

the

AMERICAN TEACHER

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The Chicago School Situation

THE UNFORTUNATE situation which confronts the Chicago school system and the teachers and other employees seems to be a result of four separate but to some extent related causes, viz.:

1. The tax muddle.
2. The depression.
3. The taxpayers' strike. A result of both 1 and 2.
4. The attempt of wealthy interests to force a retrenchment in all governmental expenditures and a real effort on the part of these interests to destroy in large part the American public school system, using Nos. 1, 2 and 3 as excuses.

In 1928, after considerable publicity and propaganda as to the inequalities of the assessment of property for taxation purposes, a reassessment of all Cook County property was ordered.

Many taxpayers, dissatisfied with the new assessment, refused to pay the 1928 taxes under the new valuations and brought suit to have the whole assessment declared illegal. As a result a large part of the 1928 tax is unpaid.

A much larger part of the 1929 tax is unpaid.

The 1930 tax bills, a year late, have just been sent out and only a small portion of the 1930 tax has been paid.

An organized taxpayers strike, consisting of real estate owners, has been operating for two years, the result of which has been the withholding of millions of dollars of tax payments.

In December, 1931, the 1928 and 1929 tax assessment was declared fraudulent and illegal by a superior court judge of Cook County. This decision has been reversed by the Supreme Court within the past few days.

As a result, a large part of the 1928 and 1929 taxes are unpaid and practically all of the 1930 taxes. The 1931 tax which should be in the process of collection now is not even levied and will not be for many months.

The depression caused to lessen the collections of the 1928, 1929 and now the 1930 taxes. Due to this tax muddle aggravated by the depression, Chicago is hundreds of millions of dollars behind in its tax collections. The Board of Education, alone, owes something like \$140,000,000 which it has spent but could not pay because the taxes have not been paid.

Cook County and the City of Chicago, including the Board of Education, have operated since 1928 by selling tax anticipation warrants for the taxes of 1928 and 1929 to the Chicago banks and to other city funds.

In the Spring of 1931, the banks notified both the city

and county that they would buy no more warrants as they held several millions that were not being redeemed and that in view of the tax situation, the time of the redemption of all such warrants was indefinite, and that they could invest no more of their funds in such frozen assets.

Being unable to sell any more warrants and practically no taxes being paid, the Board of Education was unable to pay teachers and other employees salaries for May, 1931. Likewise for June, 1931. Also they have been unable to pay for fuel, building construction, repairs and other expenses.

The Board offered to pay teachers, contractors, dealers, etc., in "scrip," an evidence of indebtedness without any indication of a time of payment. Some teachers accepted this scrip. Others did not. The banks and stores refused to take the scrip. Some landlords, the gas and electric companies and a few small merchants accepted it in limited quantities.

On September 11, 1931, the issuance of scrip was stopped as a result of a suit sponsored by a teacher's organization. None has been issued since.

On October 30, 1931, the teachers received cash payment for their salaries for September, 1931, the first money they had received since May 15th of that year.

Since then the teachers have received salary checks in two-week installments until they have been paid in cash for September, October, and December, 1931 and January, 1932. They received 1931 tax warrants for December, 1931 salary which can be sold for about eighty cents on the dollar.

The Board of Education has announced that it will exchange the 1931 warrants for the scrip issued in 1931 and will issue warrants for the unpaid salaries of that year.

Other city employees are back several months in pay but not as far behind as the school employees. The other city employees were paid by borrowing from other city funds. The teachers did not get in on this source of revenue until rather late.

All are assured that there are no funds to borrow from and that any new payments must come from taxes. As the taxes that come in must be applied to previously sold warrants, this is not encouraging.

A commission appointed by the governor of the state recommended that a special session of the legislature be called for tax relief in Cook County. At the dictation of the Chicago bankers, the commission recommended a revision of the assessment machinery of the county. It was held out that the bankers would buy no more

warrants until such a revision was made. The legislature has passed the legislation asked for.

The Board of Education has had under consideration the 1932 budget for two months or more. A cut of approximately \$18,000,000 over last year's budget has been made. Vacation schools were abolished. Night schools and continuation schools were curtailed. Extra salaries for overtime and extra work were abolished. Minimum pay for sick leave was abolished. Deduction of pay for holidays not taught was made. Two weeks were cut from the length of the school year with a corresponding cut in salary. No appropriation for additional teachers although this year there was almost a 20% increase in high school attendance. Some cuts in administration and a very heavy cut in appropriations for new buildings were included. The holiday and two weeks cut for teachers amounts to a 9½ per cent cut in annual salary.

The budget with the above cuts was practically \$90,000,000.

A self-appointed citizens committee which consisted of a representative of each large bank and each daily newspaper demanded a further cut in the budget to the amount it estimated the board would collect in taxes for the year, or a cut of approximately \$30,000,000 in addition to the cuts already made. The Board withstood the pressure and passed the \$90,000,000 budget.

A new self-appointed committee of 100 leading citizens is still demanding a revision of the budget and a tremendous pressure is being brought upon the board for this drastic cut. There is great danger that the budget will be revised and reduced.

The unions have protested each cut that has been made, step by step, have demanded back pay and cash pay and have done everything possible to safeguard educational standards. They have worked with other teacher organizations of which there are many for these things.

Mass meetings have been held. Committees have attended all meetings of the board and its committees whenever possible and have been effective in preventing the drastic budget recommended by the bankers.

Several of the other organizations, as well as the unions, have employed attorneys. These attorneys with the consent of their clients have formed an attorneys' council which discusses the legal aspects of each situation as it arises and the council advises the whole body of teachers as a unit.

The teachers have become almost desperate at times and have considered all kinds of action, including walking out as a group. They have been advised against this by their attorneys as such would jeopardize their pension and tenure rights.

The teachers have been given extended credit by landlords and the stores and most of them are heavily in debt. Many have borrowed money and have exhausted their borrowing power. Many have lost cars, homes and life insurance. The standard of living of the Chicago teachers has been greatly lowered in the past year.

Each small pay check that has been received the past four months has followed some mass meeting or some action more or less spectacular in nature.

Many city and county employees have been discharged and others have been given salary cuts. All are several months in arrears in pay, even the policemen and firemen.

While the tax levies have been declared legal the taxpayers' strike is still on and going strong as far as many large taxpayers are concerned. Municipal and school financing will undoubtedly be very difficult in the year to come unless some reform in taxation is made. The Illinois Legislature passed an income tax last winter but it has been declared unconstitutional by the courts.

In the meantime the Chicago unions are on the job and doing all that can be done in the face of a very trying situation.

Some Criticisms of Our Schools

YES, the schools are imperfect. They share our own faults—our own impatience, our acquisitiveness, our timidity in the face of change, our disorder of mind and character in this age of a thousand transitions. And they admit of endless improvements. It is true that we need more men teachers in the higher grades, though it is not true that our women teachers make our children effeminate. Go into the playgrounds and you will soon find that our boys are as masculine as ever, and our girls are—well, a little more masculine than before.

And it is true that we need better teachers. Our teachers are as good as the salaries we pay them; when we raised their salaries after the war, their quality went up; double their salaries and they will soon be twice as good as they are. We spend too much on buildings and equipment, too little on the staff; for a while our motto should be worse buildings and better salaries.

The text-books are poor; many of them are dry enough to make even philosophy dull; let some great publishing firm engage a James Harvey Robinson to select a corps of specialists in the humanization of knowledge

and transform the tomes of scholastic fact into the flesh and blood of living usable truth.

