

Furthermore, many existing systems leave much to be desired as far as soundness and adequacy is concerned. Competent investigating committees have urged early revision and strengthening of the teacher retirement laws in at least 7 of the 22 States where such laws are operative.

The existing systems rarely include the noncertificated school employees or the professional staffs of the State universities and teachers colleges. In only 1 of the 22 State retirement systems were all teachers already in service required to join the retirement system at its inauguration. Several of the retirement systems operate, partly or entirely, on a voluntary basis. Many teachers of advanced age have been quite unable to accumulate any appreciable reserve or to take advantage of the opportunities offered by existing retirement systems. The retirement allowances granted in these teacher retirement systems average not more than \$600 per year.¹⁰ This amount is below the average yearly retirement allowances available to industrial employees, municipal employees, and Federal employees under the retirement systems which now protect these groups.¹¹ In several States the average allowance paid is entirely inadequate. One State system, for instance, paid an average allowance as low as \$125 per year. A special study of teachers who retired in 1930 reveals that in only one State retirement system did annuitants receive as much as half salary; teachers in three systems received less than one-fifth of their final salary.

STATEMENT BY MISS MARQUIS ROBB, NEWTONVILLE, MASS.

NATIONAL, STATE, LOCAL, AND INDIVIDUAL REVOLVING FUND TO DEVELOP ANNUITY
IN OLD AGE

Provides.—One initial endowment to take care of present accrued liability of age.

Development of fund to make an asset of all age yet to come.

Operation.—To function through State and local organizations already existing.

Values direct.—To develop taproot growth toward economic independence for the individual and give opportunity for him to assume his personal responsibility in achieving that goal.

To accumulate collective reserves to the end that the age limit may be lowered, and general welfare increased.

Byproduct values; Continuous inventory of.—Local, (a) economic dependence, (b) chronic illnesses, (c) juvenile delinquency.

Money is to the body economic what blood is to the body personal.

In a democracy there can be no permanent growth in social security that does not include understanding and responsibility on the part of the individual citizen of his relation to the financial soil in which the aggregate and cumulative units grow in a capitalistic economy.

Every individual tap root toward economic security strengthens national well-being in the same fashion that the native Indian bundle of sticks made powerful the tribe.

“Money—the lifeblood of the Nation
Corrupts and stagnates in its veins;
Unless a proper circulation
Its motion and its heat maintains.”

—DEAN SWIFT.

SECURITY FOR CHILDREN

It must not for a moment be forgotten that the core of any social plan must be the child. Every proposition we make must adhere to this core. Old-age pensions are in a real sense measures in behalf of children. They shift the retroactive burdens to shoulders which can bear them with less human cost, and young parents thus released can put at the disposal of the new member of society those family resources he must be permitted to enjoy if he is to become a strong person, unburdensome to the State. Health measures that protect his family from sickness and remove the menacing apprehension of debt, always present in the mind of the breadwinner, are child-welfare measures. Likewise, unemploy-

¹⁰ National Education Association, Committee on Retirement Allowances, Report. Washington, D. C.: The Association, July 1932. 79 p. 25 cents.

¹¹ National Education Association, Committee on Retirement Allowances, Report. Washington, D. C.: The Association, July 1934. 29 p. 25 cents.

ment compensation is 'a measure in behalf of children' in that it protects the home. Most important of all, public job assurance which can hold the family together over long or repetitive periods of private unemployment is a measure for children in that it assures them a childhood rather than the premature strains of the would-be child breadwinner.

There are at the moment over 7,400,000 children under 16 years of age on the relief rolls. The lives of some of these children, who have never known a time when their father had a steady job, and who, until Federal relief provided the family with a weak cohesive agent, have known nothing but the threat of being scattered, are lost beyond full restoration to their physical and social fulfillment. Their childhood is already destroyed and their future dark and uncertain. In this age group are 300,000 dependent and neglected children; 300,000 to 500,000 children who are physically handicapped; 200,000 who come as delinquents annually before the courts; and the 75,000 illegitimate children born each year. Special kinds of care must be provided for them to save them from a future more tragic than their impaired childhood.

