

It has decreased selfishness. It has increased the portion of the Holy Spirit which God has given to his people.

May we sustain our President, his counselors, and all the leaders of the Church. May we sustain the rank and file of our brethren and sisters, and praise God that this blessed gift of the Holy Ghost, the spirit of revelation, shines gloriously in this Church, is my prayer, in the name of Jesus Christ. Amen.

PRESIDENT J. REUBEN CLARK, JR.

First Counselor in the First Presidency

I trust I may be permitted to refer to my observations at the last April Conference (1937), and to reaffirm what I then said, in the language in which I then said it. I made then and make now no prediction. I merely gave by way of admonition the benefit of what many responsible men of affairs were then saying. In so far as I am advised, these men have not changed their minds. In my own view, for what it may be worth, conditions appear to me to be in no better way.

PROFITABLE INVESTMENTS ENCOURAGED

After that Conference people wrote asking if they should sell this or that property which they held. They were told I had offered no trading or marketing advice, no advice about selling or buying, but warned against speculation, that is, gambling. Others wrote asking if they should run in debt for this or that purpose.

To the latter it was replied that the Church had always counselled against running in debt, that this seemed still sound counsel, and that if it were ever wisely to be disregarded, it would be in connection with the buying of a home, or a farm, or stocking a ranch, or for carrying on some line of business. The suggestion was added that even in such cases the whole proposal should be carefully gone into so as to make as sure as might be that the investment to be made would be profitable.

BORROWING BRINGS BURDENS

I should like now to talk about that question of debt a little more. I shall say nothing new. Everybody knows the things I shall mention. My only excuse for naming them is that sometimes some of us forget what should, in wisdom, be remembered. What I shall say will not so much concern business men who are supposed to know when and how to borrow. I am speaking to the great bulk of us who have little or no business training and experience, and perhaps not too much business ability. I belong with this bulk and have had a chastening experience in debt.

It is a rule of our financial and economic life in all the world that interest is to be paid on borrowed money. May I say something about interest?

Interest never sleeps nor sickens nor dies; it never goes to the hospital; it works on Sundays and holidays; it never takes a vacation; it never visits nor travels; it takes no pleasure; it is never laid off work nor discharged from employment; it never works on reduced hours; it never has short crops nor droughts; it never pays taxes; it buys no food; it wears no clothes; it is unhoused and without home and so has no repairs, no replacements, no shingling, plumbing, painting, or white-washing; it has neither wife, children, father, mother, nor kinfolk to watch over and care for; it has no expense of living; it has neither weddings nor births nor deaths; it has no love, no sympathy; it is as hard and soulless as a granite cliff. Once in debt, interest is your companion every minute of the day and night; you cannot shun it or slip away from it; you cannot dismiss it; it yields neither to entreaties, demands, or orders; and whenever you get in its way or cross its course or fail to meet its demands, it crushes you.

So much for the interest we pay. Whoever borrows should understand what interest is; it is with them every minute of the day and night.

STATISTICS ON FARM MORTGAGES

As to running in debt to buy a farm, particularly for the greater part of the purchase price, or for any considerable loan on a farm, I should like to give you the following facts.

During the recent depression a great insurance company had to foreclose on farm property which had been mortgaged to it for some \$65,000,000. The presumed actual value of these foreclosed lands was more than \$100,000,000, which is approximately the value of all the farm lands of the state of Utah. The lands foreclosed were among the richest farming lands in this country.

After the company acquired the lands, it wrote them down about 10 per cent of the estimated actual value, so that they now stand on the books at about \$55,000,000.

The net profit for last year on all these lands taken together was 3.03 per cent on the written down value of \$55,000,000. This would be equal to about 1.6 per cent on the full value as of the date of mortgage.

The very large amount involved and the location of the farms would seem to indicate that this is a fair example of the returns on the better farm lands of the country.

May I suggest to you farmers and would-be farmers that you can hardly hope to borrow money, relatively large sums of money, at 5 per cent or 3 per cent or even 2 per cent and then pay out, principal and interest, in an enterprise that will net you only 1.6 per cent. That is the simplest mathematics.

EASY MONEY NOT A BLESSING

Let me say in passing that it seems to me the worst curse the farmer has ever had—worse than pests, or drouths, or frosts, or even poor

markets—is the easy money which has been thrown in his path. What the farmer needs is not easy money but good, profitable markets.

These same principles hold good in all enterprises of all kinds.

