

SOLDIER-AID LEGISLATION.

By
Congressman Dick T. Morgan,
of Oklahoma.

Apparently there has been an inclination among the leaders in Congress to keep soldier-aid legislation in the back-ground. The delay has not been due to the fact that ~~there~~ any large number of the members of Congress are opposed to such legislation or are lacking in appreciation for the services rendered by our former service men. Many new, difficult, and complicated problems have confronted this Congress. All of these questions demanded attention, and a proper solution. Furthermore, the delay has been largely due to the fact that there has been both in Congress and out ^{of Congress} much diversity of opinion as to just what beneficial legislation should be enacted. The Former service men, themselves, have differed radically on this proposition. Congressmen generally have agreed that something must be done, but have disagreed upon what should be done.

The attitude of the majority of the members of Congress is not one of intentional neglect of the interests of our former service men. The truth of this statement is emphasized when the fact is called to our attention that there has been something over seventy odd bills introduced in Congress providing for additional compensation for our soldiers, or incorporating beneficial provisions of some character. The great trouble lies in the fact that there is no unity of action. The members have not been able to get together, to concentrate their efforts toward the working out of a definite policy or program with a view to evolving a plan which would be satisfactory to the soldiers themselves, feasible and workable from a financial standpoint, and at the same time, incorporating to the greatest extent possible, a wise and constructive national policy.

In order to overcome this difficulty if possible, a number of Congressmen, including myself, have recently taken this matter up with the Republican Steering Committee of the House of Representatives. It was our desire to have either a new Committee appointed for the purpose of considering the various soldier aid measures which have been presented, or to have all of the bills referred to the Ways and Means Committee of the House for attention and consideration with a view to getting action started in regard to this question, in order that a definite policy might be evolved. The Steering Committee has agreed to have all of these bills referred to the Ways and Means Committee of the House, and it is hoped that this initial step will at least start the ball rolling.

In studying the problem of what Congress should do in the line of proper recognition of the service rendered by our soldiers, sailors and marines in the late War with Germany, I reached the conclusion that in the proposed legislation, Congress should keep in mind three main propositions. First, that a plan, should be adopted that would help the largest number of soldiers; second, that the plan should be financed in a way that would throw the least burden upon the taxpayers; and third, that a plan should be selected that would distribute its benefits equitably to every State and community. In brief, my plan was to benefit the largest number of soldiers at a minimum cost to the taxpayers, with the most general distribution of its benefits.

The plan incorporated in H. R. 5545, "A Bill to provide Homes for Soldiers, Seamen, and Marines, and for Other purposes", is one which I have worked out after careful study and consideration of this question. Briefly, my bill proposes to create a corporation controlled by the Government, with \$100,000,000 capital, subscribed by the

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United States. It is authorized to make a loan up to \$4,000 to any honorably discharged soldier, seaman or marine, to be used exclusively in the purchase of a home, either in the country or a town or city. The soldier makes his own choice as to the locality where the home is to be purchased. The loan may run for a period not exceeding 60 years. Borrowers will pay annually on the face of their loans $4\frac{1}{2}$ per cent, which includes $3\frac{1}{2}$ per cent interest, one half of 1 per cent amortization payment on the principal, and one-half of 1 per cent into the guaranty fund. Loans are made in an amount equal to 100 per cent of the appraised value of the home purchased. This principle must be accepted as fundamental, as it is the only way to avoid discrimination against the poor in favor of the rich and well-to-do.

The bill, H. R. 5545, of course, is not perfect. Some amendments may be necessary. It is, however right in principle. Its object is to provide some appropriate recognition for the services rendered by our soldiers, sailors, and marines. For this purpose nothing more appropriate could be done than to place within the reach of those men a home, in which, throughout their lives, they may reside under the protection of the flag they honored and upheld. A home is the best pension a soldier can possess. It affords protection to the family; gives satisfaction, security, and contentment to the soldier; makes him a better citizen; and strengthens the very fabric of our Government.

Whatever we do for our service men should be something that will be permanently useful, helpful, and beneficial to them. In this respect, a home is far preferable to a small bonus in money. As the years go by, a home will grow more valuable and likewise more useful and helpful to the owner.

The plan which I present will distribute its benefits equitably throughout the country--to every State, County, and community. Whatever money the Government furnishes at the expense of taxpayers will equitably re-distributed to every contributing community and section of the ~~nation~~ country. The plan proposes to take only \$100,000,000 out of the Treasury to finance the whole proposition. The balance of the funds will be raised by the sale of bonds, issued not by the Government, but by the loan corporation. To insure the sale of these bonds at a low rate of interest, and in large quantities, the Government guarantees the payment of both the principal and interest of the bonds. The annual payments made by the soldiers will pay both the interest and principal of these bonds. Practically all the Government will do is to give the soldiers a suitable instrument--the corporation--and to supervise, direct, and administer this ~~corporation~~ corporate instrument for the use and benefit of the soldiers and for the glory of the country.

