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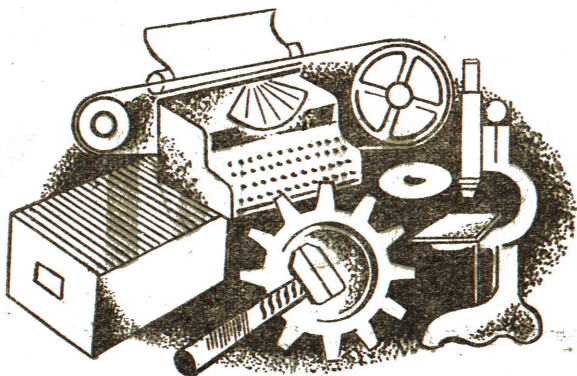


Jobs After the War



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ARMY TALKS :—The **PURPOSE** of **ARMY TALKS** is to help American officers and enlisted personnel become better-informed men and women and therefore better soldiers.

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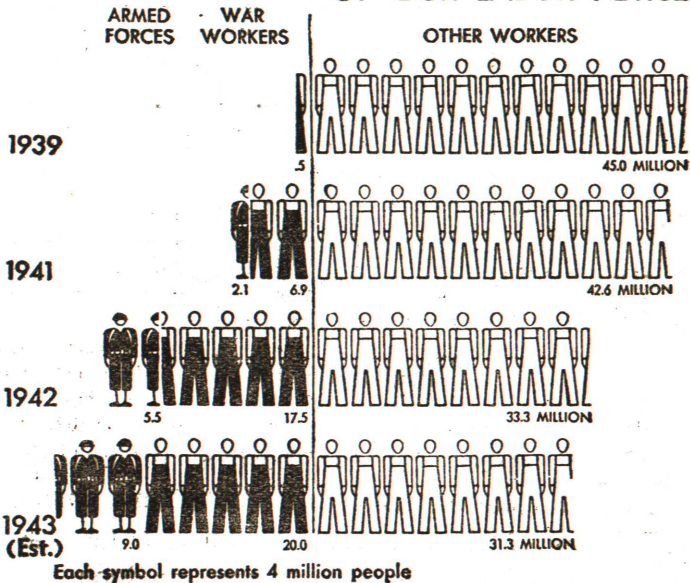
Foreword

EVERYONE agrees that the business of providing jobs after the war for all those willing and able to work will be of crucial importance. There is far less agreement, however, on precisely how it is to be done.

In this issue of *ARMY TALKS* Charles Hitch, a well-known young economist, has sketched the nature of the problem and suggested some of the general lines along which many of those expert in such matters would move in seeking a solution. The purpose of this issue, however, is not to advocate any particular remedy but to stimulate discussion of the nature of the problem and the application of constructive intelligence to its solution.

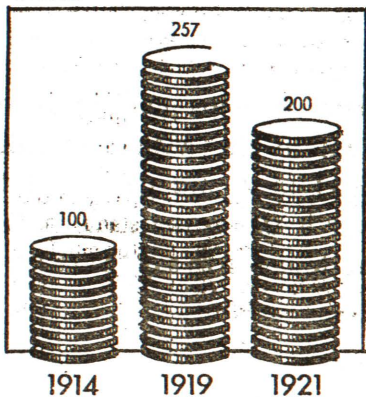
If your discussion of the problem develops good ideas to be applied to its solution, send them to the Managing Editor, *ARMY TALKS*. If enough good ideas are generated they may be made the subject of a later issue on the same problem on which this issue is definitely not designed to say the last word.

THE WAR USES NEARLY HALF OF OUR LABOR FORCE

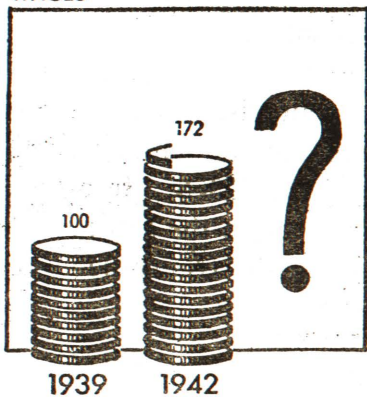


WILL CONSUMER BUYING POWER BE THE CHIEF BOTTLENECK?