I should like also to say something about long time debts, say 20 or 30 years, for remodeling and improving homes. I am not unfamiliar with the stock arguments and reasoning used to support this kind of borrowing. But we must fully consider this: Any improvement such as bathrooms, modern heating and refrigerating plants, and the like, will, in the course of ten years, probably be old, out of style, and largely obsolete. If the family is the ordinary one, they will at the end of ten years clamor for new, up-to-date furnishings, for another and modern remodeling. When that time comes the family will have to realize that it must go on paying principal and interest for another ten or twenty years on the worn bath tub and basin, the stained and cracked kitchen sink, the smoky furnace, and all the rest. This assumes, of course, that we have been able to keep up our payments for the first ten years and have not lost the whole property before that time, both what we put into the house as well as the house itself.

INSTALLMENT BUYING DISCOURAGED

I say this notwithstanding that in my view no home is too good, no comfort too great, no luxury too rich for the very humblest family that can afford them; but for the least essential comforts and for all the luxuries, let me urge you to pay as you go.

I wish to add something on installment buying—that popular method of running in debt for things and paying for them while you wear them out. Installment buying is a twin brother of longtime loans for remodeling and furnishings. A part of a successful installment plan is a very high, usually hidden rate of interest.

I know that in speaking of this I am treading on debatable ground. However, I feel something might wisely be said about it by way of caution,

In 1929 it has been estimated that installment purchases amounted to 6.5 billions of dollars. Dr. Wilford L. White, chief of the marketing division of the Bureau of Foreign and Domestic Commerce, is quoted as saying that “installment contracts entered into during or immediately prior to 1929 contributed to the last depression.”

Statisticians say that in 1935 there were 3.6 billions of dollars of installment purchases; for 1936 the estimates run from 4.5 billions of dollars to 13.5 billions of dollars; for 1937 installment purchases have been estimated at better than 5 billions of dollars.

The system has been defended as justifying itself “by providing the luxuries of yesterday for families of limited incomes today by allowing those families to purchase such goods by pledging part of their future earnings.”

Its value has been appraised in this language: “It encourages production of luxury goods, thus reducing the consumption of necessities. It promotes extravagance, based on the chances of continuing and rising

incomes, and thus increases stringency at a time when trade is shrinking. It creates a body of debt that stands in part for something already consumed. It leads to over-production of luxury goods, and, like monetary inflation, leads to a condition which requires for its maintenance larger doses of the same stimulant, shown by its extension to articles which depreciate rapidly."

A British economist affirms: "It has done much harm in America; it has been drastically limited in many parts of Europe; it is the enemy of real thrift; it is most tempting to the least provident."

To buy on the installment plan means to mortgage your future earnings. If through sickness or death, or through loss of work, the earnings cease, the property bought is lost together with what has been put into it.

I venture one suggestion,—until times become more certain, the ordinary family will do well to purchase by installment only the actual necessities of life, leaving the luxuries to be bought as they can be paid for when purchased.

I shall not attempt to draw a line between necessities and luxuries, beyond saying that an artisan or mechanic who can ride to work on the train or street car would hardly be justified in buying an airplane for that purpose on the installment plan; or would a farmer already owning a cow pony to go to the pasture for the cows be justified in buying an automobile on the installment plan to be used for the same purpose.

I can only mention here, again by way of caution, another contributing element of danger in our economic life, that is, those seasonal, crop, or other short term financings which unwisely base operation for future profits on borrowed money.

TAX-PAYERS MUST MEET PUBLIC DEBTS

If I might be pardoned, I should like to add another word about two closely related subjects which I have mentioned or referred to at almost every, if not every, Conference since April, 1933; I refer to the enormous expenditures of the people's money and to the ever-growing feeling and belief that a great group of the people can live off the public without working.

I should like to say again that neither the State nor the Federal Government has any funds except only such funds as it obtains from the people. Neither of them has anywhere a great pile of gold to which it can go for its money. You taxpayers must furnish it all; and every citizen is a taxpayer, either by direct or indirect taxation. Whenever governments borrow, they borrow from the taxpayers who must pay back or repudiate. To pay back large borrowings causes great hardship and burdening sacrifices; to repudiate brings economic and sometimes political chaos.

