

SECOND DAY

AFTERNOON MEETING

Conference was resumed at 2 p. m.

President Heber J. Grant announced that the music for this session would be furnished by the *Branch Agricultural College Chorus* of Cedar City, William H. Manning, Director, and that the Chorus and the congregation would unite in singing, as an opening number, the hymn, "We Thank Thee, O God, for a Prophet."

After the singing of this hymn, the opening prayer was offered by Elder Winslow Farr Smith, President of the Ensign Stake.

The Chorus sang "God is Our Refuge," (Dudley Buck).

A double trio from the *Branch Agricultural College Chorus* sang "Dawn" (Curran).

ELDER STEPHEN L RICHARDS

Of the Council of the Twelve Apostles

I express unto you, my brethren and sisters, my love and my love also for the great cause in which we are engaged. I desire to render service to that cause this afternoon in discussing some practical and temporal matters.

ONE METHOD OF INCREASING PROSPERITY

My subject is *The Gospel of Work*. I invite your attention to the following figures which I take from a current magazine:

If each of five million (American) wage earning families now under \$1250 a year could get \$2.00 more a day per family * * * they would spend each year: \$213,000,000 more on fuel and light and refrigerators,
 \$224,000,000 more on household furniture,
 \$285,000,000 more on motor cars and other transportation,
 \$208,000,000 more on medical and dental services,
 \$234,000,000 more on recreation,
 \$73,000,000 more on personal care,
 \$416,000,000 more on clothes,
 \$613,000,000 more on housing
 and \$800,000,000 more on food.

These items would total more than \$3,000,000,000 in new sales for the five million families alone, and if all the families in the United States could have \$2.00 a day more than they now have their purchasing power would be increased by \$20,000,000,000 a year.

The first question naturally arising from the figures I have quoted is: How can we get \$2.00 a day more for each family in our country, and particularly for the five million families of the lower incomes? I give you in substance the answer of the author: By more and better work on the part of the *employed* of our country.

And how will more and better work of the *employed* add to all incomes and purchasing? Answer: First, by making it possible to reduce prices so that families even without raising present incomes may buy all that they now buy at lower prices and have sufficient money left over to buy more and other goods; and, secondly, the increased volume of commodities purchased will mean larger production, and larger production means the employment of more workers.

It is of course very trite and commonplace to assert that what the country most needs is more purchasing power. Everybody knows that. But it is not so obvious that increased purchasing power is largely the result of lower prices and that after all our real problem is not so much with the *unemployed* as with the *employed*. This is so because whenever a man who has a job does his work better and more efficiently he makes it possible to reduce the price of the commodity or the service, thus adding, as I have heretofore pointed out, to the consumer's purchasing ability. There is very respectable authority and abundant statistical data to prove this conclusion.

But do reduced prices always follow better work and methods? I am sorry to say that they do not, and it is chiefly because prices do not decline that the volume of sales does not increase, that our prosperity is stifled, that discouraging unemployment persists, that government pursues such costly experimental remedies, and that our whole system of free enterprise is threatened.

Now I am induced to bring these matters to your attention because I firmly believe there is a very definite relationship between them and the concepts, practices, and teachings of our Church, and because I want our people to know that approved economic theory makes practical and feasible many aspects of our teachings.

HAPPINESS IN HONEST LABOR

We have always dignified work and reproved idleness. Our books, our sermons, our leaders, including particularly our present President, have glorified industry. The busy hive of the honeybee—Deseret—has been our emblem. Work with faith is a cardinal point of our theological doctrine and our future state,—our heaven, is envisioned in terms of eternal progression through constant labor.

This fundamental principle of the honor of work is sorely needed in application in the world today. All the fraudulent schemes, the rackets, governmental corruption, and wide-spread public demoralization have their inception and support chiefly in the failure to recognize the dignity and the happiness that flow from honest toil.

What is honest work? I believe it is rightly interpreted only in terms of service, and the value of true service is measured by someone's gain. Such a concept is not only Christian but it lies at the foundation of sound, profitable business. There are innumerable demonstrations of this fact. The kind of work that makes a better product for less cost is what our national economy demands. There are at least two indis-

pensable factors in this kind of work and the efficiency it produces. First, *integrity*, which includes loyalty; and second, *ability*. No one can succeed unless he is dependable. If he works for another, he must make his employer's interest his own. If he works for himself, he must be faithful and true to his enterprise or he will fail. The "watch the clock" variety of service, with no interest in the job but to get the per diem, is as much responsible for bankruptcies as any other factor which I know.