WORLD WAR I WAGES



WORLD WAR II WAGES



ARMY TALKS

EUROPEAN THEATER OF OPERATIONS

JOB S AFTER THE WAR



THE most important economic problem in America after the war will be jobs. It will not be the most important in India or China, or the devastated countries of Europe. It is a problem which plagues only the advanced and wealthy countries—a disease like gout or hardening of the arteries. Simpler and poorer countries always have plenty of obvious, essential work to do.

Unemployment: Price We Pay

It is therefore true, in a sense, that unemployment is a price we pay for progress and wealth. Without the complicated industrial and commercial system we have built up we should be poor. We would be busy. We might be hungry from time to time because the land is hard, but we would not starve unless we were shiftless and incompetent. Any stigma attaching to unemployment dates from this earlier generation when anyone who really wanted a job could get it.

That is no longer true. It has not been true since the "industrial revolution" gave us factories and railroads, and the situation has been growing worse generation by generation. Unemployment was a

fact which changed the history of the world between World War I and World War II. Any government which chooses to ignore it after World War II will do so at its peril.

Only those who have spent weeks and months seeking and fighting for jobs can know the depths of despair to which men can be driven. But the undermining of the individual is not the only crime committed by unemployment, for it undermines whole nations too.

Uncertainty Breeds Hate

The man who is uncertain about his job is the most likely to develop an unreasoning prejudice against anyone else he fancies may take his job from him. He is also likely to demand higher and higher tariffs to make sure no foreign countries get what work is available. Hitler, in the early 1930s, was a shrewd enough psychologist to capitalize on just such feelings in Germany. The field was ripe for hatred; he sowed; and the whole world is still doing the reaping. In America too unemployment caused an upheaval during the last great depression,

but of a milder form. We deposed a president, a political party, and the gold standard, but on the whole retained our national sanity. One hopes that we would

1/Sgt. Charles Hitch, author of this issue of ARMY TALKS, taught economics at Oxford University until 1941, served as economic adviser to Mr. W. A. Harriman, U.S. Minister in London, in 1941-'42, and on the Planning Committee of the War Production Board in 1942-'43. He is a Fellow of Queen's College, Oxford.

react as sensibly next time, but it will be harder, not easier, to do so.

From the strictly economic point of view unemployment makes us poor.

We Could Be Richer If We All Had Jobs

If with 40 of 55 million Americans working we can produce so many cars, radios, steaks, and gadgets, with all 55 million working we can obviously produce more—or if we prefer, better. This proposition is not in conflict with the earlier one—that unemployment becomes a serious problem only in advanced, wealthy countries with complicated industrial systems. It simply means that such countries could be still wealthier if they could rid themselves of unemployment.

It is worth while reminding ourselves as to the importance this problem may assume. Not all of us in the army have precisely the job we want, but few of us have any complaint that we aren't kept busy. Civilians probably never have found jobs so easily.

Depression Forgotten Now

The grim days of the early 1930s, when one in every three American workers was walking the streets in search of any job that promised a livelihood, now seem far away. It is a healthy exercise for every citizen of a democracy, whether in uniform or not, to recall them from time to time, because unless vigorous and intelligent action is taken after this war they could return.

Before we act we must know the facts about unemployment—its cause and its nature. Unfortunately, not as much is known as should be, and the rest is still the subject of bitter controversy. The problem is "in politics"—as it ought to be in a democracy; and it is "hot." A great deal is known, however, much more than 20 or 30 years ago because of the experiences

which we and other countries have had in dealing with the problem during the great depression.

Two Kinds of Unemployment

(1) *Unemployment is of two types— which we might call "general" and "special."*

"Special" unemployment is the result of the changes that are always taking place in a developing economy. Whenever a new machine or a new process is introduced some people who have been working on old machines, or using old processes, are likely to be thrown temporarily out of work. Whenever a business firm loses a part of its market some of its employees will have to find new jobs. Whenever the public decides that it wants more electric ranges and fewer coal stoves, unemployment is likely in factories making stoves until the labor can be transferred.

Special Unemployment Is Not Very Serious

Unemployment of this special type, always due to some particular change in methods of production or demand, is generally not serious and is of short duration. At any given time some people always will be unemployed for reasons of this kind. The really serious problem of unemployment is that of general unemployment, the type which we have in great depressions, when there are not enough, sometimes not nearly enough, jobs to go round.

