have matured, new insurance has been written, interest has been earned and credited to the accounts of those who had invested. But something else has happened. A governmental tax — the hidden tax of inflation — has been imposed upon the $25.8 billion invested in 1939. Within a period of 10 years, those dollars have lost nearly 40 per cent of their purchasing power. What kind of security is this for the man who had planned to retire on the income from an annuity? How well had the late policyholder provided for the security of his widow and children?

"I have entrusted your future to our government." What else can a "well-insured" father say to his trusting child?

Bank Deposits

Will the individual look to his bank for security? At the end of 1949, total bank deposits in the United States amounted to $148 billion. At that time the assets of the banking system — the "security" behind those deposits — included $97.5 billion worth of United States government obligations. Such investment of depositors' funds by bankers apparently satisfies the examiners of the Federal Deposit Insurance Corporation.

In the "greatest banking crisis of this nation's history," during the four years from 1930 through 1933, depositors lost $1.3 billion. At today's level of bank deposits, whenever governmental spending for the so-called "general welfare" causes a rise of only one per cent in the cost of living, it represents a loss in the purchasing power of bank deposits amounting to $1.5 billion. The cost of living has risen 13 per cent in the four years since the end of World War II.

Under these conditions, does money in the bank mean security for the depositor? His government has not only insured the first $5,000 of each deposit against loss, but the government also has provided a wealth of "investment" opportunity in the form of its certificates of over-spending. Today, two-thirds of all bank deposits are "secured" in the governmental deficit. Not only that, but these same governmental promises to pay have been so channeled through the banking system of the United States that they constitute the "legal bank reserves" by which credit is extended — by which the "national wealth," in promises to pay, is multiplied again and again and again. Each dollar deposited in a bank today is that much expression of faith by the depositor in the kind of security which a government can offer — truly a faith that surpasseth understanding.

Farm Property

Will the individual invest in farm land and buildings? If so, he is in fact placing his security in the hands of the Secretary of Agriculture, who administers farm price supports — and production controls — in accordance with his own or congressional discretion. The man who buys farm land *under these circumstances* merely buys a quota, a right to share in the communal loot, the value of which is subject to the whims of political expediency. There is no "agricultural ladder" to security in an industry which has surrendered its right to determine "when to sow, when to reap."

Corporate Bonds

Will the individual find security in the bonds of business enterprises? An investment in the bond of a business enterprise means that savings have been made available for productive use — quite different from investment in the governmental deficit. But, a bond is payable in dollars. The bond-