Not only must our workers be loyal but they must also be *able* to succeed. In the highly competitive markets for goods and services, locally, nationally, and internationally, the skills and acumen are usually the deciding features. Ability is generally the product of training and education. The most skillful not only have the best chances themselves but they contribute most to the success of the enterprise with which they are associated. It is a notable fact that during the years of depression, with some exceptions of course, particularly in industrial centers, the really skilled worker has been little in evidence among the unemployed and even when he has been without a job it most commonly has been attributable to arbitrary manipulations of the price structure for services or goods.

SKILLED LABOR DEFINED

On the other hand, our recent history demonstrates that the unskilled laborer has a hard time of it. His service is the first to be dispensed with. He is the least wanted. And, I regret to say it for fear of hurting feelings, he makes the least contribution to economic progress. In saying this I want you to understand that I do not limit skilled labor to the professions, the artisans, or any white-collar or other group who may consider it beneath them to do any honest work. I class any man as a skilled worker who has cultivated the ability to do his assigned job exceptionally well. I know expert grave diggers whose skill commands my admiration and esteem.

It is my privilege to travel around the country a good deal. I see many farm lands. I often note that on one side of a fence is an area of stunted crop growth, weeds, barren patches, and unproductive desolation, while on the other side of the fence with nothing but a dimension line between, with the same potential soil, equal water rights, the same air, the same sun, the same climate, lies a field,—a field beautiful beyond description with the abundant productivity which nature yields to the skilled husbandman. I see fat cattle and lean, good homes and poor ones. I go into stores,—some are attractive, merchandise is so arranged, service so efficient and courteous that goods sell, while in others, on the same block, perhaps, there is evidence of slovenliness, poor buying, lack of the art of proper display, and the proprietor wonders why customers do not come. There are service stations on every hand. It is not uncommon to see four located on the four corners of a prominent intersection. Sometimes only one out of the four succeeds. Surely location is not the determining factor. Almost countless millions of dollars

are now invested in automobiles. These machines cost much to buy and much to maintain. Some last a long time and pay to their owners reasonable returns on the investment in more ways than one. Others are quickly ruined and the depreciation is enormous and shameful.

Now what is the determining factor in these contrasted results and a world of others comparable to them? Why, of course, with relatively few exceptions, it is the personal equation, the skill and the energy of the proprietor or his employees or both.

CAPITALISM IN ITS TRUE SENSE

This doctrine of work lies at the very foundation of the capitalistic system. Many people misunderstand and misinterpret capitalism. They think that because the word "capital" is used to designate the system that its chief purpose is to make wealthy men who are usually called capitalists and whose wealth, it is feared, is too often accumulated at the expense of poorer classes. I admit that there are instances, altogether too many, where this comes about. But this is not the true concept of capitalism. The capitalistic system in its inner essence, is little, if anything, more than a man's free right to work, to choose his work, and enjoy the rewards of his efforts. In my estimation, it is a most precious thing and it is indispensable to the liberty and freedom of which America boasts. It is the only tried and tested system of free enterprise in this world and every other opposing system is built on an abridgment of personal liberty. For one I do not want to lose it.

But we will lose it if we do not understand it and recognize its virtues. It is not the capitalistic system itself that makes some men rich and some men poor. The men themselves do that, again with some exceptions. The system merely offers the opportunities. There are, of course, abuses within it, as there must always be when humanity is involved. It does not guarantee that all men will be rich, and it is worthy of note that all systems which do usually succeed only in making all poor. To eradicate the abuses within the system is almost as difficult as to reform humanity. But who would advocate killing humanity because they are slow to reform? In this connection I shall be pleased to point out in a moment the bearing of religion on some of the problems of capitalism.

THE NEED FOR COOPERATION

We must be patient with our American system. It will take a long time to eliminate the imperfections in its operation. To be patient it is necessary to be tolerant,—tolerant of other people and their views. Everything we do in America is a composite of many opinions. The unifying element in our national affairs is common purpose and desire. I like to think that all Americans, however their views may vary as to methods and policies, have common desire to maintain our fundamental liberties, one of the most important of which is our system of free enterprise. So I hesitate to impugn men's motives, even though I do not

agree with their methods. I make these observations because I want to enter a plea for intelligent cooperation among all who have regard for our American institutions and principles.