(2) *General unemployment is unnecessary; it can be avoided.* This is not theory, but established fact. Two industrial nations in recent years have succeeded in completely abolishing general unemployment over periods of years, and any other objections which we have to these states should not be allowed to blind us to this accomplishment. One is Soviet Russia, the other Nazi Germany. During this war

both the United States and Great Britain have completely eradicated unemployment.

Civilian Projects Can Make Jobs Too

(3) *General unemployment can be avoided without war or preparation for war.* It is sometimes agreed that Stalin and Hitler have solved the problem of unemployment, but argued that they could not have done it without huge military expenditure, and complete disregard for human life. There is no reason whatever to believe that this view is correct. The U.S. in the 1920s maintained a very high level of employment with practically no military expenditure. If Hitler had spent as much money on highways, dams and houses as he spent on guns, tanks and bombers, he would have insured the employment of just as many people. As far as creating employment is concerned, what matters most is the amount spent, not who spends it or the purpose for which it is spent.

(4) *Employment is increased by any expenditure which doesn't also, and at the same time, cause an equivalent increase in the things available for people to consume.* This is not a simple idea; some examples may help to make it clear.

Industry Provides Base

The basic type of expenditure of this sort, which economists misleadingly call "investment," is capital expenditure by private industry. When General Electric builds a factory, or a real estate company erects houses to rent, money is paid out to employees—both those directly employed on the project and those who make the materials and transport it to the site. These employees in turn spend the money on food, clothing, gadgets, etc., thereby causing an increase in employ-

ment in the industries producing these things. The end result is an increase in employment generally.

Government Spending Helps

The other important type of expenditure which generates employment in this way is expenditure of the same sort by governments—federal, state and local. When a government builds schools, roads, post offices or housing estates, it employs people and the same chain of effects is set in motion.

Two further examples must be mentioned although, in America at least, they are much less important. When we manufacture goods for export we distribute incomes and create employment inside the country. Since the goods produced are not offered for sale within the country, the incomes are spent on other goods and this provides additional employment.

Restocking by Stores Another Big Factor

Much the same thing happens when merchants decide to build up their stocks. If department stores place orders for clothing with a view to holding larger stocks, because they anticipate a rise in prices or demand, increased employment results in the clothing and textile industries, and increased spending by textile workers increases employment.

This is one view of economics which will certainly offer opportunities for disagreement. The whole subject is controversial, and the author of this article has taken a side which will stimulate discussion.

(5) *Employment is increased whenever people decide to spend more and save less out of their incomes.* If I decide to buy a radio instead of adding \$50 to my savings account, and a lot of

other people make the same decision, employment will be stimulated among radio dealers, radio manufacturers and all the industries producing the things that radio workers buy.

(6) *Employment is steady—neither increasing nor decreasing—whenever the total expenditure of the sort which generates employment is just equal to the total which people decide to save out of their incomes.* It may be steady at a high level, with almost everyone in jobs, as in America in the '20s; or at a low level, as it was for a time at the bottom of the depression in 1931-'32.

Employment Level Highly Unstable

(7) *The level of employment is highly unstable.* For this there are two very important reasons. In the first place the decisions to spend on capital extensions and public works are made by one set of people—namely, industries and governments; while the decisions about saving are made by another—namely, consumers like ourselves. It would be a remarkable coincidence if the first group decided to spend just what the second group decided to save. Sometimes the two are approximately equal for a considerable period, but usually they are not and employment is therefore usually either increasing or diminishing.

Job Trends Snowball

In the second place, whenever a movement is started, either upward or downward, it tends to feed on itself. The reasons are not hard to understand. If employment is expanding in a country, for example because of a rearmament program, other industries will find the demand for their products increasing and will build new factories and extensions to old factories, and order additional machinery. This will in turn further expand employment and demand and lead to still further

capital extensions. Similarly, when employment is falling off, the demand for products falls off, business men become pessimistic about the future, and suspend any plans they may have for extending their facilities. This results in unemployment in the construction trades and engineering industries and a further decline in demand and employment generally.