Let the city and the state establish scholarships to enable the bright children of the poor to go on to higher education; and let eliminative tests weed out the incompetent rich who clog and clutter them now.

Above all, the ideal of education must improve; we must aim to preserve the poet and the artist, as well as the scientist and the man of affairs, that lie potential in every soul. Education does not mean that we have become certified experts in business, or industry, or finance; it means that through the absorption of the moral, intellectual and esthetic inheritance of our race we have come to understand and control ourselves as well as the external world; that we have developed an ennobling intimacy with genius living and dead, and made for ourselves good friends in the country of the mind; that we have learned to add courtesy to culture, wisdom to knowledge, and forgiveness to understanding. I believe that in our lifetime our colleges and our literature will mould for us such women and such men.

—Will Durant, in "Adventures in Genius."

The Stupidity of Salary Reduction

Dr. Abraham Lefkowitz

IN THE NAME of God," said the matchless Demosthenes, "I ask you to think." Never in history have we needed so greatly statesmen and teachers of inspired thinking along economic lines. The world depression has affected the sanity of our industrial leaders who seem to be floundering helplessly in a morass of their own creation. Most of these business men, who profited during the war and post war periods, took great pains to set aside huge reserves to meet the inevitable onslaughts of the business cycle. These reserves, the increase of fixed capital, the World War and the destruction of wealth as well as of markets for basic commodities, the advances in technology and the inequitable distribution of social income have helped make the present depression the worst in history. Shall those who were responsible for the depression bear the brunt of deflation or shall a policy of wage reduction be inaugurated to throw the burden upon the workers who are not responsible for the depression and are least able to bear it?

At the outset I admit that the depression has hit every element in the community. The industrialists, however, have been least hit. In view of the decrease in income by individuals as well as governments, a wild scramble is about to be inaugurated to economize at some one else's expense. The effect of the movement for salary or wage reduction is being felt by teachers. These teacher-wage-reduction efforts have assumed the following forms; first, clever but subservient superintendents have persuaded their teachers to agree to a voluntary reduction of salaries by waiving a portion of the year's salary or by offering the locality a per cent of their wage as a gift; second, teachers have been induced to contribute a month's pay or to assess themselves 5% or more for the feeding and clothing of the children of the community's unemployed, thereby relieving the municipality of the burden of caring for them by budgetary appropriations.

In localities where teachers were not gullible enough voluntarily to reduce their salaries, legislators are threatening to establish a salary "moratorium"; that is, withholding from teachers who have not reached their maximum salary their annual automatic increments. Where schedules are not protected by state law, purblind business men have foolishly sought to reduce schedules. The American Federation of Teachers holds that reduction of salaries, in whatever guise they may appear, is not only unwise and unjustified but socially dangerous and educationally suicidal. It calls upon locals everywhere to resist such efforts with all the power of their organization and such affiliations as they have formed and to wage an equally aggressive campaign of community enlightenment against any such wage onslaughts.

That these onslaughts are, as yet, only in their infancy is evidenced by the fact that in many states educational opportunities and appropriations have actually been increased, equalized or definitely established especially in Missouri, North Carolina, Louisiana, Oklahoma, etc. Even in New York where the State appropriates

over \$100,000,000 yearly in the form of state aid to localities, the Mastick Commission, appointed by the State Legislature, recommends that state aid be further increased to strengthen public education in the poorer localities.

Shall the teachers permit this wage deflation policy to gain momentum? Has it economic justification? A study of the economic factors justify teachers in their opposition to all forms of salary reduction, whether direct or indirect. Let us, for the sake of argument, take New York City where the salaries of teachers are the highest in the country and where seemingly there might be some justification for salary reduction. What do we find?

State and city teachers receive salaries fixed by law. When prices were soaring after 1914, workers, organized as well as unorganized, insisted that wages keep pace with mounting living costs. Their requests were willingly granted by most employers, for they needed more labor than the market could supply, and they could and often did add the increased labor cost to prices. These increases further reduced the purchasing power of the dollar which had been declining for several years. This affected especially the dollar of the teacher, for his salary had not yet been adjusted to 1914 prices. All groups profited in the prosperity period except public employees, whose salaries were established by law and not so readily increased. Hence for years these employees had to be content with a dollar that had shrunk in purchasing power as fast as living costs mounted. The business men did not seem greatly concerned over the deprivation these public employees and their families were compelled to endure on a stationary money wage during a period of rapidly rising prices. For years teachers were helpless in the face of rising living costs. Hundreds of teachers left the profession because they could not make ends meet. Thousands remained loyal, toiled at two or more jobs, and yet suffered as few groups of public servants have ever been called upon to suffer.

At last a belated effort was made to restore part of the purchasing power of the 1913 dollar. At that time, the New York City high school teachers—not all of them, but only those who were at the maximum, having served fourteen or more years—were earning \$2,650. Using 1913 as a base, we find that the purchasing power of the dollar had fallen so rapidly, that by June, 1920, the price index had risen to 216.5; that is, the \$2,650 salary of 1913 was worth but \$1,219 in purchasing power. A teacher shortage and an active salary campaign induced the legislature to raise teacher salaries in January, 1920. To restore the 1913 salary for the high school teachers would have required \$5,274. Instead they received a maximum of but \$3,175 and in August of the same year, the maximum was raised to \$3,700. Thus the high school teachers after a seven year loss in purchasing power and after an increase were getting \$2,024 less in purchasing power than they were earning in 1913 when salaries of teachers were admittedly too low. So in

1928 another salary adjustment was made, and the high school teachers received \$4,500, approximately the equivalent of their 1913 status. For the first time most New York City teachers are receiving what other workers and business men have enjoyed for twenty-five years—an adequate salary, though high school teachers in New York are about \$16,000 behind in purchasing power since 1914. How much greater must be the teachers' loss in purchasing power in other sections of the country where adjustments or salary increases were longer delayed or denied!

Before teachers could enjoy their restored purchasing power for any appreciable time, the depression spread over the world. Who are the first to be attacked? Speculators and war profiteers? No. Instead the attack is made upon the very group which suffered most when every other group was capitalizing the period of prosperity. Is this just? Must teachers be made economic pariahs by being forced to suffer when prices rise and made to suffer again by having their salaries promptly reduced when prices slowly begin to fall?

To justify salary reduction for teachers one must prove not only that present salaries buy more than they did in 1913, but also that teachers' salaries were more than adequate in 1913—something no responsible or well-informed public official would maintain. Not only should proponents of salary reduction prove this, but they would also have to establish a cultural wage. In addition they would have to fix upon a cost of living index, and then adjust teachers' salaries according to the yearly rise or fall in the index. They do not propose a scientific study, but a "moratorium" for the younger teachers.

President Glenn Frank of the University of Wisconsin, in an editorial dated December 2, 1931, entitled: "Cutting Public Salaries," emphasizes the fact that the remuneration of teachers and public servants responds more slowly in a period of prosperity and rising living costs than does the remuneration of any other gainfully employed group. He closes his editorial by saying: "A careful statistical study of the relation of university salaries to living costs in the city where the university is located, revealed the rather startling fact to those who had not been in touch with the problem that, with all the raising of salaries during the last six years, it was not until the fall of 1930 that university salaries had returned to the same relation they bore to living costs in 1900, and that for thirty years the faculty members had not enjoyed as good economic status, relatively considered, as they enjoyed at the beginning of the thirty-year period." This is true of teachers generally, and of New York City teachers in particular.