There is a great need for cooperation in the field of economics. Our citizens must themselves be educated to understand the systems under which they live and work. They must know enough to establish the proper education for themselves and their children and reach conclusions for themselves. I believe that it is neither wise nor safe to leave the determination of our educational systems and policies exclusively to the professional educators. I do not discount the valuable service of our teachers. I should always want their expert advice, but I am confident that the patrons of the schools should have a much larger voice than they now have in the establishment of curriculums, school policies and management. This is a distinct subject in itself which I will not further pursue. I mention it because it has a direct bearing upon work and economic conditions which are my subject.

THE GOSPEL OF WORK

Now to return to the gospel of work,—and it is a gospel, if ever God gave us a message and principle for our salvation. It would seem apparent, without further comment, that the spread of this gospel of work is absolutely indispensable to the solution of the problems of our individual and national economy. I think we can lay it down as an almost unfailing rule, because the exceptions are so few, that the loyal, able, skilled, industrious worker is successful. His loyalty is his character. He makes that for himself. His skill is attained by training and education. Even genius is little more than the capacity for hard, sustained work.

I am in favor of more concentration in our educational processes in the development of the useful skills. The student who comes out of a high school, college, or university without ability to serve in useful capacities has failed, whatever his alleged scholarship may be. I am willing that the term "useful" should be applied to every form of human endeavor that contributes to the welfare of humanity, but I demand that it be consciously *useful* in the mind and heart of the student himself.

What better could we do than to teach every boy and girl, and ourselves meanwhile, that the ambition of every life should be a distinct contribution to the economic welfare of the whole people.

EDUCATION IN ECONOMICS URGED

For the purposes of this discussion I lay the emphasis on economic education. I am sure that in the long view of our living that emphasis is not misplaced. It is not misplaced because happiness and contentment and progression come to people only who are not hampered by destitution and poverty and who are able to maintain the right kind of manhood and womanhood in reasonable independence and prosperity. Self-reliance, itself, is a necessary concomitant of the principle of free enterprise.

There is no sin in proprietorship and every man and woman can be a proprietor if he or she but will. All may not be landed proprietors or the owners of great property but all may be proprietors of their services, so developed and executed as to make them indispensable units in the progress of the people.

RESULTS OF UNFAIR METHODS

Will you now consider with me another phase of the economic situation. I have advanced the doctrine for which I give credit to another that lower prices increase consumer's purchasing power and promote employment, and that better and more efficient service rendered by loyal workers makes possible reduction in prices. Why is it that the public do not always receive the benefit of advanced methods and more efficient service? The answer is: short-sightedness and selfishness on the part of some men in industry. This short-sightedness and selfishness are most conspicuous in two forms,—first, in what are known as combinations in restraint of trade; and second, arbitrary and unconscionable control and manipulation of labor. While the two items may not occupy the same legal status, I place them both in the same category because they produce substantially the same effect in our national economy. Both tend to raise prices to the consumer and fail to pass on to him the benefits accruing from better methods and more efficient service; both increase rather than decrease unemployment, and both promote industrial animosity and discord where cooperation and unity are so much required. We have laws to deal with the former,—combinations in restraint of trade. Perhaps some day there will be adequate statutory regulation of labor.

But it is not with reference to the legal aspects of the situation that I am now greatly concerned. That which does give me anxiety is the questionable motives and dispositions of men and the lack of foresight apparent in such uneconomic setups and policies. How is a \$3.00-a-day farmer to pay for a \$2.00-an-hour plasterer? How much 20c wool does it take to pay for \$60 suits of clothes? How can a moderately paid clerk, however much his family may need it, build a house when the controlled prices for materials and labor subject him to a life mortgage on his gainful occupation to pay the debt? I am perfectly aware that profit is the life of business, and I have no objection whatever to the profit incentive, but I do not have any sympathy with the avarice and stupidity which in the long run cut off profits and stifle prosperity. It would almost seem as if the privilege of profit should not be permitted to those who, either through ignorance or lack of humanitarian principles are not capable of being entrusted with it. It is here that the concept of the brotherhood of man plays such an important role. No one who recognizes the Fatherhood of God and mankind as his children can tolerate with equanimity the inequalities and injustices which such selfishness brings about. I am sure that our system of free enterprise could have no greater assurance of success than in true Christian brotherhood.

