

T WAS July down on the O-hi-o and the Buckeye State was all dressed up to celebrate victory. It was the great victory over poverty and age, which someone got the notion had been won. It was the day when the state treasury opened its ponderous jaws and spat forth 160 checks for about twelve dol-lars each for the old folks at home. The Fraternal Order of Eagles had striven mightily for a law for old-age pensions in Ohio. The law was passed and the money was about to flow. The Eagles got around to thinking that they had a sort of proprietary interest in the law. Governor George White, chief of the Buckeyes, thought so too. The governor was once chairman of the Democratic National Committee, before the days of the Hon. James Aloysius Farley, and is supposed to know a hack from a hand saw, and he wasn't slow to spy out the fact that there was votes in them thar Eagles. And so he appointed the secretary of the Eagles to administer the old-age pension law and he proclaimed Sunday, July 8, 1934, as Old-Age Security Sunday and the Eagles swooped down upon Ohio to celebrate.

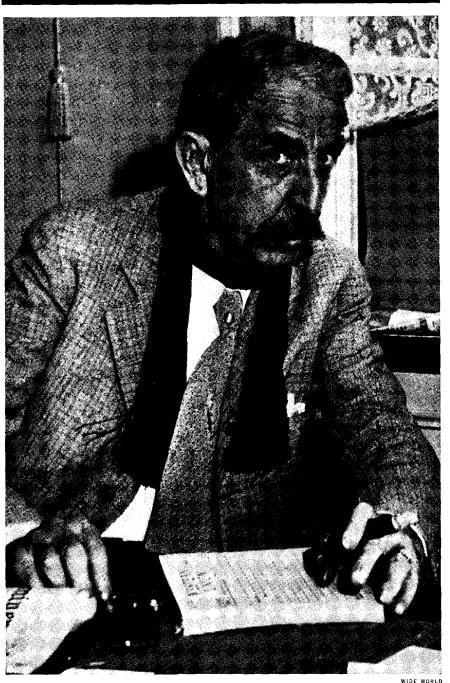
The old folks who were the victims of this great political and fraternal circus marched up on a platform in the presence of the populace and, amid a flood of brass music and equally brass oratory about the dawning millennium and the "New Day," the checks were presented to the happy septuagenarians. And while this beautiful drama of human hearts shook the emotions of the voters the Eagles put on a membership drive and signed up 1,500 new recruits.

This was the tip-off. But the Eagles were reckoning without their hosts, the politicians. If the Eagles could grab the old-age pension system and put on a membership drive—then what about the party, the great old party of Jackson, Cleveland, Wilson and Jim Farley? Didn't it need members as much as the Eagles? And so ever since, upon the O-hi-o and incidentally upon the Missouri and the Mississippi and all the rivers that run down to the sea, the politicians have been running the old-age assistance circus themselves.

## To the Glory of Politics

They have been singing love songs to the old folks about bigger and better pensions. And how the old folks do enjoy it; they can sit all night and listen. And only recently the two houses of the legislature at Columbus whereased Congress to pass a bill for more pension money. The party mathematician estimated in the resolution that the nation was losing, and would continue to lose until this bill was passed, the tidy sum of ninety-one billion dollars a year. The bill they wanted passed, according to this amazing resolution, will "relieve the gnawing pangs of hunger and clothe the weakening body against the rigors of misery and poverty" and, furthermore and moreover, it will "save millions of dollars to those now paying hard-earned premiums for old-age annuity insurance" and "will preserve and perpetuate our political industry."

our political industry." And, boy, will it! If at this season you will travel, as I did, from the headwaters of the Ohio down through the open spaces to the Texas Panhandle, you will hear a familiar noise. You will hear





Riding high on the good old pension band wagon are Oklahoma's ex-Governor Alfalfa Bill Murray (top) and Governor E. W. Marland

the county boys pushing the scenery in place, tuning up the tooters, sharpening the adjectives and arranging the theme songs of the approaching elections when the politicians will toss the government back into the laps of the sovereign peepul and the pee-pul will toss it right back into the laps of the politicians. And as you listen you can tell quickly enough that the theme song of the coming battle down through this valley is going to be The Old Folks at Home.