Just how can any state which neglected to raise salaries during the period of rising living costs now justify upon social or economic grounds a proposal for a reduction or a "moratorium"? The average business man who advocates salary reduction does so because he is laboring under the false assumption that lower wages or salaries mean decreased production costs, and these mean lower prices, greater sales and hence quicker economic recovery. Unfortunately for this contention, economists of such standing as that of Dr. Leo Wolman of Columbia University show its absurdity. The comprehensive study of Dr. Wolman, made for the International Labor Office at the instance of Henry Ford, shows that in Europe where wages are low, prices are comparatively high; but in America, where wages are comparatively high,

prices are comparatively low. Hence the whole wage reduction policy rests upon an unsound economic assumption. Wage reductions for those who consume products mean a further reduction in buying power, a lowering of living standards, and an intensification of the depression. Is this a wise or sound solution?

William Green, President of the American Federation of Labor, in discussing the proposal to reduce pay of government employees—a proposal which justly died a-borning—said: "We could conceive of no greater blow which could be struck at a return of longed-for prosperity, than the imposition, through legislative enactment at this session of Congress, of a reduction in salaries of government employees." A similar position was taken by Dr. Leo Wolman and by prominent groups of business men to whom he refers. Dr. Wolman approvingly quoted these men who now oppose reductions to the effect that "reducing the income of labor is *not a remedy for business depression, it is a direct contributing cause.*" Dr. Wolman adds that "in this enlightened age, when it is recognized that production is dependent upon consuming power, it is my judgment that large manufacturers and producers will maintain wages and salaries as being farsighted, and in the end the most constructive thing to do." Dr. George E. Vincent of the Rockefeller Foundation concurred in this view, saying, "We can claim complete victory over the depression only if we insure maintenance of standards to which we have devoted so much of our best thinking."

Col. Charles R. Blunt, Commissioner of Labor of New Jersey, states that "the reduction of salaries of the rank and file of public employees—clerks, teachers, police, firemen, etc.—not only is a shortsighted and unsound economic policy that would encourage general wage cutting and therefore delay stabilization of prices so essential to business recovery, but an unfair one that would adversely affect the morale of the personnel!" Dr. Julius Klein, assistant secretary of Commerce, calls wage cutting "manifestly and supremely unfair" and a similar position is taken by the leading representatives of the Protestant, Catholic and Jewish clergy.

From another point of view, men and women occupying teaching positions and possessing a cultural background are expected by their employers and the community to maintain certain standards of life. If living standards for teachers are to be steadily lowered for years by rising prices and "wage lags," and then only reluctantly raised to keep pace with mounting living costs, and if salaries are to be lowered upon the first marked decline in prices, how can teachers ever hope to raise their economic status or to maintain the cultural standards which the community requires of members of their profession?

Educationally, the proposal to decrease salaries is thoroughly antagonistic to sound public policy. For years educational leaders have striven to attract the highest type of men and women to the teaching profession. With the increasing complexity of our industrial civilization, with the increase in truancy, delinquency and child maladjustment, with the low moral tone of our public life, more and more our school system must secure and retain men and women of unusual mental calibre; men and women capable of coping with the difficult problem facing our new urban industrial civilization. Today, as never before, the schools need teachers of greater ability, wider culture, greater sympathy and understanding, and of broader tolerance. The type of

teachers the times demand can only be attracted and retained by maintaining our present *salaries, pensions and tenure rights*. Any attempt to weaken any element of the economic trinity means the undermining of our educational standards. Yet this is the time some short-sighted persons choose to select for the reduction of teachers' salaries!

Salary reductions would undermine the educational structure that enlightened and public spirited citizens have built up slowly during the last twenty years. The injustice of salary reductions for those who have suffered from "wage lags" for years must of necessity arouse the just resentment of many teachers. In some cases it may create such discontent that teaching efficiency may be seriously undermined. Surely no temporary depression can justify a policy which, in the long run, must prove to be educationally and socially suicidal!

There are, however, some state leaders who, while opposed to salary reduction, favor a "moratorium." These honest public officials do not realize that such a policy punishes only the lowest paid teachers instead of all teachers including the highest paid, who, despite their obligations of home ownership, education of children, etc., should bear their share of any loss. Verily, the advocates of the "moratorium" are literal followers of the biblical injunction: "To him that hath shall be given." Moreover, the justification for a "moratorium" can only be based upon a decrease in the cost of living. On that basis how can these leaders advocate the termination of the "moratorium" at the end of the year when the purchasing power may further decline? They cannot, and hence a "moratorium" will be continued until it becomes a permanent salary reduction with its lowering of living and cultural standards. Thus the "moratorium" entails little saving and would lead to serious legal and pension entanglements. The "moratorium" cure seems worse than the disease. The attempt to enact legislation for salary reduction will precipitate such great legislative struggles that necessary educational legislation of the most constructive kind will be ignored.

New York State is the pace setter for the nation, at least in certain ways. Because of this fact, those interested in educational progress hope that the great Empire State and its liberal governor will not established a salary policy which will not only undermine the educational structure throughout the nation but, as President Green has said, "set a vicious and most depressing example" for private business. If this example is followed, it will so reduce the purchasing power of the productive workers that the depression will become worse, endangering perhaps the very stability of our social order. The political leaders of the state governments should be urged to save money by a policy of economy and by new tax levies, as suggested by Governor Roosevelt, such as increased levies on incomes, gasoline, auto-trucks, etc., rather than by the dangerous, unwise policy of reduction of salaries of state employees. I am hopeful that state officials will adopt a policy of broad statesmanship rather than such anti-social policies as wage reductions or "moratorium" entailing wage reductions—the cure-all of easygoing politicians and visionless business men.

Is there any justification for the extensive campaign or ballyhoo for wage deflation or for the corporate interest inspiring it? The domestic corporations of America in eleven months of 1929 paid \$7,572,000,000 in dividends and in the depression year of 1930 paid \$8,500,000,000 or \$428,500,000 more. During the ter-

rrible period of 1929-30 the national income declined from about \$93,000,000,000 to \$78,000,000,000 or a loss of about \$15,400,000,000. While the farmers lost one-fourth of their income amounting to \$2,851,000,000; while the workers lost one-fifth or about \$9,600,000,000, interest and dividend payments increased about one-eighteenth. According to the monthly survey of business the 1930 dividends set a new high water mark as they exceeded the prosperous 1929 year by \$355,000,000 which, in turn, exceeded the good 1928 year by \$1,150,000,000 or a gain of 65% in two years! Had dividends been reduced to a reasonable return and wages increased, the depression would never have reached the present low devastating level.

Let us look at this picture from another angle. Let us ignore the unconscionable profiteering of many industrialists during the period from 1914 to 1922. In 1928 the surplus and undivided profits of domestic corporations, *less deficit*, was \$47,156,183,422, a sum three times the reduction of national income from 1929-30, four times the loss of wages and reduction in farmer income for 1930 combined! Between 1920 and 1928 while the total national income increased but 10%, the number of men with incomes of over \$1,000,000 increased 1400% and the money they made in one year increased 1300%. We must pity the 149 men who had a clear net income of \$355,661.694 or the eight men who had an annual profit of \$15,300,000 each. Can one quarrel with Professor Sumner H. Slichter who in the Atlantic Monthly of August, 1931, writes as follows: "Is it anything short of a national scandal for business enterprise, in a year when they throw several millions of men on the streets to reduce pay rolls several billions, to advance dividend disbursements to a record breaking high?" In the face of these facts industrialists have the audacity to recommend and support a 10% reduction in the salaries of 732,460 civil employees of the national government saving a total of \$13,000,000 or less than half the cost of useless battleships built to protect their foreign investments in South America or the Far East!

