Council, and rightly concludes "we must make America strong by making Americans stronger."

Is it impossible to realize the promise of America, its potentialities for an abundant life? Certainly not! Right now we have at our disposal all of the means needed to accomplish it. Our country—this land in which we live and work—NOW has all the natural resources, the plant capacity, the trained labor supply required to provide a minimum income of \$2,500 a year, \$50 a week, to every family within its boundaries! Is this the mere claim of a visionary? No! Is it the dream of a utopian? No! Is it the distant goal of some future, faraway wonderland? No! Expert economists who have given long and careful study to the nation's productive equipment and capacity have shown that this abundance is within our reach. Their findings are supported by surveys conducted by several government bureaus. They are even confirmed by the Brookings Institution, a research agency which serves some of the most powerful and reactionary financial interests in the country.

This is the contrast between America as it is and America as it could be. Be-



hind this contrast lies the sad, cruel story of America's wasted resources, its idle machinery and men, its curtailed purchasing power. Let us follow that story.

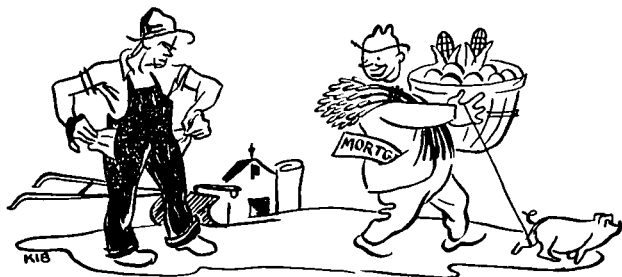
Why Our Economic Machinery Stalls

Every competent authority who has studied the ills that afflict our economic system admits that the root of the trouble lies in the fact that there are not enough markets to absorb the vast quantity of goods which can be created with such ease by our modern farms and factories.

American workers and farmers, using our up-to-date, labor-saving machines and equipment, could produce more than enough goods to supply all the needs of our own people, as well as all the goods that could be marketed abroad. Furthermore, they could do this by working only a few hours a day.

But these same American workers and farmers, who make up the vast majority of our population, do not earn enough from their work to enable them to buy back the things they make. A large proportion of them, as we have seen, do not earn enough to buy even the bare essentials of decent livelihood.

This inability to buy cuts heavily into the demand for products. As demand decreases the owners of industry curtail production. But in order to assure their profits they also seek to increase prices and reduce the cost of production. They get together and form monopolies so that they can control prices and regulate output. They operate some of their plants on a part-time basis; others they close completely. In order to cut production costs



they reduce wages, discharge large numbers of workers, and lay off many more.

Farmers and small business men are not able to adjust themselves to the shrinking market the way the big industrialists do. The farmer must continue to pay interest and taxes on all of his farm, even though he cuts production by using only a part of it. The small merchant cannot make up for loss of customers by raising prices to his patrons because competition is too keen.



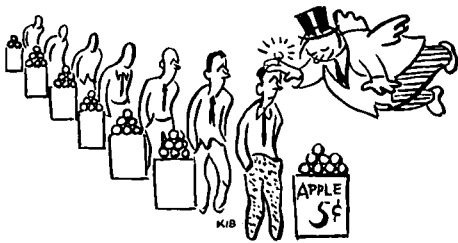
Out of such a situation—men out of work, falling wage scales, reduced farm income—comes a further sharp reduction in mass purchasing power. Stocks of goods accumulate in warehouses while people's needs become more desperate. The crisis becomes steadily more pronounced because the very factor that created the crisis, diminished purchasing power, is cut still more. Caught in this vicious circle, the country is dragged into the slough of depression.

Etched deep in our memories are the bitter scenes of the early 1930's. We remember how thrifty, hard-working people were evicted from their homes and farms, how men who could not provide for their families left home and wandered tragically about the country looking for work, how they built themselves miserable communities of huts and shanties which they ironically called "Hoovervilles." We recall how schools were closed for lack of funds, and how teachers—themselves unpaid—bought meals for hungry students. We remember how banks and insurance companies collapsed, and how innocent people saw their life's savings swept away in the wreckage.

With income levels so low for two-thirds of our people, with 12,000,000 still unemployed, we face a new, deeper, more horrible depression **UNLESS SOMETHING IS DONE**. So long as we keep going in our present direction *nobody even dares to suggest that maybe* "prosperity is just around the corner."

Government's Duty

The vicious circle of depression can only be broken when the government intervenes—as it did the last time the country was



headed for disaster. Roused out of its long inactivity by the people who became united in their desperation, the government finally stepped in and released the pent-up productive forces of the nation. It did this in the only way possible, by taking steps which resulted in getting money into the hands of the people—by increasing purchasing power.

But even then, with ruin facing the country, the economic royalists who control and monopolize industry tried to prevent government aid to the people. They “pooh-poohed” the depression and claimed that the upturn would soon come of its own accord. When events proved that they were either lying or too stupid to know better, they loudly denounced even the timid and wholly inadequate relief measures which the government introduced. Federal relief, they said, was a dangerous innovation; it would soften the moral fibre of the people! Social security, they warned, was a foreign import inconsistent with the American way of life. Above all, they complained about “wasteful spending”—the very spending that was again putting money into circulation, making it possible for them to open their idle factories and put some of the millions of unemployed back to work.