ELEMENTS OF SUCCESS

However, I am not a defeatist. I believe there is more good in men than bad and that the good will triumph. I am sure, too, that the people of the United States will, through work, create wealth and in that creation give employment and happiness, if only the natural laws upon which free enterprise has been established are allowed to freely operate. But wealth cannot be created in sufficient amount to go around and bring prosperity to all the people if those laws are seriously contravened by any group in our society,—capital, labor, or government. Nothing but work can create wealth in this day and age,—productive work of the laborer. Other manipulations may seem to do it but they do not create real wealth that feeds and clothes and houses and makes happy people. The Government cannot do it because in final analysis it is not possessed of the elemental necessities for the creation of wealth. Of itself it has no capital and it has no labor. All that it can do is take from one and give to another. It takes by taxation, its only ultimate source of revenue; and it gives in wages, subsidies, bounties, and many other ways, but it does not create wealth and the creation of wealth lies at the basis of prosperity.

I want to make it distinctly clear that I am not attacking the motives or intentions of the Government or governmental agencies who have sought to meet emergencies and difficult situations with much novel and experimental legislation. I have never desired failure for any of the experiments. I have always wished for their success and I think some have succeeded. I disclaim any intention or any effort to influence partisan politics. My sole desire is to expound the principles of sound economics as I conceive them and believe in them and as I deem them to be in harmony with the well-established and time-tested principles of our religion.

I hope I recognize as fully as I should the severance of church and state. I hope, too, that I recognize the influence of religion on life,—not only spiritual life, but social, economic, moral, and political life. Life is not a thing of severable segments. It is a whole course of conduct, a unity of experience and existence, and every aspect of our living affects every other aspect. I so justify a sermon on economics.

PEACE RESTS UPON ECONOMIC FOUNDATION

If it needs any further justification, I point to the state of the world. Behold the mad scramble of nations for territory and power! What lies at the foundation of this horrible, inhumane struggle? Chiefly economic advantage, control of the world's markets, outlets for industry that more food, more independence, and more of the comforts of life may be obtained. Oh, it is true that some few may be urged on by personal craving for self-aggrandizement but the real reasons why the masses are induced to enter and maintain such unholy warfare upon each other lie in economic considerations. So, peace, that most desired, most prayed for, and seemingly the most elusive and unobtainable thing in the modern

world, is found to rest on economic foundations. The economy that will support peace, however, will be tempered with brotherly love, mutual consideration, and intelligent and equitable concepts of men living together on the earth.

THE DUTY OF CHURCH MEMBERS

We of the Church are but few in number among the populations of the world. We can scarcely count on our size to wield great influence, but ideas are more potent than size and I believe that if we have the will to do it we can send out from our midst the gospel of dignified, honest, loyal, efficient service as it has not been preached in the world for many a day. We can extol self-reliance, industrious manhood and womanhood, family solidarity and community cooperation, and demonstrate their essentiality in a civilized state. We can show that brotherly love is more than an ethereal ideal and that it works and makes for prosperity and happiness. I know of no other people anywhere that are so well prepared in organization, in leadership, in disposition and experience for the undertaking.

I am grateful that we have taken a step in the direction of our opportunity and our duty. That step has served to open our hearts to kindly and charitable considerations and also to open our minds to new and great avenues of service. We will build upon the beginning we have made. We will produce better and more efficient workers who in turn will produce better and more abundant products and services.

We do not believe in the doctrine of scarcity. We believe in production and plenty. We believe that the earth is designed for the comfortable abode of man and we believe that the righteous will inherit it. Good men, united, cannot fail. Free America, though she may falter, will in the end find peace, prosperity, and happiness. The Church of Christ will lead the way. Amen.

ELDER ALFRED C. REES

Former President of the East German Mission

The Church of Jesus Christ of Latter-day Saints is a divine institution. The men who have directed it, and who are now directing it, are men of God. That is my testimony to you today. It has been my testimony throughout my life. It has only been corroborated, intensified and strengthened through the experiences that came to me while presiding over the East German Mission. For when men, upon setting you apart, can outline to you in minute detail the experiences which are before you; can tell you some of the objectives that lie before you, to be achieved, that will challenge your industry, your humility and your integrity; and when in the course of your missionary experiences, these blessings and promises are literally fulfilled—there is no room for speculation or doubt as to the source from which those men, who are called of God to lead this Church, derive that inspiration and