S. to the NEWS

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JOBS CREATION BILL

At the end of World lvar II, victorious Great Britain fired its wartime leader Winston Churchill, defeated the Conservatives, and voted the Socialists into power. The same year the U.S. State Department sent a commission to the country we defeated and told the Germans they should a.dopt the economic policies advocated by the Englishman Lord Keynes, namely, inflation and government deficits.

West Germany declined to take our advice. Chancellor Ludwig Erhard took exactly the opposite course: a balanced budget, encouragement to private enterprise, incentives to individuals to save and invest their money in production, and elimination of price controls and government deficits.

In the succeeding 25 years, West Germany rose from bankruptcy to become one of the most pro perous nations in the world. The other defeated country, Japan, took a similar path of encouraging private enterprise and likewise achieved remarkable prosperity.

During the same period, Britain has gone steadily downhill from the crest of her World War II victory to the verge of economic collapse. A combination of Socialists (who nationalized many industries) and Keynesian spenders have skyrocketed government spend ing to 60 percent of all British income. The once-stable British pound has fallen from $4.03 to only $1.84.

The United States Congress is now considering two major economic proposals. One is the Humphrey-Hawkins Bill which, by guaranteeing a government-funded job to every unemployed person, will take us

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do1,n1 the :Socialist/Keynesian road Great Britain traveled. When the government hires more employees, every paycheck must come out of the pockets of taxpayers.

The other proposal is the Job,Greation Bill sponsored by Congress man Jack Kemp and 107 other Congressmen. This bill is designed to increase capital investment which will create uew jobs and raise the \lroductivity of labor. The l(emp Bill will encourage investment i.u new plant and equipment by eliminuting double taxation of corporate dividends and by reducing other tax,Js which discrimiuate against private savings and private production.

New jobs are created by capital investmtmt, which iri turn is created either by savings or 'by borrow: ug. During the 1970s, corporate-retained profits hove averaged only 1.8 percent of our national income.

When er..rploy,;n·s tu.r:ci.,.:id to credit markets to finance their 8l..'1}ansion, they found the.m.sel vas crowded by big **government** borrowings to finance our huge I'ederal aeficits. Although private business and agrioul ture provide 80 percent of ..unerican jobs, the government has been borrowing about 80 percent of the credit available.

Our current unemployment h, a diroct result of government deficits taking so much capital away from iuvestment **in** business and agriculture. With two million additional young workers entering the labor market each year, our economy 1:iu.s t have the capital investment necessary to create new jobs.

Whether Congress votes the Kemp Jobs Creation Bill or the Humphrey-Hawkins Bill will deter.nine whether we choose proven private enterprise prosperity or make the sanv tragic mistake as did Great Britain.

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