Good Principle

In spite of the efforts of these die-hard reactionaries the American people achieved recognition of the principle of government responsibility. President Roosevelt voiced this popular sentiment when he said:

“Because it has become increasingly difficult for individuals to build their own security single-handed, government must now step in and lay the foundation stones, just as government in the past has helped lay the foundation of business and industry. We must face the fact that in this country we have a rich man’s security and a poor man’s

security and that the government owes equal obligations to both. National security is not a half-and-half matter; it is all or none."

To public pressure for concrete action on this principle we owe the small measure of relief and social security which we have today. We do not, however, believe that the obligation of government stops here. Present relief and social security standards are altogether inadequate. They relieve a certain amount of suffering but they offer no permanent solution to the ills which afflict our society. Such a solution will be reached *only when mass purchasing power is guaranteed on a permanent basis.*

No private agency or group of agencies can possibly enforce such a guarantee. Just as the government is the only agency capable of breaking the vicious circle of depression, so it is the only agency which can permanently maintain mass purchasing power. Since it is obviously in the general interest that this be done, and since the government alone can do it, the government can and must act. It is the purpose of this booklet to present a feasible plan to achieve the desired results.

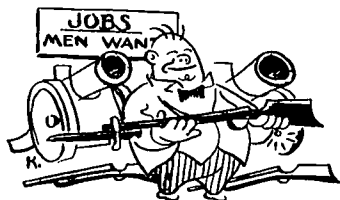
War Is No Solution

There are some who say that this is no time for us to concern ourselves with additional social legislation. They claim that preparation for American participation in the European war makes such legislation at this time not only impossible, but also unnecessary. They go even further than this and state that we should modify or repeal social legislation already passed. They tell us that armaments and war orders will take up the slack in employment and put the country back on its feet.

Those who make these claims are the same big business chiefs and industrialists whose mismanagement led us into the depression, and who by their lies and misrepresentations tried to



mislead us when we attempted to find our way out of it. Their sole motive now, as it was then, is *profits*, regardless of the cost to the people as a whole. The "solution" they offer will solve nothing; it will only aggravate conditions in the long run. It is as lacking in sense and practicality as the alibis and panaceas offered by these same gentlemen in 1931 and 1932. It means increasing poverty for the American people today, and destitution for generations to come.



Many of our present ills grew directly out of the armaments boom during the last war. Then, as now, the government spent billions of dollars in subsidies to the giant corporations, the steel and chemical trusts, the automo-

mobile barons—all of the monopolists who trade in instruments of murder and destruction. Plants and equipment were expanded far beyond normal needs. Prices skyrocketed, but wages rose only slightly by comparison. The exorbitant profits remained in the hands of a relatively few industrialists who could not possibly spend all they made, and who therefore had no alternative but to invest in still more machinery and plant equipment. At the end of the war we had plant facilities to turn out endless quantities of goods *but we did not have buyers for these goods.*

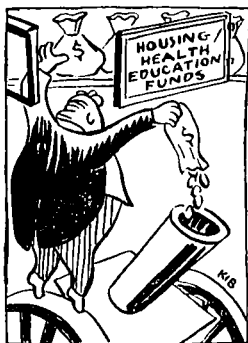
The present war and armaments boom promises to be even more devastating in its results. It forecasts a new and even more acute business crisis. The billions of dollars thrown into production result in only a handful of jobs because labor-saving machinery and modern efficiency now take the place of men. Armament dollars circulate as slowly as molasses, the vast majority of them going into profits, plants and equipment. Wages lag far behind. At the same time, money once spent grudgingly for social benefits is now tossed casually into the war chest.

Nor does the war promise anything but misery for the farmers. A recent publication of the United States Department of Agriculture states, "In the long run, the present war seems likely to hurt our agricultural exports. When the war is over things are likely to be even worse. We'd better not dodge facts . . . the American farmer is likely to get badly burned. . . ."

There is now, more than ever, a real need to increase pur-

chasing power. Nevertheless, the economic royalists are doing everything in their power to bring about exactly the opposite result. While they take advantage of the international situation to fill their own pockets they also utilize it to demand sacrifices from the great mass of the common people. In line with such "sacrifice" they ask Congress to repeal or modify all progressive legislation enacted in response to the people's needs and demands. At the same time they try to stifle all opposition by suppressing those democratic rights which alone make it possible for the people to defend their own interests.

We, the people of this country, will fight against any enemy which threatens invasion from without or which menaces our security and welfare from within. But in order to fight well we must be strong in body and mind, secure in our homes and our families, and firm in our faith in the land we proudly call our own.



A greater, deeper, more disastrous crisis is in the making—unless such strength is guaranteed! It will be guaranteed when

". . . purchasing power shall be distributed so as to provide a basis for continuous employment of our people and expansion of our natural resources and productive capacities."

Here is the kernel of a sound, democratic solution to the problem of permanent economic crisis. Instead of war for foreign markets there must be substituted a program which will expand our domestic market—a program which will mean cash in the pay envelope so that more people will be able to buy more of the things they need for health, comfort, and the pursuit of happiness.

Why Hasn't This Been Done?

Our country is not to blame for our present lack of prosperity. It is rich, fertile, well adapted to giving us the things we need and deserve.

Democracy is not to blame. Democracy grants us the right to raise our voices against the evils which beset us, and to go about correcting them.

Those who *are* to blame are the reactionary industrialists and plutocrats into whose hands the management of our productive machinery has been entrusted. Greed and contempt for the general welfare have led them to abuse the great powers and privileges which they exercise.



Also to blame are the "liberal" but timid politicians. They lack the sincerity or courage to act on the principles in which they profess to believe. Promising much, pretending deep sympathy, they seek and secure the people's votes, then let the people down.

