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WAR LOAN ORGANIZATION

THE  
PATRIOTISM  
of  
SAVING



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# THE PATRIOTISM of SAVING

By Frederic J. Haskin

**S**AVE MONEY, not for the sake of money itself, but because the wealth which it represents in food and iron and all the other materials of living are needed to reconstruct a war-torn world and to reorganize the industrial machinery of your own country.

Save this wealth, not by denying yourself what you need, nor even any reasonable luxury, but by spending wisely, living temperately, eliminating waste from every phase of your life. For waste, in this time when the world is feeling the pinch of want, is simply the selfish destruction by one of things which many need.

This is the message which the officials of the United States Treasury Department wish to send into every American home. To them is intrusted the task of managing economically the finances of the Nation, and they realize that this task is most difficult unless the people of the Nation enter into the spirit and the practice of this national economy.

The Liberty Loans and the War Saving Stamp drives were primarily feats in national economy, for men of wealth in this country who had accumulations of money to draw upon gave only a fraction of the whole. The war was financed largely by men and women who had little besides what they earned from day to day and who denied themselves in order to lend to their Government. These denials were the most valuable phase of the great loans; for they represented savings of material and labor. The money would have been obtained in any case. Money is only a symbol. But there was a limited amount of the materials with which wars are fought and of the labor which makes this material available, and enough of these could be obtained for war purposes only by the economies of the civilians.

The war, then, was fundamentally a feat in saving—of men and nations cooperating to husband and conserve their resources for a great purpose. And this word “reconstruction,” which is now heard everywhere, means for America nothing more nor less than making a permanent part of our national organization and our national consciousness the lessons in saving that have been taught by the war. But the feeling is widespread that the need for saving, now the war is over, can not be as great as before. “The big job is done. Now let’s relax.” That is the average man’s reaction to the announcement of peace, as was abundantly demonstrated on the day the news of peace reached America.

## NEED FOR MORE MONEY.

The Treasury Department officials meet this attitude on the part of the public with the sobering information that, financially, the worst is yet to come. The high point of the expenditure curve, is just about to be reached, and the descent from that to normal expenses of Government will be long and gradual.

What, then, are these heavy drains that peace is to make upon the National Treasury?

In the first place, there are troops to be brought home—about 2,000,000 of them. It takes 6,000,000 tons of shipping to carry that many men, and our whole merchant marine is only a little more than that. If all the ships were impressed into the business they could just about bring all the boys home in one trip. But that, of course, is impossible, because there are so many other things to be shipped. So the return of the troops must be gradual. And its total cost will be millions.

The cancellation of war contracts is a heavy item of expenditure which the Government faces, and of which the average citizen understands little.

Take the case of an automobile manufacturer, who, under Government contract, has gone into the making of airplane engines. War finds him with his plant converted into an airplane factory, and with perhaps a hundred thousand blocs for airplane engines on hand. A fair settlement must be made with him. The least the Government can do is to put him in the condition in which it found him; so that he will have at least a fair chance to recover the civilian trade he has lost. The total cost of settling these contracts between the Government and the manufacturers may run into billions, and the ease and success of the transition of industry from a war to a peace basis depends very largely upon the fairness and promptness with which this settlement is made.

#### MUCH STILL TO BE DONE.

Then, too, it must not be forgotten that while the bulk of our Army will be disbanded, we have a large army of occupation in Germany to maintain—and for how long no one knows. This alone will constitute a much heavier expenditure for military maintenance than we have ever made in peace times before.

Nearly all of our troops are still drawing salaries, and most of them will continue to draw them for some time to come. And don't forget the war-insurance claims which are yet to be paid, or that war-risk insurance will continue for five years after the war, and may then be changed into other forms of Government insurance.

The tens of thousands of American soldiers who have been seriously injured during the war are also going to cost the American people a large sum of money for a long time to come. They are not going to be provided with wooden legs and pensions and set adrift, like the veterans of our other wars. Each of these men is going to be trained for the best place in civilian life that he can fill, and he is going to remain under Government care until both his cure and his education are completed.