As a matter of fact, these old-age assistance payments or pensions, as they are sometimes called, have just about taken on the proportions of a national scandal. The whole thing has become just another plum tree full of little plums for little people too old to work but not too old to vote. The beneficiaries of this scandalous misuse of public funds are the chiselers who get on the rolls without right. The victims are the worthy old people who have to be satisfied with inadequate pensions so that there will be enough for the politicians to hand around to the ineligibles.

## Never Count the Costs

And of course they are busy thinking up new ways to expand the army of pensioners and to fabricate new and awesome devices for wringing further taxes out of the rest of the people. Only they don't seem to be as much worried about the taxes. As Alfalfa Bill Murray of Oklahoma said in answer to the question of where the money was to come from, "That's a detail and it's too early in the campaign to talk about details."

Down in Old Bill's state I talked with ex-Governor Jack Walton, who some years ago was tossed upon the gubernatorial ear out of the statehouse through impeachment. He's running again—for the sake of the old folks. In Oklahoma they have over four times as many old people on the rolls per 1,000 as New York, and the state is running heavily in the red. I said to Brother Walton, now corporation commissioner:

"Governor, there are 68,000 old people on your rolls now. Don't you think that's too many?"

The governor, who is a huge hunk of a man and looks like a weary evangelist, said in a tired way:

"No, there ought to be a hundred thousand."

"A hundred thousand! How are you going to pay a hundred thousand people \$30 a month?"

"They ought to get \$50 a month," he said.

I made some swift calculations. "Why, Governor, to do that the federal government would have to put up fifteen million and the state forty-five million a year. Where are the taxes to come from?"

The word taxes seemed to set up a current of mysticism in the governor's mind.

"Taxes!" he said. "Yes, sir. That's quite a subject. Look at it this way. Take yourself, for instance. I reckon you've done it many a time—gone out after dinner in the darkness and stretched out on your back on the lawn and looked up at the stars."

I couldn't really recall ever having done that. But I listened to the governor.

nor. "The stars overhead seem awfully close. But as you look there are other smaller stars behind them and a terrible lot of space between. Then as you look you see still more distant stars. And then far beyond all the others you see a tiny pinpoint of light—and you just wonder at the vast stretches of space there. And if you just lay there long enough you can go crazy thinkin' about space."

Then he looked at me as if he had cleared up a great mystery. "My friend that's the way it is with

"My friend, that's the way it is with taxes."

I didn't quite know whether he meant that the tax problem was one of those to knock you dizzy by its insolubility or that just as there are more stars and still more stars beyond the last one you see, there are even more and more taxes beyond that last funny one you invented. I said, "But, Governor, where are you going to get the forty-five million?" But the governor seemed a little hurt at my failure to get the first explanation. He did, however, observe that "there's always ways." And I seemed to feel the

spirit of old Doc Townsend swimming in the ether above.

In order to get all this clear we had better recall here that under the federal Social Security Act there are two kinds of pensions for the aged. First, there are the pensions proper, in a great nationwide system to which all workers answering legal descriptions belong and for which taxes are deducted from their pay roll and their employers every month.

## **Our New National Scandal**

But these pensions are no good for the man and woman who are already old —already past sixty-five and are in need. And so another type of aid is set up for them. The first kind belongs to what is called the Old Age Security Pension system. The second type belongs to what is called the Old Age Assistance plan. In the first type the beneficiaries pay for their pensions—the government being a great old-age annuity company. In the second type the recipients pay nothing—they are the beneficiaries of free grants by the government.

