

added to the price of goods consumed. A proportion of this overhead is, of course, necessary and contributes to the economical distribution of goods. But an appallingly large proportion of this burden is totally unnecessary. If people realized that for every \$1.00 they pay in Government taxes, they pay at least \$10.00 in taxes for the support of all sorts of parasites of industry, they would perhaps take more intelligent interest in the problems of Government.

The theory that capital can be guaranteed return of capital with interest is just as fallacious as the belief that one can receive something for nothing. Put your cash in a strong box or your wheat in an elevator and you will receive back what you put in less the cost of storage. Governments or corporations that absolutely guarantee the return of capital with interest are kidding someone; if not themselves, then certainly the people who must pay.

The sale of investment securities for the purpose of facilitating the development of sound or potentially sound industry should be encouraged, even though reasonable risks are implied, but a system which permits the gambling in stocks on margin, long or short, must eventually be abolished. That a membership club, such as The New York Stock Exchange, should control to a large degree the fears and hopes of nearly 150,000,000 people is intolerable.

There is a recognized need today for new products, new industries. One reason that new industry lags is because private bankers have not provided adequate facilities for financing new products, new ideas. There was a time when new industries could be started with little or no capital but that was in the day of the horse and buggy.