The policy advocated in this bill will serve at least three great national purposes. It will multiply the number of home owners and turn back the ever-growing menace of tenancy; it will encourage thrift and saving among both the soldiers who purchase homes and the citizens who will ~~buy~~ buy the gilt-edged securities of the corporation; and it will promote good citizenship, allay unrest, and stand as a mighty bulwark against I. W. Wism, Bolshevism, and every other radical and revolutionary movement.

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The leaders are endeavoring to carry out a program of strict economy in governmental expenditures, in order that taxes may be reduced and proper provisions made for the liquidation of the huge debts contracted during the Great World War, and with this end in view the tendency has been to eliminate for the time being at least, practically all of the matters that do not have a vital influence and bearing upon the very life and general welfare of the nation. ✓ The attitude of the majority of the members of Congress is not one of intentional neglect of the interests of our former service men. The truth of this statement is emphasized when the fact is called to our attention that there has been something over seventy odd bills introduced in Congress providing for additional compensation for our soldiers, or incorporating beneficial provisions of ~~some~~ character. The great trouble lies in the fact that there is no unity of action. The members have not been able to get together, to concentrate their efforts toward the working out of a definite policy or program with a view to evolving a plan which would be satisfactory to the soldiers themselves, feasible and workable from a financial standpoint, and at the same time, incorporating ~~to~~ the greatest extent possible, a wise and constructive national policy.

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M O R G A N ' S P L A N
TO PROVIDE HOMES FOR SOLDIERS.

The plan presented by Congressman Dick T. Morgan to enable soldiers to acquire homes, through a system of long-time loans, is gaining strength in Congress, and growing in popularity among the former service men. The Stars and Stripes, an influential Soldiers' paper, published At Washington, D. C., in its issue of October 25th, in discussing the measure, said:

"It is freely admitted that the Morgan Bill embodies the soundest and best plan yet proposed for giving the ex-service man a permanent boost and at the same time would reach a large percentage of the men who served. As its provisions provide for loaning money to purchase homes in the city, suburbs, or country, there is no discrimination against any class of men. The economy of the Morgan plan is another feature that has commended itself highly to members of Congress. The Morgan Plan, financed initially by the Government, would be self-supporting and eventually would pay for itself. More than a dozen Legion State Conventions have endorsed the Morgan Bill".

Among the states referred to above are Indiana, Iowa, South Dakota, Colorado, Oklahoma, Nebraska, Arkansas, Rhode Island, Delaware, and Washington. Numerous local posts of the American Legion in practically every state in the Union have passed resolutions indorsing Mr. Morgan's plan. Thousands of individuals have written letters approving the plan. The National Convention of the American Legion will meet at Minneapolis, November 17. The various "Soldier Bills" will doubtless be considered by the Convention. Whether Mr. Morgan's bill shall receive the indorsement of the National Convention or not, the nation-wide approval the measure has already received, gives it great prestige at the National Capital, with a good chance of its being enacted into law.

HOMES FOR SOLDIERS.

In his bill, H. R. 5545, Congressman Dick T. Morgan, of Oklahoma, presents a plan whereby every honorably discharged soldier, sailor and marine may acquire a home in the state or locality of his choice, and either in the country or in a town or city. The bill proposes to create a government corporation with \$100,000,000 capital, subscribed by the Federal government. The corporation is authorized to make a loan up to \$4,000 to any honorably discharged soldier, seaman or marine to be used in the purchase of a home. Loans may run for a period not exceeding 60 years, with interest at three and one half percent per annum, the principal to be paid by annual payments on the amortization plan. The amount of the loan may equal the full appraised value of the home and improvements. The \$100,000,000 capital furnished by the government will be used as a working or revolving fund. The chief funds for financing the proposition will be obtained through the issue and sale of bonds ~~XXX~~ by the corporation, limited by the amount of mortgages held by the corporation. To insure the sale of these bonds at a low rate of interest, and in large quantities, the government guarantees the payment of both the principal and interest thereof. To meet ~~*~~ any losses which the corporation may sustain, the bill provides for the accumulation of an ample reserve or guaranty fund.