Instead of making these underpaid public employees pay by wage deflation and deprivation for the depression for which they have no semblance of responsibility, why not devise a more sane tax system? For the year 1930 there were 6,512 persons with net incomes of over \$100,000, who paid in income and surtaxes but \$237,716,046 of 13.6%, leaving to each an average income of \$214,416. A just tax would have raised \$750,000,000 more from this group instead of \$13,000,000 on underpaid public employees. In the same year 757,205 persons reported a net income from \$5,000 to \$100,000 and paid \$225,723,517 or .021% and could easily have paid three-fourths of a billion more. Gifts to the tune of \$153,677,713 paid no tax at all. Again the average tax on estates amounted to but 11% whereas the war tax on estates would have yielded \$480,000,000. That these proposals are neither utopian or prohibitive is evidenced by the fact that in a relatively poorer country, England, a man with an income of \$10,000 pays a tax of \$1,800 as against \$153 in the U. S.; a man with an income of \$100,000 pays \$48,000 in England as against \$22,030 in the United States.

That the loss in income is not so great a hardship upon the business man or upon the non-speculative investor is evidenced by the huge sums set aside for reserves to tide business over during periods of depression. Out of surplus accumulated in prosperous times the U.

S. Steel Corporation in April, 1930, paid the owners of common stock a dividend of \$1.75 a share, amounting to \$15,203,014 although the earnings for the quarter were only five cents a share. They followed this in July with \$1.00 per share, totaling \$8,687,435. Not bad for depression times when millions walk the streets! And yet the workers who helped build this surplus wealth find themselves forced to rely upon public or private charity or else to accept lower living standards because of wage cuts which cannot be defended either upon economic or humanitarian grounds. The question facing teachers as well as other thinking Americans is this: Shall a small financial oligarchy of 1,000, certainly not more than 2,000, men be permitted to dominate the economic life of the nation, to coin human misery, to shift currents of trade, to close factories, to ruin manufacturers, and to bring ruin to one community and prosperity to another? This is the fundamental question behind unemployment and the policy of wage deflation! The sooner the teachers realize this and make America conscious of these facts and their social implications, the sooner will wage sanity return and with it a saner outlook upon our economic system and the ills to which it is heir.

Have we teachers given much thought to the submerged workers? Are we thinking as seriously as we might of the millions of men, women and children walking the streets begging for work and yet unable to find it? How strange it must seem to those who think, that a government which enacts a protective tariff for manufacturers who pay the lowest wages, which unduly hastens to vote \$2,000,000,000 to aid industrialists in distress should seem too busy to vote relief for the millions of starving workers who suffer because of the iniquities imposed upon them by an ill-adjusted and planless economic society dominated by these unworthy recipients of a Hooverized government's favor! As long as we teachers labor under the delusion that broad economic and political problems are not our concern, so long will we find that the millions of children entrusted to our care are incapable because of undernourishment of fully profiting by our instruction.

Let us face the facts. During 1929-30 over 3,000,000 boys and girls under seventeen were out of school, many of them exploited by unscrupulous employers basking under government favor. Of these over 2,000,000 had been in school but were forced to leave because their earnings were needed to help save the members of their families from starvation. Mrs. Clara Beyer, Director of the Industrial Division of the Department of Labor, states that, while industry assured the public fourteen and fifteen year olds were not wanted, that such children should not be exposed to the physical strain of unemployment nor its hazards, yet they are being employed as never before. Many of these same employers are resisting all efforts to raise the school leaving age from fourteen to fifteen or sixteen years of age. What is the result? Not only are the educational careers of these unfortunate children terminated too soon but the ma-

jority of these unfortunates, says Mrs. Beyer, "hunt vainly for work, waste time at best in unprofitable idleness; at worst in taking the first steps toward delinquency and crime." Can we teachers who have ignored the larger questions by confining our efforts to the bread and butter side of our educational careers dodge our responsibilities for the present want and suffering?

Upon the teachers and enlightened members of the community rests the responsibility for the continuance of economic maladjustment and the intense suffering of the children entrusted to their care. Their narrow educational outlook has led many of them to ignore the complex economic and international problems which not only endanger their own economic status but what is worse, deprive the children of their heritage and prolong the economic chaos responsible for the present suffering and the policy of wage slashing.

We teachers of America must rise courageously to our educational and social responsibilities. We must bring about the enactment of legislation which will make for adequate state aid to stabilize salaries and to equalize educational opportunities. We must secure legislation which will prevent children from being exploited by selfish industrialists who, because of cheapness, exploit the adolescent. We must secure the enactment of legislation which will insure youngsters an academic and industrial training as well as vocational guidance which will make for their highest development and adequate adjustment to a rapidly changing industrial civilization. Nay, we must do more. We must develop in them enough vision and power of social thinking to enable them to play their part in the termination of an economic system which penalizes the productive workers for their efficiency, makes millions suffer want amidst plenty, and substitute therefor a planned economic order built upon co-operation for the social good.

Now as never before we need citizens, educators, industrialists and statesmen who will stress social rather than individual needs. To develop such men and women we must raise education standards, employ teachers with courage and social vision, stress creative teaching by teachers who are essentially humanitarian in their outlook. Such teachers cannot be secured by the adoption of a policy which dooms the teaching profession to become a submerged economic group without hope of ever improving their economic status. I hope creative statesmanship will dominate the capitals of the states and the nation and show the world how to cope with a perplexing problem in a constructive way. All forward looking people must agree with the editorial of Dr. John H. Finley in the *New York Times* of August 9, 1931, when he said: "There is one debt for which no 'moratorium' may with safety be declared. It is the one to which the Minister of Education in England, Mr. H. A. Fisher, referred in the midst of war, the eternal debt of maturity to childhood-education."

Men and women of America! In the name of suffering humanity, I ask you to think socially and courageously if our civilization is to endure.

When a worker joins a union he ceases to stand alone in an industrial wilderness. He has more than company; he has friends. In 1928 National and International Unions in the United States and Canada paid \$28,813,924.54 in sick benefits, unemployment benefits, old age, disability and other benefits and in mortuary benefits to survivors of deceased members. In this year of unemployment the amount is probably some millions greater. Trade unionism fights for the economic interests of its members and their families and IT STANDS BY THE MAN IN TROUBLE!

The President's Page

Dr. Henry R. Linville

What Do You Mean, Professional Improvement?

Suppose we make a rough estimate that 50,000 teachers will travel this summer an average of 200 miles to some center of professional enlightenment, or to some area of culture which is translatable into terms that may make a better teacher of one. The traveling section of the profession may be much larger and the mileage traversed much greater; the figures only serve to indicate the magnitude of one phase of the industry of self-improvement which we teachers promote. The figures are symbols; the content of what is done when we reach our destinations is the significant thing. In other words, what do you mean, professional improvement?

Is It the Thrill?

There really are a lot of thrills in getting away from the grind that has held you down for the school year—thrills in the travel itself; by rail, or ocean steamship, or airplane, in the arrival at a great university, or in the great freedom to do as you please in this country or abroad. There is the thrill also of coming into contact with the great leaders of the profession wherever they are. There may be some who live by thrills alone—teachers who need stronger and stronger dosages of intellectual or emotional strychnine (a stimulant or tonic) to keep them going. But for the rest, it is a matter of growth, a normal process in real education.