Aim Is Jobs for All

(8) *"Full employment," with everyone in jobs except for the few who are always in process of changing from one job to another, is a point of balance between depression and inflation.* Inflation is a condition in which the demand for goods by consumers exceeds the supply of goods which can be made available to them, thus forcing prices to rise. Some inflations are mild and relatively harmless; others are major disasters, like the one in Germany after the last war.

SUMMARY

Unemployment is the price of progress. It is a price which undermines both the individuals without jobs and the nation. Causes of unemployment are not fully known but joblessness breaks down to two kinds, "general" and "special." General unemployment is unnecessary and can be avoided without war or preparation for war. Jobs are increased when people spend more, save less.—Employment is steady when job-creating spending matches saving.

What kind of expenditures increase jobs? Is there any connection between a working knowledge of civilian economics and confidence in the military command? What is it? What examples of the control of spending can be found in Britain? Do you think that a

What Happened to Jobs---Between Two Wars

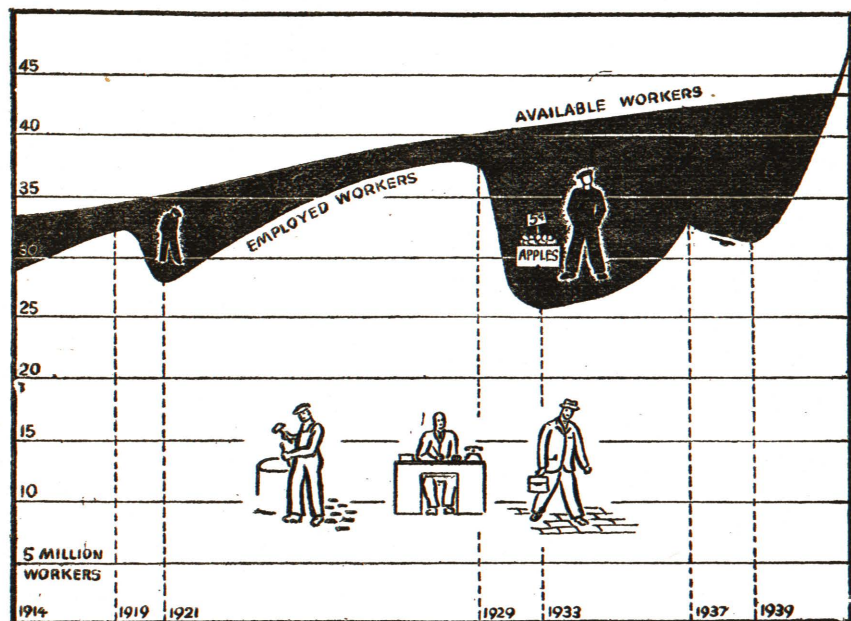


Chart shows how the black shadow of unemployment in the United States deepened from 1.8 million persons in 1929 to the all-time record figure of 13.8 million in 1933. Each horizontal division represents 5 million workers.

knowledge of them aids in understanding our allies ?

Depression is the state in which the demand for goods is much less than the supply which the nation could produce, with the result that many workers are unemployed. When expenditure is increased in a depression the main effect at first is to expand production and employment, with little effect on prices. After the point of "full employment" is passed, any further increase in demand is "inflationary."

Bonds an Antidote For War Inflation

The aim of policy is to reach and maintain the point of balance between

inflation and depression without going beyond it. In wartime, when governments are spending tens of billions of dollars on airplanes, ships, guns and Service personnel, the essential problem is to keep from going beyond it. That is why we are urged in wartime to save more—to buy bonds with our money instead of gadgets or even necessities. Governments can spend without limit on war material because they can create whatever funds are necessary, but the amount of money they can spend *without causing inflation* is limited by the amount that people are willing to save. After peace comes and the government's huge demands for war material fall off, the danger of inflation will subside (provided it is not already

out of hand) and that of depression will come to the fore.

Two Bogeys Muddle Thinking

There are two bogeys which muddle a lot of thinking about this problem of providing jobs and which deserve to be dismissed as impostors. The first is that there aren't enough jobs to go round. The second is "Where is the money coming from?" A little thinking on what has happened in America in recent years will help to dispel doubts on these scores.