Here lies the responsibility for:

Twelve years of economic crisis;

Lack of progress in the elimination of unemployment;

Forty-five million Americans living "below the safety line."

The failure of Congress to enact adequate social security laws for workers, adequate pensions for the aged, or provide opportunities for youth.

The Road Ahead

Obviously the road we have taken so far is a blind alley. It is now high time for workers, employed and unemployed, farmers, professionals, small business men—everyone who depends on wages or self employment—to join forces and develop *their own* program for economic recovery and social security. And once this is done they must fight to win its adoption.

As a fraternal benefit society the International Workers Order has for many years been active in enlisting the common people in an effort to promote social security through mutual aid and

progressive legislation. Faced with the critical situation today, the I.W.O. now assumes the duty and responsibility of leadership in the great task ahead. The members of the Order who have long sought to protect each other against economic hazards, welcome this chance to promote economic security for all their fellow Americans.

Out of years of experience as part of the organized labor movement, the I.W.O. has developed a sound, practical, progressive program for economic recovery and social security. This program for a guaranteed minimum income and social security we call "Our Plan for Plenty."

We lay no claim to originality. The plan is a combination of ideas developed out of the hopes, thoughts and struggles of millions who have suffered while a few others have profited immeasurably as a result of the planless distribution of the national income.

We lay no claim to ownership. The plan is designed to benefit



all the people of our country, and it can become a reality only if it is accepted by the majority for whom it is designed.

We do, however, assume a special function—to explain and popularize the plan to the widest possible section of the American people, and to unite them as they must be united if any progress towards its achievement is to be made.

\$1200

A Guaranteed Minimum Income



THE "Plan for Plenty" is based on a simple major premise:

Every American family and individual who is willing to engage in useful labor or service should be entitled to a minimum income sufficient to provide the necessities and comforts of modern life as a minimum share in the abundance of which our country is capable. Where private

industry is unwilling or unable to provide such a minimum in the form of salary or wages, the government in the interest of the general welfare and in pursuance of its obligation to those governed, must assure and/or provide such a minimum by means of direct grants, supplements and services.

To carry out this principle the "Plan for Plenty" calls upon Congress to authorize payments from the Federal Treasury through the Social Security Board so that the total income (privately earned income plus supplements) of every family of three members shall be not less than \$1,200 a year. To make adjustments for larger or smaller families the plan provides for a minimum of \$60 a month for a single individual living alone, \$90 for a couple, and \$10 for each additional dependent member of the family. This would bring the total for a family of three up to the prescribed minimum of \$100 a month. In case of a rise in the cost of living, or any increase in the total national income, the total minimum guarantees would be raised in equal proportion.

For example, if inflation or some other cause led to a 10 per cent rise in living costs in any particular quarter-year the minimum for a family of three for the succeeding quarter-year would

be computed on the basis of \$1,320 a year instead of \$1,200—an increase of 10 per cent. Similarly, if the national income rose 10 per cent in any particular year, the guaranteed minimum for the succeeding year would be set 10 per cent higher.

The plan would include all persons and heads of families who—

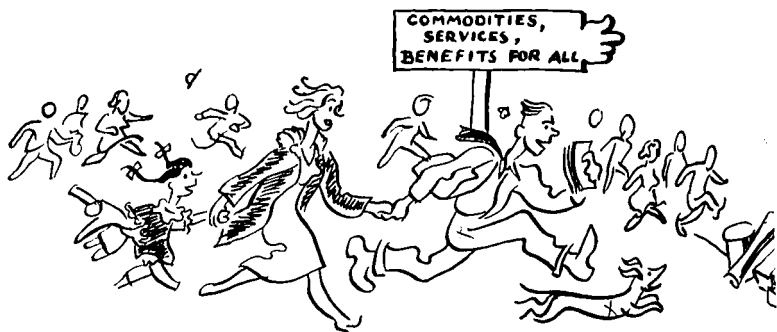
- Are employed by others or self-employed, but whose earnings are less than the established minimums;
- Are unemployed but willing and able to work;
- Are out of work because of poor health or disability;
- Are entitled to retirement because they have reached the age of 60.

This plan immediately gives rise to two questions. One is, "Why \$1,200 a year?" The other is, "Must all the money be spent, or will savings be permitted?"

Government experts have established the fact that we possess the capacity to provide a minimum income of \$2,500 a year to every family. Why, then, does the plan specify \$1,200? The answer is that this modest sum will serve as a practical basis on which to start. Merely by setting a minimum which is above the present average income level we will achieve a progressive increase in the standard of living. Increased purchasing power will lead to increased production and higher national income.

On this basis, as the national income rises from its present 72 billion dollar level there will be progressive upward adjustments of the guaranteed minimums until they reach \$2,500 or even more for a family of three.

What about savings, possibly even hoarding? There is little to fear on this score. Government studies have established the fact that \$1,200 a year is very close to bare subsistence level. The Bureau of Labor Statistics proved that "no group below the \$1,250-\$1,500 income bracket managed to meet current expenditures from its current income in 1935-1936." This means that those within this income group had to borrow money or draw upon savings to eke out even a bare existence. At this income level saving is simply out of the question.