Most of the children on relief lists are less conspicuously unfortunate, but all of them lack at least one major essential for a childhood which will prepare them in 5, 10, or 15 years to be the mainstay of society. Nothing is wrong with their environment but their parents' lack of money to give them opportunities which are taken for granted in more fortunate homes.

With the child, the recurrent productive energy of the Nation, as the "core of any social plan" in an economy organized on a financial basis, there must be not only the indirect influence of the parent economic state but also direct financial contacts for the junior citizen throughout the entire formative period of his concepts of work and life. That period is, generally speaking, the same as the compulsory school period. School truant officers from all parts agree that the desire to "get something of their own" is the basic cause of a great percent of the "dropping out of school."

How can direct financial contact be given to every junior citizen?

First. By considering old-age assistance, not as a pension taken from the bounty or charity of others but as a root growth started at the beginning of life.

The Metropolitan Life Insurance Co. is authority for the statement that \$300 deposited the first year of life will amount to an annuity of \$50 a month from the age of 65 years on.

Second. By applying those figures to 1 year's birth increase in the United States (2,000,000) an initial endowment of half a billion would start a revolving fund to include every junior citizen in its recurrent movement; and for the immediate necessity of accrued liability would take care of present old age.

The accompanying data from the American Bankers Association gives key to the financial machinery through which the individual citizen, during his entire school period, could pay for his endowment.

To the schools we turn for the fullest training possible of every citizen. That is the sole reason for a public-school system. Thus in giving the schools opportunity to develop financial reserves, as well as vocational and academic powers, we would complete the equipment necessary for a developing citizenship.

Except for the national initial endowment the one first fund through which present age assistance would be rendered, the entire administration and responsibility would belong to the State, the community, and the individual.

The plan would work in this wise.

National.-National commitment to the principle of universal opportunity to develop individual growth toward security in age would be the one Federal responsibility. Expression of that commitment to be made through an endowment fund that would become seed for recurrent harvest of security throughout the collective lifetime of every citizen that accepted the opportunity and tried to carry out his part in it.

State.-In affirming the principle involved in the national endowment each State would guarantee the continuous revolving of the fund between present age and age recurring as the years come on.

State adoption of that "guaranty" would entitle a State to its pro rata of the initial endowment.

State.-That pro rata to be handled through a State trust committee that would in turn distribute it through old-age assistance organizations already existing for that work.

Local.-Local community to form committee made up of the mayor, president of school board, superintendent of schools, ex-officio head, or other representative, from civic bodies such as Chamber of Commerce, Rotary, Women's Professional, Welfare, etc.

Schools to handle collection of fund under commercial departments as practical functioning experience in their work.

Funds collected to be taken care of by local banks with accounting to schools and State trust committee, and local committee as State law would determine.

Whenever a junior citizen could not meet the payment on his endowment an automatic report would go to the local committee. Committee to investigate to find cause and to aid child. Thus local economic dependence would be met at source levels.

In addition to meeting the specific need, there would result the opportunity for constructive aid that would keep the dependence from growing cumulatively destructive to both personal welfare, and local financial reserves.

Chronic illnesses that cause dependence—and juvenile crime that piles up human misery and financial waste—could in time be met at levels of inception, thereby giving prevention forces the chance to be employed at a stage when prevention can really prevail.

“There is no wealth but life.”—John Ruskin.

A nation's wealth is most truly measured by the number of citizens given opportunity to develop to the fullest the potential capacity of each individual life.

AMERICAN BANKERS' ASSOCIATION,
New York, N. Y.

MISS MARQUIS ROBB,
Waltham, Mass.

MY DEAR MISS ROBB: Attached is a compilation of figures of school savings concerning which you made inquiry in your letter of April 6.