CHURCH EXPENDITURES CAREFULLY HANDLED

Some of our own members seem to be thinking that the Church too has a pile of gold. It has not. All the Church has is the moderate

income it receives from investments it has made out of the savings from your past contributions, and the tithing and donations which you faithful members—usually not the critics and fault-finders—make for the support of the work. You have had a report as to how that money has been spent during the past year. I assure you there are no secret or hidden expenditures. All are recorded and all audited. The Church does not have one cent to be spent by any one for any purpose except upon an accounting made after the expenditure is made under an authority given for the expenditure. May I say here, the Church is not in debt; none of its property is mortgaged; none of its security pledged.

Now, as to the other point,—the living of one large group without work on the industry, thrift, and sacrifice of the rest of the people. I say again this is virtual slavery for those who furnish the livelihood for the idlers. I know very well I shall be accused of being harsh, cruel, unsympathetic. I am not. But I consider the welfare of the whole people as superior to the comfortable or luxurious idleness of the part.

To this kind of expenditure belong these old age gratuities or doles, which, to save somebody's conscience, are called pensions. I mention this matter because it is growing to such large proportions and because it will have such a far-reaching and destructive effect upon the character of the people, young as well as old.

I may begin by saying these are not properly pensions, a term which has always implied one or both of two things: Either a conspicuous service performed for all the people which merits from the people a special recognition upon infirmity from age or otherwise, or a plan by which the pensioner himself has contributed to the building of the pension fund he receives. These old age pensions so-called have neither of these elements.

Where these gratuities are honestly due under the law there is no legal objection to taking them. But I warn you who take them not to count too much upon them for they cannot continue to be paid indefinitely. Furthermore, where these gratuities are obtained by falsifying the true condition, by hiding property, by deeding it away in order to qualify for the dole, or by using any device to hide or distort the real situation, this is downright dishonesty.

I honor and respect old age. I would not see it suffer from want, nor from disease that can be helped. It is entitled to every care, to every act of kindness, to every loving caress which a grateful community and a devoted family can give.

I have every sympathy with age. I know the difficulties which age has in fitting into modern, economic life. I have had many matured, outstanding men come to me in New York seeking work. Some had been discharged from jobs they had worked up to during a long life of service. The depression had replaced them with young men who had more endurance and who would work for less money. In America at least the human wastage in the depression was far greater than the

human wastage of the World War. The old man out of work is one of the most pathetic, heart-tearing tragedies of today.

Some plan must be devised that shall make certain that no aged person shall be cold or go hungry or unclad. But the prime responsibility for supporting an aged parent rests upon his family, not upon society. Ours is not a socialistic or communistic state, where the people are mere vassals to be driven about as animals from one corral to another. We are freemen. So still with us the family has its place and its responsibilities and duties, which are God-given. The family which refuses to keep its own is not meeting its duties. When an aged parent has no family or when the family is itself without means, then society must, as a matter of merest humanity, come to the rescue. This is perfectly clear.

But it is a far cry from this wise principle to saying that every person reaching a fixed age shall thereafter be kept by the state in idleness. Society owes to no man a life of idleness, no matter what his age. I have never seen one line in Holy Writ that calls for, or even sanctions this. In the past no free society has been able to support great groups in idleness and live free.

CHURCH WELFARE WORK

I wish in closing to say a few words about our Church Welfare Work. You have heard a detailed report about its work. It has been operating for two years only. Behind it is merely the purely voluntary contribution by Church members, some 767,000 men, women, and children, and some others who have out of a love for humanity made also gratuitous contributions.

Of this number of Church members more than 172,000 made cash voluntary gifts in addition to their tithing and other contributions during 1937. This means that as much as 60 per cent of the adult membership of the Church, both male and female, made cash contributions to this Plan for relieving human want. This in itself is a great spiritual, Christian achievement. During this year out of these Fast Offerings and other Church revenues, assistance has been given to some 44,000 persons.

We have not fully met our problem, but this is only our second year. We feel we have made a good start. We have gained experience. We are conducting a Church-wide budget operation based upon the reports of Bishops as to their estimated needs for this year so that notwithstanding the economic difficulties that overhang the nation, we may more nearly solve our full problem.

The Church has never said it was going to give employment to all unemployed Church members. It has said it would do what it could to this end. It has done so. It has found employment for some 6,000 of its members, which may represent as many as 30,000 members of families.

The Church has never said it would try to take its members off governmental work projects. But the Church has repeatedly urged every

*Wednesday, April 6**Third Day*

Church member employed by the government to give an honest, full day's work for a day's pay.