The plan presented by Mr. Morgan is all-embracing. Any honorably discharged soldier, seaman or marine may take advantage of it. It offers the same advantages and opportunities to those who toil on the farm and to those who labor in factories, mills, workshops and other activities and enterprises of our towns and cities. It can be utilized by the poor as well as by the well to do. Soldiers will not have to break home ties, leave their friends, give up their present employments and businesses and go to distant states to obtain the benefits of the act. The benefits of the act will be equitably distributed to every state and community in the land.

In opposition to this plan is the one proposed by Secretary Lane and embodied in the Mondell bill, now pending before Congress. Under this bill, only farm homes will be provided, thus preventing fully fifty percentum of our soldiers, who now reside and who will continue to reside in our towns and cities, from taking advantage thereof. Under this plan the Secretary of the Interior is authorized to irrigate arid lands, drain swamp lands and to clear and improve cut-over timber lands. These lands are then to be sold to the soldiers at an estimated average cost of \$6,000 for each farm, ranging from 40 to 80 acres. The bill authorizes an ~~XXXXXXXXXXXX~~ appropriation of \$500,000,000 out of the Treasury of the United States. Under the estimate, this would provide homes for about 80,000 soldiers, which is less than two percent of our service men. To take advantage of the plan, the soldier must be able to make a cash payment ranging from \$1,000 to \$1800.

MORGAN LEADING FIGHT FOR SOLDIERS.

The Stars and Stripes, a soldier paper published at Washington, D. C., in its issue of January 17th, says:

"Soldier legislation was brought to the front in the House through the efforts of Representative Dick T. Morgan, of Oklahoma, author of the Morgan Home-owning bill.

Through Mr. Morgan's efforts the steering committee agreed to give a hearing to all members interested in soldier legislation.

In all, more than 50 members of the House attended the hearings and there was practical unanimity of opinion in favor of some kind of legislation for ex-service men."

Harlow's Weekly, of Oklahoma City, in its last issue, says:

"In the Eighth District, Dick Morgan reigns over Republican councils, with no one to say him nay. It has more republicans of state-wide fame than all other districts of the state, but none of them feel that the signs of the times indicate that the gentleman from Woodward has lost any of his old-time popularity.

So great is the Morgan following that ambitious Eighth District democrats are hesitating about trying to overcome the republican majority. Good men of the democratic faith, have sought to dislodge Morgan, only to fail, some by a close margin, others by a brutal majority. The end has been ever the same, and for that reason, there is never a mad race in the democratic primary in the Eighth District to secure the privilege of a try-out against the Morgan Standard."

Congressman Dick T. Morgan has written some of his friends that he does not expect to be home to attend the various conventions held for the purpose of electing delegates to the Chicago Convention. Mr. Morgan believes in staying on the job at Washington, and letting those at home look after the political machinery of his party.

Homes for Soldiers.

Washington, June 5.

Congressman Dick T. Morgan, of Oklahoma, today introduced a bill proposing a plan whereby every honorably discharged soldier or seaman may obtain a loan of \$4000, with which to purchase a farm homestead, or a homestead in a town or city, in the state or locality of his choice. The loans are to be made at three and one-half percent interest and may run for a period of sixty years. The bill creates a Corporation with \$100,000,000 capital, subscribed by the Government. Mr. Morgan's idea is, that if the Government shall give the soldiers any material advantages over other citizens in acquiring homes, three things are necessary: The loans must be made for a long period of time, at a low rate of interest, and the loans in amount must be equal to the appraised values of the homes purchased. Using the \$100,000,000 capital furnished by the Government as an operating or revolving fund, the Corporation will issue and sell bonds in an amount equal to the loans made to the soldiers. Payments made by the soldiers on the loans will in due time liquidate the bonds. To guard against financial loss a definite percentage of the interest will be set aside as a "Guaranty Fund."

To those who purchase farm homes, an additional loan of \$1,200 may be obtained with which to purchase live stock and farm equipment. To finance these loans, which run not exceeding five years, the Corporation is authorized to issue bonds running the same length of time. A definite percentage of the interest on these loans is also placed in the "Guaranty Fund."

In referring to his bill, Mr. Morgan said:

"My plan to provide homes for the soldiers is not a reclamation project. It is a strictly home founding proposition. Any plan adopted by Congress should be such as will bring it within the reach of every soldier. I have drawn my bill with a view to benefiting the largest number of soldiers, at the least cost to the Government, with the

benefits of the Act equitably distributed to every state and community. It is the only plan that is just and fair to the soldiers who must from necessity reside in the towns and cities. Whatever may be said about inducing soldiers to go to the farm, we know that more than half of them must continue to reside in the towns and cities. It is wholly impracticable for a very large majority of our soldiers to leave the localities where they have been born and reared, break their home ties, abandon their employment, positions and businesses, and go to distant states to acquire homes.