How the Money Would Be Spent

Once more we rely upon government figures. At present, these figures tell us, more than 16 million families earn less than \$1,250 a year. If all these families could spend as much as the families who earn between \$1,250 and \$1,500, this is what would happen: *the consumer market would show an increase in purchases of 8 $\frac{1}{4}$ billion dollars.*

And here is how the 8,300 million would be spent:

2,500 millions for food

1,380 millions for housing

885 millions for household goods

904 millions for clothing

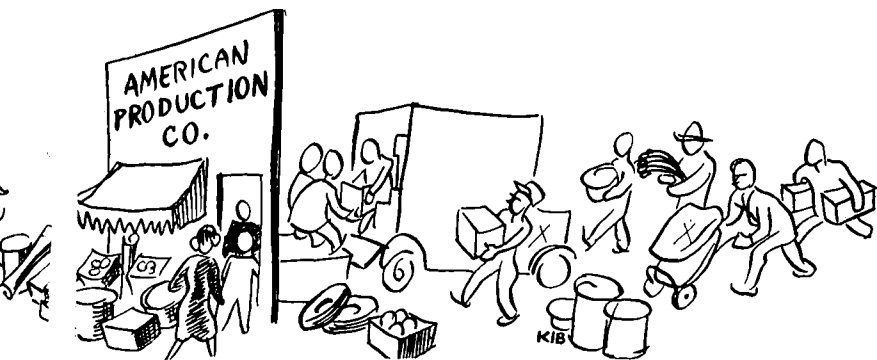
871 millions for automobiles

1,750 millions for medical care, education, recreation and furnishings.

These figures give a partial indication of the vast quantity of goods and services that are being kept from the American people because they are not given the opportunity to buy back the things they make.

Let us now consider what this added expenditure would mean to those employed in meeting these growing needs:

2,500 million dollars for food would mean good prices for the



farmer, jobs for workers in the food processing and distributing industries, good business for the corner grocer, the butcher, the baker.

1,380 million dollars for housing would mean steady jobs for bricklayers, carpenters, plumbers, electricians, steel workers, more work for office and other professional workers.

4,500 million dollars for other things would mean more income for doctors and dentists, more customers for small merchants, more sales for auto dealers, more work for beauty parlor operators, more fans at ball games.

In addition, the money thus distributed to add to the people's purchasing power is not limited to the absolute amount of grants and supplements. Money spent on consumers' goods multiplies as it circulates. This rate of multiplication is $2\frac{1}{2}$ times. Therefore, every dollar spent on the needs listed above would create two and one-half dollars of additional spending—extra purchasing power. Eight billion dollars added to the income of America's hungry, ill-clad and ill-housed would become twenty billion dollars added to the national income.

On this basis the national income total at the start of the second year of the plan would be 92 billion dollars—a 15 per cent increase. This would automatically justify an increase in the guaranteed minimum to \$1,380 (15 per cent boost) to every family of three.

Public Works --- A REAL Need



EVEN if we accept the principle of guaranteed income regardless of whether a worker is employed or unemployed, both the worker and the government benefit more from income which is earned in useful work than from income which is an outright grant.

When the government has no obligation to the jobless worker it has no incentive to set up a suitable public works program. But as soon as the government guarantees a minimum income whether it provides work or not it will devise a works program to secure a return for the money spent.

There is no doubt that America is not through building. There is no doubt that a well-planned works program could absorb practically all our surplus labor. "Made work," leaf raking, and boondoggling are undesirable and unnecessary. There is much work to be done!

Ten million families now live in hovels—not homes. Shanties and firetraps, old-law tenements, rickety farmhouses without sanitary facilities house a large proportion of our population. If we built a million dwelling places a year it would take us ten years to catch up with the need for decent homes. At present we build only 300,000 dwellings a year, and only an insignificant percentage of these are in the low-rental group where the need is greatest. Private enterprise has been unwilling and unable to fill this need. The public works and service program of "Our Plan for Plenty" can do this tremendous job.

Almost every city, town and county suffers from a shortage of hospitals, health centers and public clinics. Thousands of doctors, dentists and trained public health men and women are idle, their skills wasted, while sick people suffer without their services because they cannot pay. Our public service program will bring health, safety and strength to America.

Millions of children are prevented from attending schools entirely, from completing their studies if they manage to get to school, because their families cannot pay for books, carfare, clothing and lunches. Millions are herded into crowded, obsolete, unsafe classrooms. Our complete public works program can give us the schools and educational equipment we need.

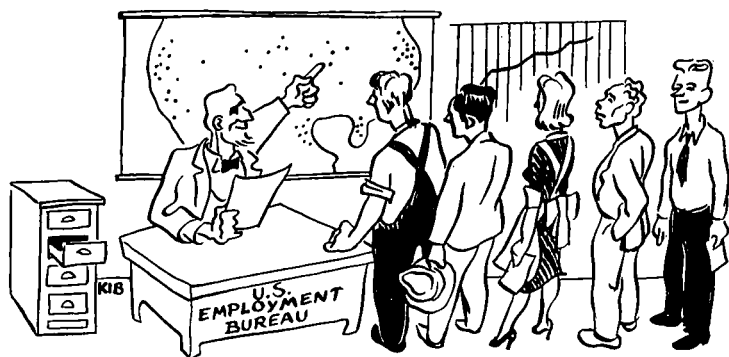
Thousands of cities need new streets and improved sanitation facilities. Endless miles of highway need extra lanes, new bridges and grade crossings, underpasses and intersection development to promote safety and relieve congestion. Parks and playgrounds are overcrowded and run down. Recreation and community centers are poorly equipped and understaffed. "Our Plan for Plenty" with its public works features will bring these blessings to America.