There are certain elements in the general relief situation in this interwest region where the bulk of our members live which are not always in mind. In the first place, at least half of the population in this area are not members of the Church. A very large percentage of these non-members are engaged in industrial occupations which are particularly affected by the present economic decline. In the next place, for one reason or another not now necessary to consider, it seems fairly clear that no small number of those classed as Church members on governmental rolls are either not on the Church rolls at all or have been wholly inactive for years, many of them since childhood. Too frequently these persons show a fixed unwillingness to give up governmental aid for Church relief. The basic element of the Church program is work in exchange for relief.

The first effort of the Church has been consciously directed towards relieving the needs of the worthy members of the Church whose prior activity calls for consideration from the whole Church membership. But the Church has not turned its back upon the others; it welcomes their return to activity; it will look out for them just as rapidly as they can be reached.

So, all in all, I wish to tender my heartfelt gratitude, my sincere congratulations, to the Relief Society—every officer and woman of them—to the Presiding Bishopric, to the Priesthood quorums, to the General Committee, to the Bishops of wards and Presidents of stakes, to regular and auxiliary organizations of the Church, stakes and wards, to our Church periodicals, to every man and woman who has in any way helped in this great undertaking, and particularly to those hundreds who, somewhat careless of their duties in the past, have come forward in these critical times and taken on this new work fighting as veterans against our common enemy—want. We welcome you brothers and sisters. I know that to every man, woman and child, who has given from his abundance or who has offered the widow's mite to help his less fortunate, suffering brothers, there has come a peace and joy that has carried into his heart more of unselfish love for his fellowman than any unlike thing he has ever done. They have realized the truth of the great principle announced by James:

Pure religion and undefiled before God and the Father is this: to visit the fatherless and widows in their affliction, and to keep himself unspotted from the world.

After and above all, as was stated in the financial report, while the Church Welfare aims, of course, to help those in need, its real purpose is not merely to substitute Church gratuities for others furnished by charitable or governmental agencies but to rebuild the characters of its members and to promote and to foster the patriotic, civic, and spiritual qualities of the people.

Discoursing in the Temple on the second day of the week of the

atonement sacrifice, Jesus declared the fate of those who should stand on the left hand at the day of judgment.

Then shall he say also unto them on the left hand, Depart from me, ye cursed, into everlasting fire, prepared for the devil and his angels.

For I was an hungered, and ye gave me no meat; I was thirsty, and ye gave me no drink.

I was a stranger, and ye took me not in: naked, and ye clothed me not; sick, and in prison, and ye visited me not.

Then shall they also answer him, saying, Lord, when saw we thee an hungered, or athirst, or a stranger, or naked, or sick, or in prison, and did not minister unto Thee?

Then shall he answer them, saying, Verily, I say unto you, Inasmuch as ye did it not to one of the least of these, ye did it not to me.

And these shall go away into everlasting punishment; but the righteous into life eternal.

The resurrected Christ, breakfasting the seven disciples on the shores of the Sea of Tiberias in the early morning, saith unto Peter thrice: "Peter, lovest thou me?" Peter thrice replied, "Yea, Lord, thou knowest I love thee;" and Christ thrice commanded, "Feed my sheep."

The Choir and congregation sang the hymn, "The Spirit of God Like a Fire is Burning."

ELDER WILLIAM T. TEW, JR.

President of the East Central States Mission

Not only do mission presidents preside in the mission field without counselors, but usually they are kept on the anxious seat throughout the conference here. I am thankful for this opportunity of being here this afternoon. I am thankful to President Grant for calling me at this hour.

Today is the hundred and eighth anniversary of the organization of this Church. All day I have been looking back, in my mind, to that little group of six men in Fayette, Seneca County, New York, in the living room of Peter Whitmer, where this Church was organized a hundred and eight years ago. In a way I have tried to visualize the progress, the expansion, the development, the power and the influence this Church has wielded and how it has grown during this century of progress.

On the 30th of September, 1937, I noticed the following quotation in the *Deseret News*. There had assembled, in this city, leaders of the Federal Council of Churches of Christ in America. They adjourned on the 30th of September, with this conclusion:

That realism must replace sentimentalism, and conviction must take the place of emotionalism, if Christianity is to be employed in the solution of the world's ills.

We have known that for a century or more. If there is any one thing in the world that this Church does stand for, it is realism and not sentimentalism; conviction and not emotionalism.