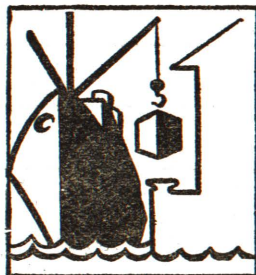
There is no limit—or none which will be reached in our day—to the goods and services which Americans want. Wealthy as we may be in comparison with other countries, we are still poor in relation to what we could use and what we would like to have.

Annual Income Only \$800

Even in the 1920s, when industry was booming and almost everyone had work, the average annual income per citizen was only about \$800. If we all pitched in after the war and worked hard we could produce more than that but not so much more, not even if we worked 50 to 60 hours a week. Let any soldier consider whether after the war he and each member of his family would have trouble spending about \$1,000 a year on things he wanted and needed. That is what the average American will have provided everyone



CIVILIAN DEMANDS



FOREIGN TRADE



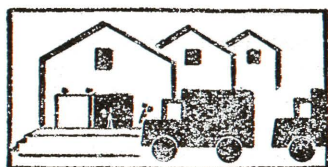
CIVIL AVIATION



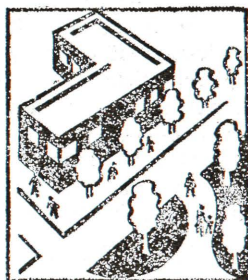
is at work producing as much as he can. Not many of us would run out of ideas.

America needs new homes for at least one-third of her population. She needs to re-build large parts of her cities. She needs new roads, new dams. She needs better cars, better clothing, more and better food. Anyone who cannot think of useful jobs to keep us all busy in our generation has little imagination.

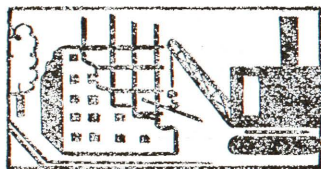
Not is money a barrier. Where has the money come from to pay for the



RE STOCKING



NEW HOUSING



PUBLIC WORKS

war, which requires far more than is necessary to keep Americans employed? Money exists in ample quantities; the only problem is to keep it circulating.

What is true—and this is what people who talk about money usually have in mind—is that expenditure which generates employment usually makes debts. If a corporation builds a factory, it usually issues bonds and goes into debt to the bondholder. If a government builds roads, it too

usually issues bonds and thus increases the public debt.

Debts Aren't So Serious

Debts of both kinds are much less serious than the man in the street (or the barracks) is likely to think. Corresponding to every debt there is a credit. The corporation or government owes money, the man who holds the bond is owed the money. The nation as a whole is neither richer nor poorer because the debt exists. In the case of government debt the taxpayer is taxed to pay the bondholder. In 90 per cent. of the cases, the same people are both. A public debt is only serious if the government is foolish enough to tax in a way which discourages business enterprise. With a debt of the present size, or very much larger, there is no reason why it should need to.

Here economics comes close to politics. The author is assuming a view with which many people will disagree. He has said nothing about the stability—or safeguarding—of national currency. With an election impending, members of the discussion group will want to consider all sides of the subject.

What Comes After War?

So much for the facts about unemployment and the bogeys. The next question is: What will happen after the war? Will we have jobs?

It will help in getting our bearings



if we review what happened after the last war. When it suddenly ended on November 11th, 1918, there was a great rush to demobilize the Army—which was much smaller than the present Army, of course, and was mainly still within the United States. Most soldiers who had not gone abroad were discharged in December, and the A.E.F. was returned and disbanded during the first half of 1919. Within one year of the Armistice four million soldiers, sailors, and marines had been returned to civilian life—all but a skeleton force. At the same time, strenuous efforts were made to cancel war contracts and bring to an end the production of war material.