Now this first type-the old-age pension system-is organized by and managed directly by the federal government and the states have nothing to do with it. But the second type-the old-age assistance plan-is set up by and administered entirely by the states. States do not have to have such plans. But if they đo, the federal government will pay half the bill, up to \$15 per person a month, but no more. The state may fix its pensions as high or as low as it wills. But the federal government will pay half only on pensions that do not exceed \$30 a month. If the state wishes to pay more, as Colorado has done with its \$45 monthly pensions, the federal govern-ment will pay up to \$15 and the state must pay the balance—\$30 in the case of Colorado.

Now the thing I am talking about here is these old-age assistance plans—the pensions for old people who've already arrived at needy old age, the plans that are operated by the states. And it is

HEADQUARTERS FORREST SMITH COCRATIC CANDIDATE FOR RE-ELECTION STATE AUDION JEFFERSON CITY, MO. October 29, 2536 HEADQUARTERS St. Louis, Mo. Dear Pensioner: I am taking this means of asking for your vote and influence in my pensioner, know I have been your friend. The work of investigating each case and deciding how much you should Pensioner, know I have been your friend. The work of investigating each case and deciding how much you should receive each month has caused delay in some instances. Under the fault of my office as requisitions are mailed out within the the law hours after your name has been certified to me for payment. When the Old Age Pension law was passed, knowing well how badly some Addit of my visition as investigation of the matrix of the second full all the law allows. By the hext Legislature to pay everyone in Had you stopped to think what might happen to Your pension if another person is elected State who is not in sympathy with You and this law? Have you ever read in the pars or had a letter from any get your pension increased in the pars or had a letter from any I am elected, your pension could and might why take will wom any office. If you are not voting the ticket on which my take is a long of you are not voting the ticket on which my take will you pension. If as i am in office. If you are not voting the ticket on which my name appears, all you have to do to vote for me is to place a cross mark in the square before my name, thus: Will you help me by appealing to your friends to vote for mer I thank you in advance for this favor. Very truly yours, tares Am Age Politicel affiliation. Religious affiliatic ducatic ...Nume er of years a M Number of years... State es of your principal endorsers..... ....Salary, a.... ve you lived in ied for (1)... (Date)

these state old-age pension systems that in many states have arrived at the stage of being a national scandal. To this criticism I know there are many answers. One of the most crushing is the reply made in Oklahoma to my timorous suggestion down there that the state oldage racket as described to me seems to be a national scandal. To this the president of the County Commissioners' Association replied with inexorable logic that he would like to plant a horseshoe between my eyes—for good luck, I suppose. That seemed to cover the question fully.

Back in Missouri you are supposed to have to "show them" if you want to get anything. But you don't have to show them much to get on the old-age pension roll in that state—just a wrinkle or two and a suspicion that maybe you might perhaps be entitled to get there.

There the old-age assistance plan has been a grand feast for the politician. The thing a politician does business with is jobs. Of course it's not just jobs primarily that count—it's the pay roll. If a fellow can get on the pay roll without getting a job, so much the better. As this old-age assistance plan was rigged it offered the politicians a chance to put thousands on the pay rolls without providing jobs. And the beauty of it is that the federal government supplies half the money.

## Meat for Missouri's Politicians

When Missouri launched this plan she was not toying with anything new. There was plenty of experience available if the authorities wanted to protect it from exploitation. They rejected the advice of experience and began this experiment with a plan of their own that was just about as bad as it could be. The law provided pensions of not to

The law provided pensions of not to exceed \$30 a month for persons who had already reached the age of seventy years and who were in need. Having set up this simple formula, it threw the whole thing to the politicians. The central management was put in the hands of the State Board of Eleemosynary Institutions and the local administration was lodged with the county courts. This may sound all right on its face—but look at it work.

The state board had to appoint a state director. The law required that he should be qualified by "education and experience" to administer the office. The board therefore named one of those Missouri colonels, a horse trader and manager of the horse show in Kansas City—a gentleman who had had wide experience in the field of social security among horses. He had turned his hand to politics a bit late and was at the moment functioning as one of the governor's hand-shaking secretaries.

The colonel administered the system through the county courts. Now the most striking characteristic of a county court in Missouri is that it is not a court. The word "court" is one of those Missouri euphemisms that conceal and dignify officials who in many states are called county commissioners. The county commissioner is born and has his being in the baleful system of county political patronage.