Writers, artists, actors, teachers, musicians, professional people of all kinds are unemployed, their talents unused and undeveloped. Our public works program can provide America with a vigorous, growing culture.

America's rich farm land suffers from erosion and flood because of man's lack of planning. Our public works program can provide flood control, reforestation, soil conservation and reclamation, rural electrification—all the modern miracles capable of easing the lot of our poverty-stricken farmers.

The money invested in such a comprehensive public works program would bear unlimited dividends in terms of a stronger, happier, richer, more enduring nation.





Distributing Employment

Persons who applied for benefits under the "Plan for Plenty" would be referred to the Bureau of Employment. This Bureau would be a consolidation of all existing government employment services and would have expanded duties and responsibilities in regard to applicants.

One major function of the Bureau would be to set national standards for public and private employment agencies. These standards would be directed at eliminating the present abuses and planless activities of employment bureaus. Besides fitting the individual man to the individual job better, the national program of employment service would be designed to anticipate trends in jobs and fulfill demands for workers as they arose in new fields.

The eligibility of applicants to the Bureau for jobs or benefits would be determined on one basis alone—the rights and needs of the applicant—not his race, creed, color or political belief. Discrimination against applicants would be prohibited. To help prevent this, proper representation on the various administrative bodies would be accorded to labor, Negroes and others likely to be subjected to discrimination.

After determining eligibility the Bureau would either assign the applicant to public or private employment or certify him for benefits (direct grants or supplements to income) which would bring his income up to the prescribed minimum.

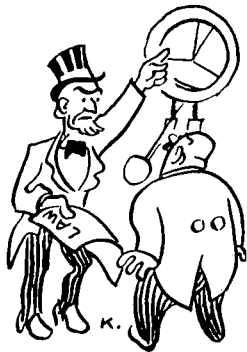
Wages and Working Conditions

We have not wiped out intolerable working conditions despite our halting legal safeguards. Starvation wages, sweatshops and the speed-up still flourish in our industrial life. Under the "Plan for Plenty" it would be the fixed policy of the public works program to set wage standards and working conditions which would serve as a model to private industry. Low wages and long hours would be barred as inconsistent with sound public policy. Prevailing trade union wages would be paid to all workers employed on public works or service projects. If prevailing wages failed to bring the workers' income up to the guaranteed minimum the government would make up the difference by means of a direct grant.

The six-hour day and the five-day week is now not only feasible but socially necessary—especially in the many industries where labor displacing machinery has been installed. Congress should enact a law to establish the thirty hour week for all enterprises engaged in interstate commerce. As a step towards this end, the "Plan for Plenty" provides that all public works and service projects shall operate on a 30-hour week basis. This will help organized labor achieve the six-hour day and the five-day week in all industries by instituting it first on all public works.

The long work-week is ruinous, anti-social and imposes extra burdens upon the government and the people. When labor-displacing improvements, such as conveyor belts in open pit mines, and continuous strip mills in steel production, are installed thousands of workers lose their jobs. Even though the productivity of labor is phenomenally increased the new thousands of unemployed create greater burdens of taxation on the government resources and direct taxation on the people. The 30-hour week puts to good social use the increased productivity of labor.

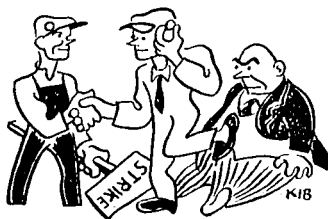
In all other respects the public works program should set an example of enlightened democratic labor policy. The right to organize, to bargain collectively through democratically chosen



representatives, to secure prompt redress of grievances, must be assured and enforced.

How the Plan Helps Achieve Higher Standards

In what other ways would the "Plan for Plenty" help abolish starvation wages, sweat shop conditions and hazardous industrial practices? Simply these. The spurt in purchasing power would greatly stimulate private business and employment opportunities. Competition for available jobs would thus be greatly reduced. With this big factor added to the assurance of a guaranteed minimum income on public works, working men would be free to reject employment under unfair and intolerable conditions. Employers would be compelled to pay higher-than-minimum wages in order to get skilled workers—likewise would have to improve working conditions and treatment of employees. Given the security of a guaranteed minimum income, or a job on that income level or higher, working men and women could neither be intimidated against joining trade unions nor coerced into leaving them.



What would prevent a ruthless employer from cutting wages to practically nothing as soon as he knew that the government would automatically make up the difference between the paid wage and the minimum? There are many reasons for knowing that this would not happen. The American worker prefers to receive a fair wage for his labor. Supplementary grants appeal to him only that he may be able to secure a minimum to prevent his family from starving. He would recognize immediately the attempt of the employer to exploit him and to cheat the government with one blow. He would be free to refuse to cooperate in such an unpatriotic affair because (a) a job on public works (where he could earn a fair wage) would be awaiting him; (b) his income would be guaranteed at a high enough level to

provide for his family; (c) hundreds of job opportunities at fair wage levels would be open to him.

In addition he would have the tremendously increased strength of the trade unions behind him to compel the employers to adhere at least to the minimum standard.

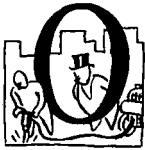
Those who now, because of experience or skill, earn more than the minimum of \$1,200 would also benefit from this same interplay of events. As business and trade improved, job opportunities, you recall, would become more plentiful. The living standards of the higher-paid workers would rise as a result of better positions, wage increases and bonuses. The same would be true of the self-employed and the small business men who now earn more than \$100 a month. It is an undisputed fact that you cannot raise the living standards of two-thirds of the population without benefiting the entire population at the same time. The effect of the "Plan for Plenty" would be to boost all income levels and definitely not to drag any incomes down toward the minimum.