Mild Depression in 1918-'19

The result was a mild depression during the winter of 1918-'19. It did not become serious because a number of favorable factors were operating which started an upturn in the spring of 1919. In the first place, American industry, in a burst of post-war

optimism, began to spend very large sums on new plant and equipment. In the second place, the effort to bring war production to an end quickly was a failure; in the first months after November, 1918, war expenditures were higher than at any other time. Finally, merchants whose stocks had been used up in the course of the war placed large orders with a view to restoring them to normal levels. The "boom" which followed was sharp. Because of the difficulty in expanding production of ordinary civilian goods rapidly, prices rose very sharply; as they rose merchants and dealers started a wave of speculative buying, expecting them to rise higher. The set-back in 1920 and 1921 was caused by the collapse of this unhealthy boom; but it in turn was brief, for both private industry and the state and federal governments were in the mood for a sustained period of spending—spending of the type which stimulates employment. In the case of private industry, which took the initiative, the

MOTORCARS & HIGHWAYS



1917



1924



1931



1937

Each motor vehicle represents 3 million cars or trucks. Distance between milestones represents 500,000 miles—hard-surfaced portion shown in black.

root cause of this spending was the development of the automobile. The automobile not only required the creation of an enormous new industry around Detroit with new factories and machinery, but also the equipping of numerous dependent industries all over the country.

Automobile Made History In The United States

The economic history of the 1920s in America could almost be written around the automobile. Governments too were spending freely in the '20s, and the construction of highways was a big factor.

Taken all in all, the story was a happy one, and it would be reassuring if the story after this war could be no worse. No one really knows whether it will be or not because no one without a crystal ball can say when or in what circumstances the war will end. But it is possible to outline the factors which are likely to make the prospect for jobs after World War II very different from what actually happened after World War I. Some of these factors are favorable, others unfavorable. First, the unfavorable ones:

Demobilization a Problem

Overwhelmingly the most important is the greater scale of demobilization after this war. More than twice as many men are in the Army Services as in the last war, and a great many more than twice as many are engaged in war production. Ten million soldiers and sailors and twenty million civilian workers are likely to find themselves thrown on the labor market when the Armistices have been signed—if demobilization is complete, and war production brought quickly to an end. Even if the various Armistices are separated by months or years, and demobilization is slow, and

the switch back from war to peace production is gradual, the very magnitude of the task will exceed anything that has ever happened before.

New Plants a Curb

The second unfavorable factor—from the point of view of new jobs—is the superb equipment with which American industry will emerge from the war. New modern factories have been built in large numbers, largely at government expense. The machine tool industry has expanded during the war on an unprecedented scale, and can be converted to the production of civilian articles. The airplane industry, to mention an example, will finish the war so well equipped with factories and tools that it will have to spend very little additional to meet any civilian demand for 'planes.

Many Favorable Factors In Picture as a Whole

The favorable factors make a longer list, although individually each may be of less importance.

When the war ends there will be an enormous pent-up demand for the things which Americans have been going without during the war. America's cars will be from five to 15 years old, and millions of owners will be anxious to exchange old models for new. Those who do not will have to pay for major repairs and replacements to keep their cars in running order. Much the same is true for radios, refrigerators, and all the other "durable" goods whose production has been suspended during the war to convert factories and release metals. There will also be a heavy demand for clothing and all kinds of civilian articles by returning Service men.

Mere "demands" of this kind would not matter unless people had the

CHANGE-OVER PROBLEMS



IT TOOK TIME TO CHANGE FROM PEACE-TIME PRODUCTION TO WAR PRODUCTION. AFTER THE WAR THE SAME SHIFT WILL REOCCUR IN REVERSE.



money to make them "effective." In this case most people are likely to have the money. Individuals, both in civilian life and in the Army, have been stowing away some tens of billions of dollars every year in war bonds and savings accounts. No one knows to what extent they will want to draw on these reserves after the war, but it is certainly probable, in view of the many shortages which will exist, that they will be willing to draw upon them at least as rapidly as factories can be converted and the goods placed on the market.

Retail Merchants Will Provide Quick Market

Another "favorable" factor, which will be short-run, will be the need for re-stocking. Shelves are now almost bare all over the country, and merchants will be anxious to fill them again, and will place orders on a large scale for this purpose. If inflation is not prevented, this normal demand for re-stocking will be increased by speculators, who will try to build stocks above normal to make profits from rising prices. This would mean a repetition of the 1919 boom on a much more dangerous scale.

Amgot a Short-Term Aid

Still another short-term factor will be operating in the first few years following the war: it will be necessary for the United States to help feed,

clothe and reconstruct the countries devastated by the war. This will require exports on a large scale; and whether the commodities are transferred under Lend-Lease or sold the effect on the American economy will be the same.

