Will Soldier Votes Count?

Sooner Professors View Two Wartime Problems-Setting Up of Machinery to Handle Soldier   Votes and Subidies

By H. V. THORNTON

IT Is STRANCE, that in this democracy, the right of servicemen to vote should become a serious political issue, a right incidentally they are doing most to preserve.

The Lucas Bill, shelved by opponents, would have set up a partisan board composed of two Democrats and two Republicans.   The proposed board was empowered to distribute ballots to men and women in the armed services, to collect these ballots, and to redistribute them sealed to the various election boards in the several states.

The right to vote is basic to the institutions of democracy.   An election which excludes, directly or indirectly, in whole or in part, ten or eleven millions of voters is not   a representative election. What is the nature of the objections of those who oppose a uniform voting law which would not only facilitate but encourage the vote of those in the armed services?   They take devious forms, and are couched mainly in terms of states' rights.   No one acquainted with our constitutional development takes these rights lightly, but neither can he take lightly THE INDIVIDUAL RIGHTS OF TEN MILLION QUALIFIED VOTERS!

Actually the states' rights argument, in this instance, seems particularly weak to those who remember the attitude of Congress toward the same matter in 1942. In that year, both houses passed overwhelmingly a law which provided: "no person in the military service in time of war shall be required as a condition of voting in any election for President, Vice President, or for Senators or Members of the House of Representatives, to pay any poll tax or other tax, or make any other payment to any state or any political subdivision thereof."   It further provided that requirements for registration be dispensed with.

This law was found to be cumbersome, and in the election of 1942 probably not more than 75,000 servicemen voted. The law required that each soldier write to his election precinct for ballots, and the time allowed by state election laws, in most cases, was so short that a valid vote was impossible.   State absentee balloting procedures involve three "carriages" and in some cases five.   Careful investigation indicates that under present state regu-

lations   not less than 42 days would be required to register the vote of a Marine fighting in the Pacific theater, and 50 or 52 days if he were located in the Far East area.

The Lucas bill would have simplified the procedure. It was defeated, at least temporarily, by a coalition of Southern Democrats, and Northern Republicans. Why was the states' rights argument passed over lightly in 1942, and why has it assumed new significance in the effort to make the law of 1942 effective?

It is significant that Congress has not been troubled about states' rights in other respects.   In the Soldiers' and Sailors' Civil Relief Act of 1940, servicemen were relieved from actions by the states in the following instances: (1)   court action against them may be stayed until completion of military service; (2) statutes of limitations are tolled during military service; (3) eviction of their families is prohibited; (4) installment contracts are not to be considered as breached; (5) mortgages on their property may not be foreclosed; (6) sale of their property to satisfy tax assessments is forbidden. If the states' rights argument is valid against a uniform serviceman's voting law, it is valid against any or all of these provisions. But none has been seriously challenged.

It is highly doubtful the states' right argument against the Lucas measure has any real foundation in law, and certainly none in good faith.   Until better argument can be brought forth, it seems rather obvious that the opposition has a two-fold purpose: (1) that voting in the South shall remain on a privileged basis, and (2) that the body of voters in the 1944 election shall be reduced to a minimum.

How Subsidies Work

l3y VIRGLE   WILHITE

IDEALLY, subsidies should be paid only on that part of the total output of a commodity   which is produced by sub-marginal producers.

Suppose the following situation prevails.   The ceiling price of some particular essential good is $2.00 a unit, and 1,000,000,000 units are needed for the welfare of the civilian population and the armed forces.   The cost of production per unit is shown by the following schedule: 500,000,000 @ $1.00; 100,000,000 (a) $1.25; 100,000,000 (a? $1.50;100,000,000 @ $1.75; 100,000,000 @ $2.00 and 100,000,000 @ $2.25. If a subsidy of 25 cents a unit were paid to the producers of the last 100,000,000 units and to no other producers, the required total of 1,000,000,000 units would be produced and the subsidy would amount to $25,000,000.   If the ceiling price of the good were advanced to $2.25 a unit, the required total of 1,-000,000,000 units would be produced but the cost of the price increase would be $250,000,000.

Under some circumstances it is practicable to pay a subsidy on only that portion of the total output of a good which is produced by sub-marginal producers. For example, when four-fifths of an essential commodity can be bought from low-cost foreign producers but the last 20 percent has to be supplied by high-cost domestic producers, a subsidy need be paid only on the amount which must be provided by the domestic producers. However, when all or nearly all of the product is supplied by domestic producers having different costs of production it is generally impossible to single out the sub-marginal producers and pay a subsidy only to them.