Experience as Food for Growth

It is now pretty well agreed that our experience, not only as children but as adults, too, is the chief material for the digestive and assimilative processes of the mind preliminary to growth. Perhaps even our thrills may be accepted along with solid material as a "seasoner," a "condiment," or a "*hors d'oeuvre*." In the category of experience assimilable for growth I would certainly include travel, partly, I acknowledge, because one may go a long way now at small cost, at least by automobile and by ocean steamer. So long as the railroads suffer from *hydrosomatic inflation*, their charges will be high. It is a "toss-up" whether you take them and ride comfortably, or accept the buses and suffer.

So much has been said about Americans who travel by guide books, that most intelligent persons are ashamed to be seen with one. But there is no one watching to see how much experience we obtain by conversing with the "natives" in what-

ever locality our travels take us. One good thing about conversing is that the most important factor relating to the use of experience for growth is brought into play automatically and necessarily; that is, the factor of thinking. We have to think to talk. One might predict that the conversations and the thinking which teachers do on their travels this summer will take the trend of the conditions of life which prevail in widely separated localities. What happens as these experiences pile up in the consciousness is almost certain to be of consequence to teachers as they begin to mull over the significance of education and the prevailing social conditions.

Can We Afford to Remain at Home?

I know it is the tendency now for our friends to express surprise when they hear that we plan to buy a ticket to Europe, or that we are about to start on a holiday trip across the continent. How can we be so heartless, they say, when men, women and children are starving for want of the money which we spend on ourselves? For a time we may hesitate in response to the challenge. Unless we are ready to acknowledge the complete futility of the entire social enterprise of education, we must go on with such activities as tend to strengthen education, as well as to keep ourselves fit for our work.

Dedicating Ourselves Anew

Some of us may have been thoughtless in other years, gallivanting about the planet, amusing ourselves at standing where some early bird in history had stood and chirped out his message, or in buying "gimcracks" at exorbitant prices to give to the relatives at home. But now we feel an obligation to bring home some guarantee that we are beginning to comprehend why education may have a great deal to do in helping to solve the problems that we are now facing in the general, world-wide economic distress.

But Travel Is Not the Only Source of Experience

Some of the trips teachers take this summer will bring them to important seats of learning where some of the courses and distinguished teachers available will constitute great stores of human experience for interested and competent minds. There is one phase of educational experience and thought which I believe offers a wonderful opportunity for teachers of any grade or

subject in the schools. That is in the field of educational sociology. Many of the leading educators in the universities are doing some first-class thinking in this field. At the February convention of the Department of Superintendence there was a session given over to the discussion of "Education for a Changing Social, Economic and Political World." Although such problems as are implied in this topic will not be faced willingly by the major leaders in the N. E. A. for a long time, it was good to see the name of Superintendent Broome of Philadelphia, President of the Department of Superintendence, as Chairman of the meeting.

Let Us Study the Offerings

I can speak with positiveness that every one of the great universities of the country now has professors who are engaged in laying the foundations in their thinking for a comprehensive examination of the relationships between education, philosophy, sociology, pure science and psychobiology, on the one hand, and government, politics, economic forces, social movements and school administration on the other. When the new intellectual force of inquiry under freedom attains its full acceleration, there will be more thrills, as well as more education, for teachers than any number of sensational individuals in the profession have ever been able to offer before.

We Are in the Picture Ourselves

In the meantime, educators are noticing us. Have our members realized that we ourselves are demonstrating in our various activities the discovery of relationships that have probably always existed between education and other social forces, but are now being pointed out by ourselves and by others—as would be a new chemical element or a new contribution to physics?

And So,

When you visit distinguished professors this summer, express a readiness to make a sort of "loaves and fishes" exchange of your ideas for theirs by which we shall all be nourished and inspired abundantly. You and they together will realize afterward that Professional Improvement is not an objective at all, but rather a by-product of the sum total of the use made of observation, experience and thinking in the active pursuit of satisfaction in doing your jobs—and doing them well.

Democracy in Education

American Federation of Teachers

Organized April 15, 1916

Affiliated with the American Federation of Labor

506 South Wabash Ave., Chicago, Ill.

President

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70 Fifth Ave., New York, N. Y.

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Organize!

There has been no moratorium on organization.

If there were ever a time in the history of trades unions that organization was needed that time is now.

When the present depression is over there will be a new alignment of economic forces. The most strongly organized groups will occupy the strongest positions.

During the depression and the cost lowering campaign the weakest groups will suffer the most. This is being proved every day.

Teachers and public employees generally occupy a conspicuous place as the tax reductionists get to work.

No group needs organization more at this time than teachers.

Some unions are working and have increased their membership by large percentages the past few months.

Three new unions have been granted charters since April 1st.

Your union can increase its membership at this time if its members will go to work. Unorganized and bewildered teachers are looking for somewhere to go. They realize the need of some protective organization as they did not in safer times.

Let's do our part to show them where they belong, with the other organized workers, in the American Federation of Labor.

Let's organize.

An Obituary

The yellow dog is dead. It passed away after a long illness and not without a struggle. But it is dead and there will be no resurrection.

It is no longer legal for employers, public or private, to include in contracts with their employees a provision that the latter must not join a trade union. The courts are instructed not to enforce such contractual provisions.

While a proper amount of rejoicing is in order over this victory, it must be borne in mind that reactionary boards of education may still refuse to employ teachers for any cause whatsoever and at the end of contract periods may refuse to reemploy unless the teachers are protected by adequate tenure laws.

Public employers will be much less inclined to dismiss or refuse to hire employees for the reason of affiliation with labor since public opinion has been so forcibly expressed by federal statute. In fact, any anti-union attitude on the part of employers will be regarded as unAmerican.

Progressive citizens of communities whose boards of education hold to reactionary and unAmerican views concerning the employment of union teachers should proceed to change the personnel of these boards.

We want to see the spirit as well as the body of the yellow dog meet the death it so richly deserves.

A Request

The following numbers of THE AMERICAN TEACHER are needed to complete files: January, 1931; March, 1931; April, 1931; October, 1929. Any numbers back of 1929.

Taxation

Congress is busy with that world wide problem of balancing the budget. Of course this problem involves taxation. As it is generally agreed that an increase in customs duties could not produce any more revenue and the general property tax is sacred to the states a pitched battle is being waged between the proponents of the sales tax and those favoring increased income taxes.

As all taxes must be paid out of incomes, it seems reasonable that taxes would be most equitable if assessed according to the amount of the income.

Taxes assessed upon real property or upon merchandise or any other property may fall upon people least able to pay taxes. Owners of property, due to economic conditions may have their incomes reduced or even destroyed in any one year, but must continue to pay taxes at the same rate, or by inability to pay lose their property. Sales taxes fall upon all, in many cases the very poor and even the unemployed, and upon all classes whether they have met with losses or not.

The income tax is automatically lowered or raised with the ability of the taxpayer to pay. If his income is reduced from any cause his taxes are reduced. If his income rises and his ability to pay increases his taxes are raised.

Without going into the rates that should be paid on the different sized incomes it seems to be only common sense that the major part of the taxation burden should be assessed according to the amount of income.

We hope that the Senate will not be stampeded by the press which is so largely owned by the large income group into the adoption of an inequitable sales tax.