The question that now arises is—how shall the plan be financed?

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Financing "Our Plan for Plenty"



OPONENTS of progressive social legislation have a stock argument against all measures designed to protect or better the economic welfare of the people. "We sympathize with your purpose," they say, "but where is the money to come from?" Then they proceed to lament the prohibitive cost, the drain on the Treasury, the mounting government debt. Their last complaint is that any such measures will really ruin the people they are designed to aid.

All such arguments avoid the truth and the facts. They are expressions of the greed which brought us into this crisis. They are the bases for future crises—worse and more frequent—unless we defeat such reactionary arguments now. They are the wordy refuge of economic royalists who lack faith in our country, its potentialities and productive capacities.

The cost of the "Plan for Plenty" would not be prohibitive by any means! Our plan proceeds upon the basis of the proven productive capacity of our country—a capacity which can put a \$2,500 a year income within the reach of every American family. Under the plan the government would pay the difference between the present earnings and the starting minimum. Every family now earning an average of \$312 a year (and there are four million) would get \$888 additional; every family now earning an average of \$758 a year (eight million of them) would get \$442 additional.

This would total 7 billion 88 million dollars. Twice this amount—15 billion dollars—has been appropriated by the government in the last five months for so-called national defense. Fifteen billion dollars for instruments to destroy lives and spread destruction!

But by figuring the cost in this way alone we do not do justice to the plan. Actually, after the first month of the plan's operation we would witness an increase in private employment as well as in

wages. This increase would continue, and each succeeding month there would be fewer persons who would find it necessary to apply for benefits. This would reduce the cost of the plan from month to month. Present relief expenditures could be deducted from the cost, since this plan would supersede all other relief efforts.



At present all three—Federal, State and local subdivisions of government—engage in the distribution of relief. There is much duplication of work, overlapping of function, wasteful expenditure of funds, planless methods of payment. A coordinated Federal system designed to meet real needs

could save millions, which would be subtracted from the estimated cost of our plan.

It is true that the additional cost of public works would have to be included in the expense of the plan. This would involve the payment of prevailing wages, as well as the cost of materials and supervision. But public works of the right sort cannot be considered simply as expenditures; they are investments. Usually they are self-liquidating, or of such indirect income-saving character that they do not deplete the national wealth in the long run.

Let us take, for example, public works expenditures for hospitals, medical services and recreation centers. These, at first glance, would be least likely to appear as financially profitable enterprises. But watch this! Each year this nation loses $3\frac{1}{2}$ billion dollars worth of man-hours because of premature death, preventable illness, accidents and malnutrition. The control of crime costs the nation 10 billion dollars every 12 months! Much of this huge loss and expenditure could be saved if we invested merely a portion of these gigantic sums in better housing, in proper health, educational and recreational facilities for young people.



Where Is the Money to Come From?

At the start the "Plan for Plenty" can be financed in the same way as the original government relief program and the present "national defense" appropriations, that is, by borrowing against

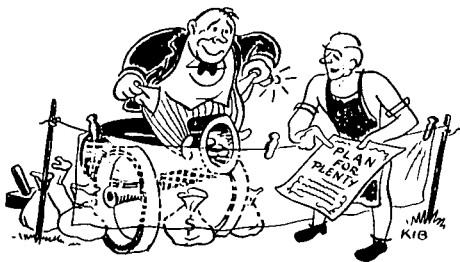
the credit of the United States Government. Here again we are likely to be told that we will impair government credit and bring about inflation.

We will do nothing of the kind. Economists and financial experts have provided irrefutable proof that such borrowing, when the money is spent to increase mass purchasing power, is financially as well as socially a super-sound policy.

For example, from 1933 to 1937 the government added 15½ billion dollars to the gross public debt. This added debt cost the Government 258 million dollars in annual interest and carrying charges. But, since during that period a substantial part of this money was used to stimulate consumer purchasing power, the total cumulative increase in national income from 1933 to 1937 was 70 billion dollars. The annual increase in national income, in turn, increased the government's revenues from taxation by 4,400 million dollars each year. Since the cost of getting the needed funds was only 258 million dollars a year *the Government actually made a net profit of 4,142 millions of dollars a year on the transaction!*

Tax Changes Long Overdue

Although borrowing and spending to stimulate purchasing power is financially sound, this method should be only the initial method of financing the guaranteed minimum income plan. Long overdue changes in our tax policies can and should be the basic means of financing the "Plan for Plenty." Hundreds of millions of dollars are now lost to the Government because of loopholes in the tax laws. Rich men employ clever lawyers and corrupt politicians to find ways of evading proper payments. Hundreds of millions of dollars more are lost because many securities are exempt from taxation.





These hundreds of millions of dollars now left in the bank accounts of the rich who refuse to invest them to make jobs for the unemployed can be put to use for this purpose through a sound tax policy. Accordingly, to aid in bringing about our plan for recovery, the "Plan for Plenty" provides for the following revisions in our tax policies:

Steeply graduated taxes on

- a. corporation profits;
- b. undivided surpluses;
- c. the enormous annual incomes of nearly 200,000 persons who, despite their luxurious mode of life, are able to spend only a small fraction of the money they receive.