When we come to the possible favorable factors which will operate over a number of years the only one that appears certain and predictable is the housing shortage. America had fewer houses and apartments than families in 1929, and since that time, despite an increase in the number of families by many millions, very few additional houses have been built. Many American cities, especially those which have become centers of war industry, are now overcrowded to the point of acute discomfort.

SUMMARY

There will be plenty of jobs to go around and plenty of money for pay envelopes. Debts are less serious than people think and are a danger, only if excessive taxation discourages industry. Prospects for after the war are both favorable and unfavorable and an understanding of them, like an understanding of the causes and progress of the war, will prepare men for their return to civilian life. Among the unfavorable factors are the tremendous de-

mobilization problem and the turning back of industry to civilian production. Favorable factors include the pent-up demands of the nation and the fact that many persons will have money to buy goods.

What are some of the "pent-up demands" which will result from the war? How does a knowledge of current events and the progress of the war indicate what the demands are? Do men feel the same confidence in the economics of their country that they do in the chain of military command?

In drawing conclusions from these lists of favorable and unfavorable factors it is necessary to distinguish between the short run—the first two or three years—and the long. In the short run the favorable factors are almost certain to have the upper hand; the danger is that their effect will be so great that an inflationary boom will get under way from which everyone except a few speculators may suffer.

Two Problems Exist

The major problems in this short term will be two—to re-convert factories quickly enough to reabsorb men as they are released from the Services and war production; and to prevent inflation. This second problem will simply be a continuation of the one which faces us now, and is the reason why some price control and rationing will be necessary after the Armistices.

In the longer run the problem will be very different, and much more like the problem of the 1930s. The demand which has been pent-up during the war will be exhausted within a few years; merchants' and manufacturers' stocks will be restored to normal; and the worst of the devastation caused by

the war will be repaired. It will then be necessary to find new sources for the expenditure necessary to secure "full employment." Housing will undoubtedly help, and it will be many years before the arrears of housing can be made good, but it is not likely that full employment can be built solely on a housing boom.

Need New Industries To Speed Recovery

Much will depend upon whether a new industry or group of industries—similar to those based on the automobile in the 1920s—will grow up in the years following this war and require extensive new equipment. Nothing as promising as automobiles is in prospect, but it is possible that there will be developments in aircraft, radio, plastics, or synthetics which will demand the large outlays of capital that are needed.

Careful Study Necessary

The problem and the prospects require continuous and careful study. If, by a happy coincidence, the capital outlays of private industry plus the government's normal expenditure on armaments, schools, roads, etc., provide the "investment" necessary to maintain everyone in jobs, almost everyone will be satisfied. But we cannot afford to rely on coincidences always being happy.

It is not the purpose of this talk to outline a program for the supply of jobs, but the basis for such a program is implied in what has been said about the causes and nature of unemployment. It is possible to do many things to encourage "investment" by private industry, to increase the amounts that people are willing to spend on consumption, and to provide direct employment on useful work

by Federal, state, and local governments.

No Need for Dictatorship

These things do not require "socialism," or "fascism," or "dictatorship." They need not "undermine private initiative." They need not involve "boondoggling." They do involve an interest by government in certain aspects of industry, despite the wishes of some extremists to replace industry by government, and of others to give industry a completely free hand. They do present a major challenge to American statesmanship and American democracy in the post-war world.

SUMMARY

The favorable factors affecting jobs after the war appear almost certain to have the upper hand—at least at first. That means that most men will probably be able to find a job when they are discharged.

There is some danger of an inflationary boom. Whether this period of "good times," immediately following the end of the war can be made to last probably will depend on the development of a new group of industries.

Will men take the same pride in service as members of the post-war civilian army of workers that they now take in the uniformed forces? Will they feel the same sense of personal participation? Will their experiences in Britain and whatever other countries they may visit give them a better understanding of the problems facing our Allies and, therefore, a more informed viewpoint toward our own problems? What are some of these examples and how do they tie up with the picture of the future as presented by Sgt. Hitch?





Preparation

JOB^S in the post-war world is a topic of interest to every officer and man in the United States Army, and for that matter, in all armies. We are interested because we are all involved, or will be. A large majority of us expect to resume a normal working life when we are discharged from the Army; most of us must, of necessity, find some kind of employment.