I think that the chief cause of the depression is the world war. After and during the war business was stimulated and wartime prices prevailed. Prices were kept at a high rate after the war until recently when the markets after a long period slumped. Prices had been high and business good. Business had been so profitable that many things were produced causing an over-production. Due to good business money had accumulated in the pockets of a few. Thus the depression.

Education for Democracy

An Appreciation

70 Fifth Avenue, New York,
December 17, 1931.

Mr. Edward H. Williams,
School Inspector,
1436 Majestic Building,
Detroit, Michigan.

My dear Mr. Williams:

In my experience of more than thirty years in teaching I have never known of a more intelligent resolution on the freedom of teachers that has been adopted by a board of education than the one adopted by the Detroit Board recently. As president of the American Federation of Teachers, I want to congratulate you personally on having introduced the resolution and on having successfully promoted its adoption.

In many parts of the country it has been and still is the practice of school officials, acting under social pressure, to exercise close supervision over the thinking of teachers in all situations. Two effects of this official attitude have been first, to deter free-minded intelligent young men and women from becoming teachers, and second, to compel those who are teachers to accept the condition of intellectual repression, with the possibility that eventually teachers cease to want to think on important questions at all. In either event the children in the schools tend to lose the inspiration of having teachers who are able to teach them how to think for themselves, which is supposed to be one of the prime attributes of a good citizenry.

The effect of the Detroit Board's resolution is to aid in settling definitely for other public schools the question of the right of teachers to the privileges of citizenship. The right of teachers to have views and to express them in public situations has been abridged. Your Board has now acknowledged the validity of this right.

We of the American Federation of Teachers sincerely hope that the Detroit Board of Education will be able to hold the position it has taken in the interest of developing higher standards of intelligence among teachers than can be developed under a system of repression. We believe all intelligent citizens will support you.

Sincerely yours,

HENRY R. LINVILLE,
President.

An Iniquitous Measure

An ordinance was passed recently by the legislative body of the City of New York which provides among other things that to be eligible for any city position a person must be an actual resident of the city and that his removal from the city would automatically forfeit his position.

Local No. 5, New York, has sent a letter of protest to the mayor who has not yet signed the ordinance. The letter contains convincing reasons why the ordinance should not become a law and it is with regret that we are unable to print the whole text.

Such action by a struggling village endangered by the residential attractions of a near-by city, while wrong, might be found excusable, but when taken by America's metropolis is unthinkable.

In addition to the sound economic argument against such action contained in Number Five's excellent letter to the mayor, there are just as strong social reasons for condemning the proposed ordinance.

Most of the city employees of New York or of any other large city are persons in very moderate circumstances. Any one familiar with metropolitan rents knows how cramped the quarters they could afford to rent in a desirable district would be. Many families would be forced to live in tenements of one, two or three rooms with no play facilities for children but the dangerous streets of a large city.

New York has advertised throughout the world her wonderful transportation system which so quickly and cheaply transports commuters to and from the city. In fact New Yorkers have spent hundreds of millions of dollars building these systems. Other New York realtors have sold millions of dollars worth of homes in the suburban areas beyond the city limits to former residents of the city, among them, hundreds of city employees.

If this ordinance becomes a law, these city employees must either forfeit their homes or their jobs. If they try to sell their homes on the present market, it will mean forfeiture of the entire equities for many.

May Mayor Walker read the letter with both intelligence and social sympathy.

Education's Hope Is Unionism

Allow me to congratulate your splendid paper for the good articles you print. The article in last issue by Florence Curtis Hanson, "Education's Hope Is Unionism," interested me. It contained real meat to digest to all of us Utah teachers. Here is one who will join the American Federation of Teachers. It is our savior, with the help of millions of members of the American Federation of Labor.—GRADE TEACHER.

—Utah Labor News.

Menacing, threatening dire disaster on all civilized peoples is War. In a recent article in the Forum were laid bare the horrors of future warfare. In two minutes the entire city of New York had been wiped out by a deadly gas thrown into the densely populated business sections of lower New York. The more intelligent person, in reading this article might well heed the warning. Another war just like or even better than the world war would make us, not civilized peoples, but beasts hungering for one another's blood.

Who's Who in This Issue

Miss Bertha Ferguson, Minneapolis Local 59, Visiting Teacher, Roosevelt High School, Minneapolis and chairman of A. F. T. Committee on Positive Health in the Public Schools.

Harold M. Groves, Local 223, Professor of Economics, University of Wisconsin; member Wisconsin state legislature; author Wisconsin Unemployment Insurance Law; contributor American Teacher.

Dr. Abraham Lefkowitz, Local 5, New York, Vice-President of American Federation of Teachers.

Genevieve Townsend, University of Wisconsin Local 223, research assistant to Professor John R. Commons. Department of Economics, author *Consumer Loans in Wisconsin*.

Unemployment Compensation for America

WISCONSIN LEADS THE WAY

Harold M. Groves

WE SHOULD be convinced by now that the greatest problem of our time is unemployment. During this depression it has overwhelmed millions of American families. Uncounted numbers of honest and self-respecting people have been reduced to beggary through no fault of their own. Their only resort has been the inefficient and inadequate relief provided by private and public charity. Not only have these people in many cases lost all of their meagre savings but they have become broken in spirit and self-respect. The small taxpayer has been hard-put to provide them with even the inadequate aid which they have received. Foreclosure of homes has assumed unprecedented proportions in many localities and is both cause and effect of the local tax problem. Malnutrition, crime, disease, immorality, insanity, suicide are only a few of the social consequences which attend this siege of unemployment.

Nor should we forget that the unemployment problem is not confined to the passing phase of depression. It is a permanent phenomenon—an incident of modern industry. Even during business prosperity large numbers of workers are laid off for long periods as a result of the irregular operation of industry. Over a decade this "seasonal" unemployment offers as great a problem as the depressional unemployment which is now attracting so much attention. There is also the unemployment which is due to the replacement of men by machinery. It has been proceeding during the last ten years at a pace seldom if ever before witnessed. This displacement creates the necessity of slow and painful readjustments by workers. Probably many of the displaced workers are never reabsorbed and join the ranks of the permanently unemployed. Very likely the introduction of machinery has created a new phenomenon—an over supply of labor.

The state of Wisconsin, true to its tradition, has not hesitated to grapple with this problem. Its progressive governor—Philip LaFollette—appointed a special interim committee to study the situation and make recommendations to a special session of the legislature. The interim committee formulated a tentative program and held hearings in each of the important industrial cities of the state. It then prepared a final report for the legislature. The report recommended the use of the state income tax to provide localities with adequate funds for immediate relief, an emergency reduction of hours of labor by state legislation and an unemployment compensation law. The special session which was called to act upon these recommendations is still deliberating. It appears likely that it will adopt a relief bill; it may adopt the hours legislation; and it has enacted an unemployment compensation act. The latter proposition remains only to be signed by the Governor to become a law and the signature is assured.

The unemployment compensation act provides a period of a year and a half during which employers may set

up voluntary systems of unemployment compensation. These voluntary systems must be approved by the state industrial commission and must meet certain standards set up in the act. If roughly half of the employees of the state eligible to come under the act are covered by voluntary systems before July 1, 1933, no other employers will be compelled to set up unemployment reserves. If industry has not acted by then, the state will.