To get a revealing glimpse of this precious system at work let's have a look at it in St. Louis, where a happy chance put the machinery into the hands of two courageous, honest citizens who frustrated many of its evils.

frustrated many of its evils. There is no "county court" in St. Louis. The administering board was named therefore by the city government —the mayor and his colleagues. Two of the three-man board were Dr. R. Emmett Kane, a highly respected surgeon of St. Louis, and Mr. Charles Hertenstein, an equally highly respected real-(Continued on page 76)



AFFRAY quick-stepped into the express elevator. Two girls who had also been waiting squeezed by him into a rear corner. The operator said, "Good morning, sir."

SHORT

Jaffray nodded remotely. Remote and distin-guished were the only words for Jaffray. At fiftythree he carried his chin a bit higher than the average man's. And why not? Jaffray was big. The biggest businessman in the world, he'd been called. President of International Transmutation, intimate and adviser

of kings and dictators. "An' Dick says, 'Gee, what'll happen when the tabs get hold of it?' "

Jaffray heard absently the muted murmur of the girl's voice behind him:

"I says to Dick, 'They won't dare publish it. He's the world's biggest businessman!" "'Well,' says Dick, 'it's all over town already among the wise ears.' A reporter on the Mail told

Dick some birds in the know were betting on how soon it would hit the front page." "My goodness!" came the other girl's voice with awe. "What reading! . . . Big shots shouldn't play

around with little shots' women-any more than anybody else.

The elevator stopped at the fortieth floor. The two girls got out. The car flew upward.

Jaffray's thoughts also flew-away from the pleasant memory of Harriet and the previous evening. He felt a twinge of alarm. Had that girl really gotten hold of something or was it just idle chatter? An inquiry or two would be in order. Decidedly. Wilks would find out in two minutes. His mind stopped dead and reversed. His mouth tightened grimly. Hardly Wilks! Wilks was Harriet's husband!

AFFRAY shrugged. The old question he had stopped asking himself for a year came to the front of his mind. Had he been a fool ever to get involved with Harriet? He smiled. Why worry? Nothing could touch him. He could handle the newspapers. As for Wilks, he could be bought-or broken-if worst came to worst. Jaffray hadn't wanted to do anything drastic about Wilks as long as the man remained in blissful ignorance. Wilks was too valuable. Some-one had called him Jaffray's "bird dog." Wilks was more than that. He was bird dog, bloodhound and fox, all in one.

Madeleine Harvey, Jaffray's confidential secretary, laid the day's calendar before him. "Wilks is waiting to see you," she said. "He says

it's urgent."

"All right," said Jaffray. "Morning, Wilks," he said when Wilks appeared.

"What's up? 'I'm not just sure," said Wilks. "There's an ugly I got it from a man I know on the Mail. umor.

After Wilks had gone, Jaffray sat behind his huge desk trying to add things up. What did it all come to? The Mail must have gotten hold of something. Something on him and Harriet. And the Mail was out to get him-had been ever since he'd refused to cut Steinberg in on the Brazilian deal.

His clenched fist pounded the desk. If only the woman weren't Harriet! He would soon have the situation in his own two hands if he could work through Wilks. But he couldn't turn Wilks loose. A sudden thought came to him. Had Harriet sold

him out? He must see her, talk to her. He dialed a number on his private wire. There was no answer. At 3:15 Jaffray nodded to the locker-room attend-

ant at the Heather Hill Country Club.

'Mr. Dick is waiting for you on the first tee, sir," said the attendant and departed

made the whisper too real. Jaffray went berserk.' "What about your wife?"

"Held as a material witness." Rian whistled. "Who was it Jaffray bumped off?" Wilks laughed hysterically. "A guy from Brooklyn. Deaf and dumb. He couldn't hear or speak a word."

> The man slumped over the table. Jaffray's fury passed from him and he stood aghast in the sudden realization of what he had done