Taxes on low incomes reduce already inadequate purchasing power still further and protect idle surplus wealth. *The need of the underprivileged for social security can not be met by taxing the income and profits of the overprivileged without repealing*

- a. present taxes on payrolls and sales of consumer goods;
- b. indirect taxes which place the greatest burden on those least able to pay.



We CAN Do It



MINIMUM of \$1,200 a year for each family is a modest demand upon the untapped productive strength of America.

The "Plan for Plenty" cannot be discounted or disproved as a means for securing \$1,200 a year for all American families—to lift them out of poverty, to free them of dread insecurity, to give them benefits which are their due, to release the great productive forces that will bring them the greater prosperity, happiness and security which is "the promise of America."

Wars and foreign markets will not do this. Aggression and armaments—wasting our wealth, our strength and our genius on death and destruction, as they do—will not make the grade.

Expansion of the domestic market by peaceful and progressive means is the democratic way. Increase of purchasing power is the effective means to fashion this American way.

The great public works and service program lengthens life, makes its living fuller and happier.

The 30-hour week reduces unemployment, waste and demoralization. It compensates labor with a new leisure for contributing to technical progress.

The tax program meets the cost of the plan and serves to check the undemocratic process of accumulation by which an ever smaller number acquire a monopoly over the wealth and lifeblood of the nation.

A Plan for All

Every worker, farmer and business man who has a love of America rooted in his heart will get behind this plan. Young and old, men and women, regardless of race, color, religion, political label will sense in this plan a new hope for a better

way of life. The "Plan for Plenty" is bound to enlist the enthusiasm, the tireless energy, the resourcefulness and ingenuity of all truly patriotic Americans who see a real chance to express their love of country by doing things for its downtrodden people.

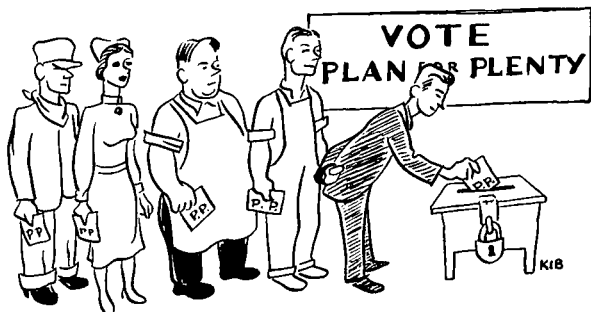
The International Workers Order is proud to assume sponsorship of such a well-conceived and deeply devoted plan for America's future. As an organization of representative American men and women who work in the mines, mills and factories, the offices and stores, we contribute our useful labor to the creative tasks that challenge our land. By our social activities in the communities we contribute much to the welfare of the nation.

We now pledge to bring this plan to the attention of the largest possible numbers of our neighbors, our friends, the men and women who work beside us. We assume the task of drafting a Bill to enact this plan and of securing its introduction into the Congress of the United States.

In this endeavor we invite the cooperation and help of every labor and farm organization, of all other fraternal societies, consumer groups, business and professional associations and church and civic bodies.

We invite individuals, who desire to participate actively in the "Crusade for the Guaranteed Minimum Income and Social Security" to join the I.W.O. either as *Social Members* or *Insured Members*.

Our plan is no far off dream. It can be realized. The country needs it and can have it if all the people who want it unite and persist in well-directed efforts.



Steps for the Immediate Future



OUR PLAN for social security and recovery is based, first of all, on the dire immediate needs of the families whose meager income is periodically interrupted by spells of unemployment, industrial injury, illness, disability or old age.

We are interested in securing maximum *immediate* relief and compensation for such losses of income even while we work for a much broader plan that will promote recovery and *full* social security.

For this reason, we will not confine ourselves only to explaining and urging the adoption of our basic plan. We will in addition work independently and together with other interested organizations to defend the rights of all persons eligible to benefits under present social security laws and to induce at least partial improvements by amendment of the unsatisfactory social security measures now in effect.

Millions of workers are altogether excluded from all benefits under present unemployment compensation laws. We will work together with other organizations for amendments that will embrace these workers.

Unemployment compensation and compensation for industrial injury and disease is utterly inadequate. We will sponsor and join with others who sponsor amendments designed to increase the amount and period of benefits.

Old age assistance benefits are pitifully inadequate. They are an insult to our senior citizens and a disgrace to all Americans. We will join with other organizations in sponsoring and supporting legislation to establish a minimum pension of \$60.00 a month for all persons 60 years of age and over, with \$90.00 as the minimum for couples.

Even the meager benefits provided under present social security laws are often delayed or altogether withheld from eligible per-

sons because of administrative red-tape and discrimination. We will afford representation to such persons so they may have the support of a vigilant organization in safeguarding their rights.

Mobilize for Community Needs!

Large appropriations for housing and slum clearance can be secured if public support is rallied at the proper time. We will undertake the responsibility of assuring maximum mobilization of all supporting forces when such appropriations are being considered. The same applies to the Public Health program and to other necessary public works and services.



In addition to the national legislation and nationwide activities, we will direct attention also to state and local legislation and activity. The nearly two thousand lodges of our Order will join in our nationwide and statewide campaigns. But they will also take up such problems as can be met through community action.

Many communities are often deprived of even such benefits as are possible under the present Federal program, because local officials refuse to avail themselves of these benefits. Thus for example, slums are left standing and decent housing is denied where local real-estate interests can greedily prevail upon municipal officials to refuse to participate in projects of the U.S. Housing Administration. Needed schools and hospitals, clinics, playgrounds, park improvements, etc., are likewise obstructed in a similar manner.