If by July 1, 1933, an insufficient number of employers have set up voluntary systems, the law provides that each employer who has not established a fund of his own must pay not more than 2 per cent of his payroll to a state fund, where it is to be deposited to his account. The employer's reserve may be used to pay unemployment benefits to his employees when he is unable to give them at least half-time employment. Each company's liability is limited to the amount of its account and no employer has any liability for employees other than his own. Benefits are limited to fifty per cent of wages with a \$10 per week maximum. They are payable for a period not to exceed 10 weeks. The duration of benefits is made to vary with the period of employment previous to the lay-off. If an employer gives steady work there will be no drain upon his reserve funds for benefit payments; reserve funds will then accumulate. Provision is made for a reduction in the rate of contributions when the reserve amounts to \$55 per employee and for a discontinuance of the contribution when the reserve reaches \$75 per employee. Successful efforts to give steady work are thus directly rewarded. Since all employees will not be out of work at once the reserve should prove adequate to pay the prescribed benefits.

Many feel that it is better to give work and wages to the idle than to give cash alone. The act provides that any unit of government may give work to an unemployed worker upon some public project and utilize toward paying him wages the benefit he would otherwise have received from his employer. No work availing, the unemployed workman may attend vocational school and he is offered a positive inducement to do so.

It will be seen that there is nothing "radical" about the Groves bill. Its proponents do not claim that it will prove a panacea for unemployment. They do believe that it will help both to stabilize employment and to conserve the earnings of the worker.

It is true of course that a maximum benefit of \$100 per employee would hardly tide a worker over a severe depression like the present. Nor would it last long in a prolonged period of idleness which might follow the displacement of a worker by a machine. On the other hand it would be of considerable assistance in either of these two contingencies. For these kinds of unemployment it would serve the same purpose as a liberal "dismissal wage." It would not require a very liberal dismissal wage to exceed our present meagre poor relief. And the worker receives it as a matter of right. For unem-

ployment due to irregular operations the benefit will probably prove more adequate. More liberal benefits and reserves wait upon action by other states with the industries of which Wisconsin concerns are engaged in competition.

Perhaps the chief importance of this pioneer legislation lies in the principles it writes upon the statute books. Among these principles are the following:

The employee who has invested time and effort in a concern is given a status more nearly equal to that of the stockholder and bondholder. He is entitled to some regularity of income and to something better than dismissal without notice. Industry has long maintained reserves for the payment of interest and dividends in dull periods. The employee is now also included among the beneficiaries of the reserve policy.

The act sets up the principle that part of the cost of unemployment can and should be made a direct charge upon industry. The general taxpayer should not be obliged to maintain employees brought to a city and kept there principally for the benefit of certain industries.

The act denies that the present amount of unemployment is necessary. The sponsors of this legislation have no idea that all unemployment can be prevented or that this act will furnish sufficient stimulus to eliminate all of the portion that can be prevented. They do feel that if employers were to devote the same ingenuity and attention to the problem of giving steady work that they have given to the development of industrial technique, irregularity of employment could be much reduced. And they agree with William Mauthe of Fond du Lac who has had a reserve plan of his own in operation for a year that "Management must be made to share in the direct cost before it will be seriously concerned over laying off the steady workers."

Many will be interested in comparing the Wisconsin law with European unemployment insurance legislation. Unemployment reserves under European systems are built out of contributions by employers, governments and employees. Contributions by employers are made regardless of the nature of their business or their own efforts to stabilize production. The Wisconsin law requires contributions from the employer only and from each employer strictly according to the amount of unemployment among his employees. The theory behind the Wisconsin system of contributions is (1) that much unemployment can be eliminated by management and the way to eliminate it is to give full reward for its elimination; and (2) that it is unfair and unwise cost accounting to expect a producer in one line to pay the legitimate expense of a producer in another. Under the Wisconsin law unemployment is regarded as a responsibility and an expense of industry; under the European systems it is regarded to a larger degree as a responsibility and an expense of government. The Wisconsin law attempts to keep the principle of responsibility clear and cleancut. It follows more the analogy of workmen's compensation laws than that of European unemployment insurance laws.

It has been said that the Wisconsin act is not unemployment insurance at all. Strictly speaking this is true. Legislation built on the insurance principle starts with the employee and makes his contribution or one made for him the basis for insuring him against the hazard of unemployment. This legislation treats unemployment as a cost like depreciation and insists that this cost be in-

cluded among the overhead expenses of industry.

The Wisconsin legislation has been criticized on the ground that it offers nothing to the employee who is unattached to any industry and is unable to become attached. The answer is: in so far as the unattached are unemployables they should be taken care of in some other way; in so far as they represent surplus labor they should be reabsorbed through a reduction in the hours of labor.

It is not easy to secure the passage of unemployment compensation legislation even in Wisconsin. In this time of depression everyone is interested in unemployment. But on the other hand industry is in a very depressed state and vigorously resists the imposition of burdens by legislation. The very modest provisions of the law and the postponed date of its application helped to reduce the opposition from industry. Even so it took an intensive campaign to create and express sentiment in favor of the bill. The Wisconsin Federation of Labor has worked for unemployment compensation for a decade and did yeoman service in promoting this legislation. Last fall a state committee for the promotion of unemployment reserves legislation was created. The organized farmers of the state were appealed to on the grounds that a steady income for industrial workers would improve the markets for farm products and take the burden of relief from general property taxes to which farmers contribute. Leading farm organizations responded by indorsing the bill. Several members of the economics department of the state university—notably Professor Commons, Paul Raushenbush and Elizabeth Brandeis—were active proponents of the bill. At various hearings, teachers, farmers, lawyers, ministers, laborers, doctors and merchants appeared to support the measure. Governor LaFollette indorsed the proposed legislation in his message to the special session of the legislature. Success in passing the law was thus the result of the combined efforts of many groups and individuals who labored long and diligently toward that end.

An important victory has been won but the battle is not over. The constitutionality of the act is still to be tested. Administrative procedure is still to be developed and is of crucial importance. Other states must be made to see the wisdom of similar legislation. But at least the ice is broken. For the first time in the United States there has been written upon the statute books a recognition of social and industrial responsibility for unemployment.

Going Over the Heads of Parents

"Have you ever considered the importance of the 'kids' recommendations to Ma and Pa on your product?" "SELL the KIDS and you have SOLD the PARENTS." The above quotations are from an advertisement of one of the many commercialized radio stations.

Will you have your children as the pawns of commercial hawkers of merchandise? It's true that the United States shelters the ablest business men the world has known. It is also true that these men are fathers of sons and daughters. Shall the children be sacrificed on an altar of dollars-and-cents? Let's rid ourselves of this kind of thing once and for all. Let's keep the integrity of CHILDREN FIRST! Refuse to tune in on the child exploiters on so-called educational programs prompted and promoted for commercial purposes.

—Utah Labor News.

A Credit Union for College Teachers

Genevieve Townsend

A STUDY of the loan problems of the staff of the University of Wisconsin last spring revealed the fact that over 140 people of teaching or clerical ranks had been forced to borrow from the licensed personal finance companies of Madison because of lack of bank credit or of unwillingness to secure co-signers acceptable to local banks. Many others who were in need of funds to meet emergencies were forced to borrow from friends or relatives. A questionnaire was sent to the English, chemistry and economics staffs the returns from which further revealed the credit problems of instructors and graduate assistants, most of whom are young married men living on an income which can only cover the barest living. While a student loan fund is available for undergraduates of the university, the graduate assistant and lower rank instructors have no recourse when forced to meet a financial emergency except to borrow from personal finance companies.