This is the case with the food subsidies in question.   There is no feasible way of selecting only those farmers who have a unit cost of production greater than the ceiling price of the food product to be subsidized and pay them the difference between their cost and the price of the product. If a subsidy is to be paid at all, it must be paid to all the producers of the commodity.   Thus, the direct cost of a given unit subsidy would be the same as the cost of an advance in the ceiling price of the good to the same amount, if the entire output were used by civilian consumers.

If food subsidies are not continued, the ceiling prices of several important food products will have to be raised.   This will increase the cost of living and penalize consumers, especially low-income and fixed-income consumers.   Any further increase in the cost of living will create enormous pressure for wage advances beyond the limits of the wage stabilization program. In this connection it should be remembered that wage stabilization was predicated upon the proposition that the cost of living would also be stabilized. The no-strike pledge of organized labor was based upon that proposition.   A further advance in the cost of living would almost certainly result in an increase in wage rates above the 15 percent
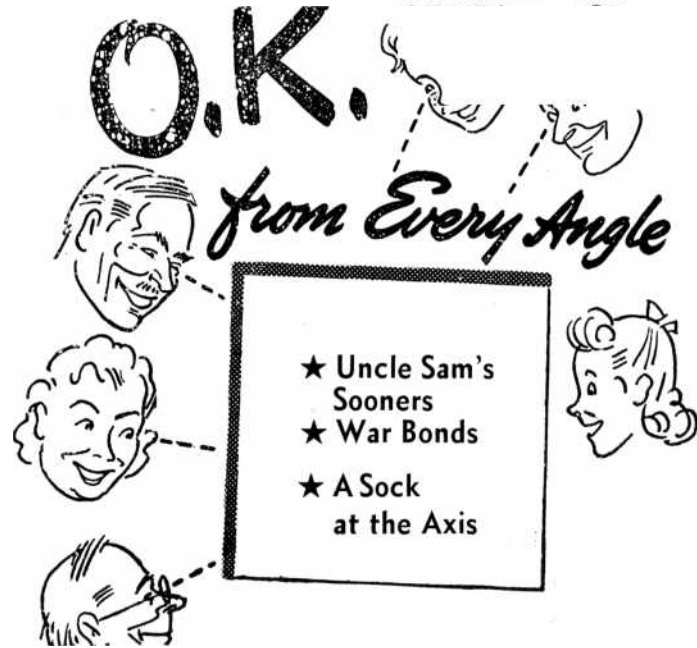
sanctioned by the National War Labor Board to equalize wages and the cost of living as of the date of the beginning of the wage stabilization program.

This in turn would raise the cost of production and require further advances in ceiling prices which would again increase the cost of living and require additional advances in wage rates and so on *ad infinitum*. This is the vicious and rightly dreaded inflation spiral. Food subsidies sufficient not only to check the advance in the cost of food but also, in combination with other anti-inflation measures, to roll back the cost of living to the wage stabilization level would undermine the demand and the need for raising wage rates and thus go a long way toward preventing the inauguration of the deadly inflation spiral.

Inflation would increase the dollar cost of the war and the size of the public debt. This would necessitate more deficit financing now, which is in itself inflationary, and the collection of more tax dollars later. If there is great inflation during the war and the immediate postwar period it will very likely be followed ultimately by drastic peacetime deflation. The huge war debt incurred in terms of cheap inflation dollars would, therefore, have to be serviced and retired long after the war with dear deflation tax dollars. This would impose a very heavy burden on many taxpayers in the future. If taxes were paid and bonds held by the same people and in the same proportion the tax burden would not be influenced by inflation and deflation.

Food subsidies are needed to help prevent this by helping prevent inflation during and immediately after the war. A lower war cost, a smaller public debt, and a lighter tax burden for decades after the war would offset, or more than offset, the direct cost of the food subsidy program. Incidentally the greatest danger of extreme inflation will come during the immediate postwar period. It would be disastrous to abolish subsidies and other inflation control devices suddenly and completely just as soon as the shooting war ends.

Drastic inflation now and in the near future, followed by equally drastic deflation later, would also play havoc with private debtor-creditor relationships. All private obligations contracted in terms of cheap inflation dollars would either have to be serviced and paid in dear deflation dollars subsequently or ultimately repudiated. All middle-aged and elderly people now living surely remember the plight of farmers and others during the twenties and thirties who incurred debts in terms of the extremely high price level of 1917-19. Food subsidies are needed to help prevent the repetition of these difficulties on a magnified scale a few years after the cessation of hostilities.

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