It will be the purpose of the International Workers Order to bring such instances to the attention of the people in the communities where we are organized. Our local lodges and members will take up such issues or support others who raise them in the effort to defeat such opposition to and obstruction of essential public improvements and services.

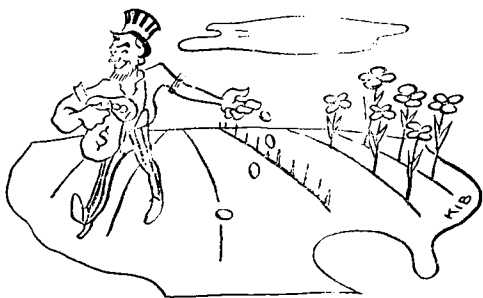
Through these activities, we will seek to avoid the mistakes that have been made in the past by other organizations and movements engaged in the effort to promote recovery and social security. Some made the mistake of devoting themselves entirely

to their general and ultimate aim, neglecting meanwhile, the urgent needs of the moment. Others made the opposite mistake of concerning themselves only with the most urgent grievances and needs, forgetting that they could at best only relieve but not cure the immediate condition if they failed to work consistently in a sustained manner for a more basic solution.

It will be our policy to combine our efforts to promote the "Guaranteed Minimum Income and Social Security Plan" with day-to-day activity around the most urgent and immediate needs and grievances of the victims of insecurity. Thus the strength and power generated in the one effort will be supplemented with that of the other.

With this plan and program, improved and enriched by the experience of all who join in the struggle for this great cause, we can and will achieve immediate improvements in the living standards of the American people and advance toward

SECURITY AND ABUNDANCE FOR ALL!



OUR PLAN FOR PLENTY

Main General Provisions

I. STATEMENT OF POLICY

Congress Declares that it is necessary, in the interest of the general welfare, that every American family and individual be assured a minimum income sufficient to maintain health and well-being, and that purchasing power be distributed so as to provide a basis for continuous employment of our people and expansion of our national resources and productive capacities.

II. GUARANTEED MINIMUM INCOME

Congress Directs and Authorizes

1. *Payments* from the Federal Treasury through the Social Security Board to every eligible person and family of such amounts as shall be required to supplement their private incomes and raise them to the levels indicated in the following schedule:
 - (a) For a family of 3—\$100 a month (\$1,200 a year);
 - (b) For single persons living alone—\$60 a month;
 - (c) For a family of two—\$90 a month;
 - (d) For each additional dependent member of a family over two—\$10 a month.
2. *Increases* in this minimum in such percentages as will equal the percentages of rise in:
 - (a) Cost of living for the preceding quarter-year;
 - (b) Total national income for the preceding year.
3. *Eligibility* for such benefits to any individual or head of a family who is:
 - (a) Employed by others, or self-employed and whose total monthly income is less than the established minimum;
 - (b) Unemployed but willing and able to accept employment;
 - (c) Unemployed because of poor health or other disability;
 - (d) 60 years old and therefore entitled to retire.

III. PUBLIC WORKS PROGRAM

Congress Further Directs and Authorizes

1. The establishment and maintenance of a permanent program of Federal Public Works and Services to employ as many persons as possible and necessary who are:
 - (a) Employable and available for work but unable to find work for which they are suited and trained and at wages and under conditions consistent with fair standards prevailing for the given trade or occupation;

- (b) Employed but unable to derive from such employment the equivalent of the amount prescribed as the minimum under this plan.
2. The operation within this program of projects essential to the general welfare with particular emphasis on:
- (a) Public housing and slum clearance;
 - (b) Construction of schools, hospitals and other essential public buildings;
 - (c) Road, street and park improvements, grade crossing elimination, sewer and sanitation systems, and general safety measures.
 - (d) Public health services, maternity care, clinical, preventive, and convalescent services, and all other needed medical and dental services;
 - (e) Rural electrification, flood-control, soil conservation, reclamation, reforestation, and similar projects;
 - (f) Training of youth and retraining of workers formerly engaged in trades and occupations in which opportunity for employment has been partly or entirely eliminated;
 - (g) Educational, cultural, art and recreational services to fill widespread needs.
3. The establishment of the following policy to govern wages and conditions of work on this public works program:
- (a) Prevailing union rates of wages for the given trade or occupation, but in no case less than the amount fixed as the minimum under this plan. (Section II—I.)
 - (b) The six-hour day and the five-day (30 hour) week.
 - (c) Full right to organize, bargain collectively, and secure prompt redress of grievances.
4. The establishment within the Social Security Board of a Bureau of Employment which shall merge, coordinate and expand the work of all the existing government employment services. This Bureau of Employment shall:
- (a) Either assign eligible applicants to proper private or public employment, or
 - (b) Certify applicants for direct grants or supplements in conformity with the provisions of this plan.

IV. FINANCING AND TAXATION

Congress Provides

1. That the funds for the operation of this plan shall be derived from:
- (a) Funds in the U.S. Treasury not otherwise appropriated;
 - (b) Taxation upon heretofore tax-exempt securities;
 - (c) Steeply graduated taxes on all personal incomes of \$5,000 per year or over;
 - (d) Taxation of all excess profits and undivided surpluses of corporations with gross income of \$500,000 per year or over.
2. That all present social security taxes upon employees, sales taxes, and other excises and taxes upon consumers be repealed.

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- Social Membership
- Can't join but want to promote the plan through my organization

Name

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