The loan plan along the lines which I have presented, is the only way the proposition can be carried out without the direct expenditure by the Government of an amount running into billions of dollars. For the Government to purchase lands, or to reclaim swamp, arid, and cut over timber lands, and sell these lands to the soldiers requires the Government to make the entire original investment in cash. This money can be gotten into the Treasury only by taxation. My plan proposes to create a Government loan Corporation and let it use ordinary business methods in carrying out the project. The plan involves the use of the Government's credit, but under conditions which must exist for many years, the Government can better afford to use its credit than it can to use its cash. The bonds issued by this Corporation, and through the sale of which it will obtain the principal part of the funds on which to operate, will be guaranteed by the Government. This is necessary in order that the funds may be obtained in large amounts and at a low rate of interest. The bonds will bear a lower rate of interest than the rate of interest the soldiers pay on the loans, thus providing a surplus each year with which the Corporation will meet any losses. A home is the best pension the Government can provide the soldier, and to provide this home is the most appropriate way we can show our appreciation of the inestimable service he has rendered his country."

Washington, D. C.,
October 7, 1919.

FINANCING HOMES FOR SOLDIERS.

Hon. Dick T. Morgan, of Oklahoma, today delivered a speech in the House of Representatives, advocating the passage of his Bill to provide homes for soldiers, in which he said in part:

"The bill which I have presented proposes to create a Government controlled corporation, with a capital of \$100,000,000 subscribed by the Government. It is authorized to make a loan, of not exceeding \$4,000 to any honorably discharged soldier, sailor or marine, to be used exclusively in the purchase of either a farm-home or a home in a town or city. Loans may run not exceeding 60 years, and will be paid on the amortization plan. The total annual payment required of borrowers will be 4-1/2 per cent, which will include 3-1/2 per cent interest, one half of one per cent on the principal, and one half of one per cent into the guaranty fund. The corporation will use its capital as a revolving fund in making loans, but will secure its chief capital on which to make loans through the sale of its bonds. To insure the sale of these bonds in large quantities and at a low rate of interest, the Government guarantees their payment.

The unusual feature of the plan is that loans will be made up to 100 per cent of the appraised value of the home purchased, thus bringing it within the reach of every soldier, regardless of his financial condition. The corporation will be able to do this and meet any unusual losses occasioned thereby, by the use of the income from its \$100,000,000 endowment capital, and the one half of one per cent paid annually by each borrower on the face of his loan, into the guaranty fund. By actual calculation, I have found the corporation can make 100,000 loans annually of \$4,000 each, for a period of 20 years, which would provide homes for 2,000,000 soldiers, charge off every year 5 per cent of the amount due from its borrowers, and at the end of 20 years will have increased its capital from \$100,000,000 to \$520,765,375. It can stand a 10 per cent loss each year on the amount due it, and at the end of 20 years will have a capital of \$274,365,000, showing net earnings of \$174,365,000, enabling it to return the \$100,000,000 advanced by the government with interest, and still retain its original capital.

The Government would never lose anything by guaranteeing the bonds of the corporation. It will be a perfectly sound financial institution, and will not endanger the national credit, materially interfere with its financial operations, or place any burden upon the taxpayers.

In addition to its chief object, it will serve at least three great national purposes. It will multiply the number of home-owners; encourage thrift and saving among both soldiers and investors; and stand as a mighty bulwark against I. W. W. ism, Bolshevism, and every other radical and revolutionary movement.

House of Representatives,
Washington, D. C.,
November 22, 1919.

LETTER FROM CONGRESSMAN MORGAN.

Dear Friend:

Congress did not adjourn until the 19th of November, and will meet again December 1. The time between the two sessions will be only ten days. This is too short a time to enable me to go home, visit the various counties of my district, and get back to Washington in time for the beginning of the new session.

As I can not get home, I wish through your paper, to send my cordial greetings and very best wishes to all the people of your county.

I wish to say a word to former service men. All who were honorably discharged since November 11, 1918, are entitled to five cents per mile as travel pay from place of discharge to place of entry into military service, or from place of discharge to actual bona fide home or residence. Any former service man who has not received this allowance, should write me for necessary blanks and instructions to secure the balance due him.

If any soldier has failed to receive or obtain his bonus of sixty dollars, his uniform and equipment allowed by the government, or the victory button issued to all honorably discharged soldiers, I shall be glad to extend all possible aid in securing any of these items.

I should also be glad to aid any father, mother or dependent of any soldier, who has failed to receive his or her allotment or government allowance.

With kind regards and best wishes, I remain,

Sincerely yours,

Dick T. Morgan