Another probable big drain upon our national finances will be in the form of loans to our allies. While our policy in that regard has not yet been definitely determined, it seems certain that large amounts of money will be loaned to Europe by America. To make foreign loans at a time like this may seem on hasty consideration to be a gratuitous addition to an already ponderous load on the tax-paying public. But Treasury officials point out that Europe at this time has neither gold nor goods. Credit is the only thing the European nations have. And their credit is unquestionably good, with their enormous future productive capacity to back it up. We must lend

them money if they are to buy our goods. And they must buy our goods if they are to have any goods, and if we are to hold our foreign markets. To lend money to European nations at this time is not only humanitarian but also expedient.

#### NECESSITY FOR ECONOMY.

No doubt much of the credit that we extend to European countries will be taken in the form of food supplies. For it should not be forgotten that we still have the world to feed, including now our enemies as well as our allies.

These are some of the major items on the war account that must be paid by the United States—a Nation the richest and strongest in the world, but a Nation facing the heaviest of responsibilities with resources which the last two years have shown are by no means boundless.

It is trite to say that America's days of unlimited wealth are at an end. But it can not be said too often that with them must go the American tradition of wastefulness which is a heritage of those days. For there is an American tradition of wastefulness. We like, not merely enough, but too much, of everything. We even quite commonly go the length of pretending that we have too much when in reality we have not enough. To us the European, who smokes a part of his cigar to-day and saves the rest for to-morrow, and cooks his dinner with a little bundle of twigs and keeps his house about the temperature of an October day in Maryland, and is so unashamedly careful of his money, has not been an inspiring figure. We have not heretofore comprehended either the spirit or the need of such economies. Our own rational attitude toward wealth was formed in the days of oil gushers and bonanzas, of vast rich prairies that had never felt the bite of a plow and forests that had never rung to the sound of an axe, of the days when our railroads ran wasteful races across a continent of untouched wealth.

The war has dispelled any lingering illusion we may have had that our resources are still great enough to be wasted. The war-time struggle to feed ourselves and our allies brought into every household the realization that for all our wealth we are not beyond the reach of want. But it also demonstrated that want is the child of waste. We were perilously close to want while great areas of rich soil in our country lay waste, covered with swamp and brush, because no one had found it worth while to clear and develop them, or because it had been nobody's business. There were shortages of food in cities while food was rotting on the farms for lack of means to carry it. In a word, the war-time food problem showed that we suffered, not only because our resources were no longer unlimited, but because we did not know how to use what resources we had.

#### MORE FARMS TO BE MADE.

Reconstruction must and will remedy these things. There are differences of opinion as to how it must be done, but all thinking men are agreed as to the necessity. The measure which is now being framed by Government experts to provide soldiers and other citizens with farms is primarily a measure to make food more abundant and cheaper. It recognizes that the great swamp lands of the South, the

cut-over timberlands of the Northwest, the irrigable arid lands of the Southwest must be made into productive farms. It is proposed that the States shall make these lands available and that the Federal Government shall reclaim them with the great machinery which it has ready to hand for that purpose in the Reclamation Service and the Department of Agriculture. And if there is to be enough food in the future, these farms must be given to farmers in such condition and on such terms that they can farm them profitably. All of this, which will redound to the benefit of every citizen, will take wealth to do, and that wealth must be saved and made available by the American people.

It has become apparent to everyone, too, that our methods of distributing food are at fault and that they must be reorganized. We have heard much of middlemen and profiteers and of food hoarded and food spoiled in transit. But the more you learn about the matter the more convinced you become that it is the system which is at fault and not any man or class of men. Indeed, nearly all men and classes have shown an eager willingness to cooperate with the Government in eliminating waste.