Interest in the credit union plan was aroused among some of the members of the University of Wisconsin Teachers Union 223. Credit unions are cooperative savings and loan associations. By the small regular savings of members a loan fund is built up. Applications for loans are made to the credit committee. The rate of interest is one per cent a month on unpaid balances. Since the loans are repaid month by month the funds revolve and are constantly available to meet new demands. The stock holders, or savings members, receive the profits of the cooperative annually. Since every borrowing member is also an investing member his interest charges are returned to him, in part, by dividends.

At the University of Wisconsin, such a credit union was organized and began operations on October 8 (pay day). There was a great deal of skepticism concerning the ability of the individualistic members of a university community to cooperate. But before the first day of business was ended, two loan applications were received and well over \$100.00 was paid in. In the remaining three months of 1931, the fund grew to \$1,800.00, all of which was loaned out. Loan applications on January 1, 1932, which were approved and on the waiting list totaled over \$1,000.00.

An analysis of the 22 loans made in 1931 shows how widely the credit union has served the university staff during its short period of existence. The following tables are significant:

OCCUPATION OF BORROWERS

Graduate Assistants	8
Medical Technicians	3
Instructors	2
Research Assistants	2
Clerks	2
Secretary	1
Accountant	1
Office Boy	1
Nurse	1
Professor and Director of Dep't.....	1

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The average income of borrowers was between \$500 (part time assistants) and \$2,000, although one loan was made to a borrower with a salary of \$5,500.

REASONS

Centralization of Debts.....	14
Bank Failures	4
To Pay Insurance Fees.....	3
To Visit a Sick Brother (R. R. Fare).....	1

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The waiting list includes a number of applications for loans to pay university fees, to make trips to apply for positions, and for the births of children.

The cooperative has, in its three months of operation, proved to be a much needed financial agency on the campus. Its 75 members, of whom less than one-third are borrowers, are convinced that the credit union is a good, safe financial investment for small funds. The cooperative is not a philanthropy. The borrowers pay a higher rate of interest than the bank demands and the stock holders will receive a very fair return on their investments. Loans are secured either by wage assignment or by co-signers of equal financial rank of the borrower. Wage assignments are not filed until a payment is defaulted. No wage assignment has been filed thus far, since no payments have even been made late. The funds of the investors are unusually secure.

Members of the University of Wisconsin Teachers Union 223 have, from the start, been the guiding spirits in the credit union. Of the nine members of the first board of directors, six were members of the teachers union. In years to come, when the credit union has become the people's bank of the university community, the teachers union may properly be called the father of the cooperative. The members of the credit union commend its organization to the scrutiny of other teacher groups, believing that the best way to solve the small loan problem among teachers is through cooperative effort.

Gompers Memorial Fund

The Samuel Gompers Memorial Fund, authorized by the 1925 A. F. L. convention, now amounts to \$123,430.16, according to a report of the American Federation of Labor.

Broadcasting Victory for Labor

WCFL, the big labor broadcasting station in Chicago, has been granted full time on the air, after a prolonged contest, backed by the labor press generally. It will be a clear channel and will operate on a wave channel of 970 kilocycles.

It isn't just an accident that the average union wage is more than twice as high as the average non-union wage.

Mental Health in the Schools

Bertha Ferguson

WHAT is mental health? No better definition can be found than the following by Karl Menninger, author of *The Human Mind*:

"Let us define mental health as the adjustment of human beings to the world and to each other with a maximum of effectiveness and happiness. Not just efficiency or just contentment—or the grace of obeying the rules of the game cheerfully. It is all these together. It is the ability to maintain an even temper, an alert intelligence, socially considerate behavior, and a happy disposition. This, I think, is a healthy mind."

The Approach Is Changing

There are strong evidences that as a result of the mental hygiene movement, the entire approach to the problems of childhood is gradually changing. We use the word gradually advisedly, for there are no wonder working formulas in child guidance. There is only the slow spread of ideas derived from research in the fields of medicine, psychiatry, psychology, and social work. There is only the slow giving up, in the light of this new knowledge, of prejudices, special purposes, and traditional procedures. There is only a slowly arriving doubt in regard to the efficacy of unremitting punishments for the reclamation of the wrong doer.

And no one should be deceived into thinking that these new ideas in regard to the behavior of either children or adults are coming without conflict. The mental hygiene worker must expect to be called a sentimentalist, one inclined to coddle criminals and send roses to robbers. He must expect to bear some blame whenever a spectacular crime cheers the newspapers with big headlines and extras. There will be much said about the need for longer and severer sentences for offenders and increased punishments for juveniles—and there will be irritation at "studying the child" or, in fact, studying anything.

Who Is the Sentimentalist?

Yet as Joseph M. Proskauer, associate justice of the Supreme Court of New York, said recently: "The reformer is the realist. The reactionary is the sentimentalist. There is nothing sentimental about the proposal that society does not adequately protect itself against the criminal by ignoring the facts of modern science and continuing blindly along paths once marked out in ignorance of truths which we now know. There was a time when under the law of England there were over two hundred capital offenses and yet crime flourished to an amazing degree. . . . Sentimentality lurks in the instinctive demand to continue illogical and ill-adjusted severity. . . . Law must take counsel with science."

Spare the Rod; Study the Child

But the idea of studying the whole child—his physical, mental, and emotional equipment—is gaining ground. The idea that undesirable conduct is *caused*—caused by irritations or repressions somewhere in the environment, is also gaining ground. "Spare the rod and spoil the child" is giving place (slowly) to, "Spare the rod until you have studied your child." There is more alertness,

in noting early signs of mental ill health, and more readiness to refer children exhibiting such symptoms for treatment rather than for discipline only.

Says Dr. Ralph Truitt in *Community Child Guidance Clinics*: "Actually, such traits as temper tantrums, hypersensitiveness, quarrelsomeness, disobedience, lying, stealing, etc., should be recognized as symptoms of something gone wrong in the health of a child, just as underweight, poor vision, discharging ears, skin eruptions, etc., are signals of interest to parents, teachers, social workers, nurses, and physicians. The child may outgrow these difficulties as he may weather successive bad colds and survive badly infected tonsils, but nevertheless these incipient personality disorders have to be considered seriously as the possible beginning of disease trends which in an alarming proportion of our population find later expression as problems taxing the united resources of health agencies, social welfare organizations, state hospitals, reformatories, and penitentiaries."

The Withdrawing Type Needs Study

Mental hygiene workers in schools are as yet forced to spend the major part of their efforts on emergency cases—children demanding immediate attention because their conduct interferes with school plans and purposes. Yet children of the withdrawing type—the over-sensitive, the apathetic, the moody, the fearful, or the over-anxious—have tendencies which uncorrected later may make society's misfits. Classroom teachers are steadily recognizing these as requiring expert diagnosis and treatment.

Some years ago a writer in *School and Society* expressed his conviction that the school should be important as a first relay station where potential defectives of all descriptions—physical, mental, educational, and social might be recognized and treatment begun. At that time his was a voice in the wilderness. Today many schools are actually first relay-stations for noting deviations from physical and mental health. All schools will some day be frankly committed to such a study of the individual child as will go far in bringing about in adults the adjustment that Dr. Menninger calls "a healthy mind."

Most economists declare the hard times that have bowed the heads of millions of men and written lines of agony on the faces of women are the result of inflation and overproduction. If that be the cause of the disease, why not apply the remedy that labor advocates? Why not apply the shorter day and the shorter week in an effort to remedy a situation that cries out from the hearts and tongues of myriads for solution?

—Rep. James O'Connor, of Louisiana.

And the five-day week is not coming just because employers want it.

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