No one can foresee the kind of world which the war will leave behind, but we are subject to hopes and fears and the two play round robin when we attempt to imagine ourselves home and seeking a job. Whatever our powers of foresight, it is advisable to consider that the world we must inherit will be a different world from the one we left; and the job we left will not necessarily be the one to which we will return. What is important is that we find a job that will give us a decent living.

Every one of us has enough at stake to consider the facts presented with care, and to prepare ourselves for a future whose limits and features still lie beyond the horizon. One way to prepare for that future is to give it as much study as the present permits and to make of the present, whenever possible, a training laboratory for the future.

This issue of ARMY TALKS makes no pretence at having all the answers about jobs in the post-war world. It holds no magic glass before us, but rather attempts to present the facts, believing that as jobs are a product of a man-made situation, so studying what occurred after World War I may give an inkling of what will happen after World War II. The author wisely points out both the debit and the credit side of the known factors which will be thrown upon the American scene, and draws his conclusions. On the whole they tend to be optimistic. For the unknown and unprojected factors, naturally he cannot speak.

In this issue of ARMY TALKS an American soldier has put down on paper some of the factors we should consider. He has tackled the problem

of unemployment, but what he really is interested in is how unemployment can be licked.

Sergeant Hitch is a specialist in this field and he has told us in as simple language as possible some of the most important things about why unemployment exists as a terrible social disease and how this disease can be cured. It can't be cured, however, without the help of the patient. We, as individuals and as a nation, are that patient.

This topic merits and will require careful preparation. It is a very difficult problem, but the author of this pamphlet has reduced it to terms which can be understood, and has given a number of good examples. It is suggested that discussion leaders study the pamphlet carefully, using the author's outline of points. It will help your audience if you put your outline on a blackboard or on a large sheet of paper so that all can see it during the discussion. An enlargement of the employment graph on p. 9 is suggested. A contrast or comparison of problems experienced after World War I, and their solutions, with the problems anticipated, and the possible solutions after World War II is one way to present this topic.

Discussion leaders should know and keep constantly in mind that ARMY TALKS is a command function. The program of "Education in Military and Current Affairs" for which ARMY TALKS is the discussion guide is a means of achieving the highest purposes and objectives of command and, therefore, cause for which we fight, namely: confidence in command, pride in service and a sense of personal participation; knowledge of the causes and progress of the war; a better understanding of our allies; and an interest in current events and their relation to the war and the establishment of the peace.

Have you, a discussion leader, thought about, or presented to your group, the significance that Officers and Enlisted Personnel are directed to discuss such topics as have been presented in ARMY TALKS in training time? Why? It is suggested that you ask your group why they think this program has been inaugurated and try to get honest, frank answers. It is only by such frankness that the mutual confidence and wholehearted cooperation necessary for the more efficient Army can be developed. And isn't it also significant that the Army wants us all to win the peace as well as the war?

The following questions are suggested :—



QUESTIONS FOR THE DISCUSSION

Q: What can we do to prepare ourselves in the Army for a return to civilian occupations?

Q: Will we be returning to civilian life under serious handicaps, as a result of time spent in the Army? Will we be returning with increased value and training?

Q: Does the Army offer any opportunities to increase ability and training along specialized lines? If so, what are they? How can they be made available?

Q: Will the loss of time and experience in a civilian job be offset by any factors of Army training and discipline? What factors?

Q: Is unemployment the result of overpopulation? (p. 6-7.)

Q: Will unemployment or inflation be the major problem after the war? (p. 15.)

Q: Do new machines destroy jobs? (p. 6.)

Q: What is the danger in increasing the public debt? (p. 11.)

Q: In what important ways will the situation after this war differ from that after the first World War? (p. 12-13.)

Q: Can many of the new factories and machines built for war production be converted to peacetime use? (p. 15.)

Q: From the point of view of preventing unemployment should the Army be demobilized after the war, quickly or gradually? (p. 13.)

Q: As the productivity of industry increases will the American people want higher incomes, more leisure or some of both? (p. 10.)

Q: Is any new industry likely to develop after the war which will provide as much new employment as the automobile industry provided after the last war? If so, what is it likely to be? (p. 15.)

Q: What effect does unemployment insurance have on unemployment?

For additional copies of ARMY TALKS inquire of your Special Service Officer.