#### FOOD FROM FARM TO TABLE.

Food must be brought more directly and quickly from the farm to the table, however that is done. The Post Office Department under authority granted it by Congress has already initiated a system of bringing food from farms to cities as United States mail by means of the motor trucks, which have proved their value as means of transport during the war and of which the Government already owns tens of thousands. The plan is to form self-governing organizations of farmers about the country schoolhouses for the purpose of gathering and selling food, and similar self-governing community organizations about the city schools for buying them. This plan has already been placed in operation in Washington and the surrounding country with great success. Citizens of one Washington community are now getting eggs for 61 cents a dozen when the market price is 83, and oysters at 40 cents a quart when the market price is 75, by means of this parcel-post system of marketing.

But this reorganization of the production and distribution of food can not be carried out without wealth and that wealth must be saved. And this reorganization will not avail to bring about abundance and lower prices unless the food so produced and distributed is economically used. The best thing which the Food Administration has accomplished is the teaching of methods for the economical use of food. And the Army has given a brilliant demonstration of how enormous quantities of food may be saved by small economies. For example, by the use of sharp bread knives, which do not waste bread in crumbs, 60,000 pounds of bread was saved in one cantonment in 15 days. How much bread, then, is wasted by dull bread knives in American homes? How to stir his coffee is a part of the training of an American soldier, for it has been found that tons of sugar are wasted by putting too much in a cup and not stirring it enough. These are absurdly small matters, you say. But they produce amazingly large results.

In the use of the materials of manufacture the war was no less a feat in saving. It was only by curtailing the manufacture of non-essentials and standardizing the manufacture of essentials that the Government was able to obtain the steel and rubber, the wood and leather, and all of the other materials which it needed. Scientists searched for new materials, developed new processes. Strange fishes were brought up from the sea and their skins used for making leather. Prospectors from the Geological Survey, under the spur of necessity, discovered hitherto unknown deposits of rare and valuable minerals. Whole new industries, such as the making of dyes and of optical glass, were started. The manufacture of nitrogen, that indispensable food of the soil, from the air, and from the waste of coke ovens and factories, was put upon a practicable basis. All of these and many other industries must be supported and developed by American wealth, and made strong enough to compete with the similar industries of other nations.

#### A NATIONAL JUNK SHOP.

Typical of the way the war was won is the Reclamation Division of the Quartermaster's Corps, which made millions of dollars' worth of material available for war work by reclaiming waste. The Reclamation Division was nothing less than the despised junk shop on a national scale. This organization, which employed some first-class business and scientific brains, collected old shoes and clothing, dead horses, manure, broken machinery; made a science of reducing these things to the state of usable material, and demonstrated that the United States of America is allowing the wealth of a small European State to rot in its ash heaps and garbage barrels, and collect dust and decay in attics and cellars.

This Reclamation Division of the War Department is now heading a great movement to make the reclamation of waste material a measure of reconstruction—a permanent part of our national life. It is advocating the establishment of a reclamation department in every city government to gather waste materials from the homes of citizens and to employ the inmates of jails and reformatories in sorting and reclaiming them. It urges every citizen to establish a junk pile and to ransack his cellar and his attic for the accumulations of things broken and discarded which all cellars and attics contain. There is no denying that the total amount of material which the American people are thus unintentionally hoarding is enormous. And it is just as important to keep material in circulation as it is to keep money in circulation.

The story of fuel has been the same as the story of food, and is equally familiar to every householder. Wasteful methods of production and distribution have been revealed, and have been temporarily improved by the work of the Fuel Administration. Here, too, the task of reconstruction is to make these savings permanent. In the coal lands of the West, still owned by the Government, the American people own a coal supply which scientists say will last them a hundred years at least if rightly used. All fair-minded men admit that a way must be found for mining and distributing this coal so that everyone shall have his share of it at a fair price. Whether

this is done, as the present administration proposes, by a system of leasing the coal lands to operators under Government control, or whether it is developed by private capital, its production and distribution must be so safeguarded as to prevent waste.

#### WASTEFUL TRANSPORTATION.

The taking over of the railroads by the Government for the period of the war was primarily a measure to abolish a waste—the waste of enforced competition and of conflicting measures of regulation by State and Federal Government—for most of which the railroads were in no way to blame.

Reconstruction, it is recognized by all, must make these reforms permanent. Whether the Government owns the railroads in the future, or regulates them, they must be developed as a great cooperative system, uniformly controlled instead of wastefully competing.

Transportation by water has been killed by railroad competition. Canals and boat lines have been put out of business, until our inland waterways have become an almost negligible part of our transportation system. Had our canals and rivers been properly equipped and run, there would have been no coal shortage last winter, and war work would have been greatly expedited. Reconstruction must eliminate this waste by developing inland waterways, not by pork barrel appropriation, but under a nonpartisan commission.

#### WASTE NO LONGER NECESSARY.

War has placed a great check upon waste by enabling labor to collect more for its services. Heretofore in the United States, as in other great industrial nations, waste has been a necessity to keep the wheels of industry turning. Most persons who work on farms and in factories have made so little money that they have been unable to buy an amount equivalent to what their labor has produced. As a result of this, periodically our markets have become glutted, factories have closed, and hard times, with unemployment and bread lines, have set in.

Naturally, extravagance on the part of those who have money tends to compensate for this inability of most people to purchase their share of what is produced, and so to keep industry going. Five-thousand-dollar dresses, homes as big as hotels, *pâte de fois gras*, and all the other extravagances of wealth have had this questionable justification, as has also the purchase of notions and novelties and other forms of manufactured trash by the less affluent. These things waste material and weaken the Nation economically in the long run, even though they tend to prevent temporarily a glut of the market and immediate hard times. This fact has had a sort of recognition, conscious or unconscious, and it explains in part why wastefulness has always been in such high repute in this country.

The war did away with the need for this deliberate and organized waste of material by making the material necessary for war work and by paying labor much higher wages, so that laboring people could buy a larger share of what is produced. And it is evident that labor will not willingly go back to its pre-war condition of low wages and periodical unemployment. Fair-minded Americans do not desire that it should.



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This rise in wages is part of a general recognition of the value of man power which the war has brought about. For the tendency of the war has been to enable every man to find his rightful place in the national scheme and to earn what he is worth. This is economy, too—economy of man power.

This new recognition of the value of human energy and the need for conserving it has naturally been a great stimulus to education, which is essentially a conservation of human material. War has brought out the value of the trained man. And it has shown that educated nations can pass through great political changes without serious disturbance while uneducated ones fall into anarchy. It has shown that democracy without education is impossible.

**UNEDUCATED AMERICA.**

And the war has shown that education is sadly deficient in this democracy. The Government has had to establish schools to train the men it needed—not merely to be soldiers, but artisans, mechanics, and clerks and all other kinds of trained men. It has had to teach many of its soldiers how to read and write and what the Constitution of the United States means. And the fact has come to light that war has closed the doors of thousands of rural schools throughout the country because the teachers in them were not paid enough to keep them open. Thus it has been found that the United States, which now stands before the world as the champion of an enlightened democracy, does not offer all of its children even an elementary education, contains thousands of illiterates, and has no adequate system for teaching the arts and industries.

All this is waste of the worst sort—waste of human energy. Reconstruction must deal with it. There has already been created a Federal Bureau for Vocational Education, which is designed to give Federal aid in establishing industrial schools all over the Nation. Other measures will be offered providing for Federal aid to schools in rural sections where hundreds of thousands of American children are now growing up without more than a smattering of education.

**GREED MUST GO.**

These are some of the lessons the war has taught America, and the measures of reconstruction which are most generally agreed upon as necessary. Every lesson is a lesson in saving, and every measure of reconstruction will make a demand upon the wealth of America, which means the ability of the American people to save. This duty of saving which now confronts us is a commonplace and uninspiring duty, if you choose to call it so. The epoch of conservation upon which we are now entering will not have the spacious picturesqueness of the epoch of exploitation which we are leaving behind. But it will not be without its compensations. Greed, which has been such a dominating motive in our industrial growth, will necessarily come to play a smaller part, because greed is waste. Fewer men will work merely for money, and more will work for love of work, for love of country, and for the gratitude of their fellows, as millions of Americans have worked since the declaration of war.