The number of children without school banking opportunity is much too large. Only by hearty cooperation among school people, bankers, and others interested in the welfare of our people can this difficulty be overcome.

When you reach New York, I shall be happy to see you.

Very truly,

W. ESPEY ALBIG,
Deputy Manager.

Years of depression, 1929-31

Number of schools that offer direct banking, 1929-31.....	14, 610
Number of schools that offer direct banking, 1930-31.....	14,628
Number of students enrolled, 1929-30.....	4, 817, 606
Number of students enrolled, 1930-31.....	5, 030, 698
Number of students depositing., 1929-30.....	4, 597, 731
Number of students depositing, 1930-31.....	4, 482, 634
Amount deposited during school year, 1929-30.....	\$29, 113, 063
Amount deposited during school year, 1930-31.....	\$26, 783, 610
Interest earned and credited during year, 1929-30.....	\$1, 299, 143
Interest earned and credited during year, 1930-31.....	\$1, 302, 211
Amount on deposit at end of school year, 1929-30.....	\$52,049, 849
Amount on deposit at end of school year, 1930-31.....	\$50, 744, 840
Number in school between the ages of 5 and 20 years in 1931...	26, 800,000
Number with opportunity for direct banking.....	4,817, 606
Junior citizens without opportunity for financial training.....	21, 982, 394
Potential amount on deposit if all students banked, 1929-30...	\$321, 600,000
Potential interest on deposit if all students banked, 1929-30....	\$7, 145,287

Direct contribution to depression

Communities (in the red) called on reserve, drew out more than deposited that year, 1929-30.....	154
Communities (in the red) 1930-31.....	309

The 13,000 employed students of the Central Vocational School of Milwaukee, Wis., who attend school 8 hours per week, earn more money each year than the entire system of education costs the city of Milwaukee for all kinds of public education.

The New York Sun of February 11, 1927, said: “ There were 63,000 part-time vocational students in New York City and they earned annually, while attending school more than \$45,000,000.” (Federal Board of Vocational Education.)

Although it is difficult to prove how much the small boy has to spend, some figures are available regarding his older brother. The Industrial Education Bureau of the State department of education, studying the activities of 65,000 boys in State continuation schools found that the employed boys from 14 to 17 years of age spend more than \$7,500,000 a year for amusements. (New York State Department of Education.)

'SAVE YOUTH FROM CRIME,' PLEADS MORAN, NEW YORK DIVISION OF PAROLE

As soon the boys had bank accounts of their own they began to see the relationship between stealing and property rights. So we welcome the work because of the results on the moral character of this particular type of child; the desire to protect their own property rights providing the basis for making them respect the property rights of others.

OLIVE JONES,
School Principal, New York City,
Ex-President National Education Association.

DEAR MISS ROBB: This is perhaps the only home lesson I ever tackled cheerfully. And yet I can't truthfully call it a home lesson because you yourself made it a matter of choice. However, I am only too glad to have the opportunity of letting you know what I derived from this course. For the last few days I have been reviewing in my mind all the talks and lessons, and this is the result.

Sincerely,

MARY FITZPATRICK
(Age 16 years).

WHAT ECONOMIC EDUCATION HAS MEANT TO ME

Next year my brother enters high school. Lately he has been poring over the list of electives, picking this subject, discarding that. Finally he was satisfied, and showed me the ones he had chosen. After looking at them I asked him, "How about economic education?"

Immediately a discontented scowl spread over his face, and in strong terms he told me he didn't "want that stuff. It's silly, and no one is going to meddle in my affairs. I don't believe in budgeting, anyway. No, I won't take it."

How could I convince him he was wrong? I couldn't—because, a short while ago, I held the same attitude toward economic education that he does now, and no arguments on earth were able to make me change my mind. But a very wise aunt forced me to take it, and I very belligerently started my course.

If talking were able to persuade my brother, I would tell him that he has a very wrong conception of this subject. I would tell him that the methodical daily entry in his budget book, and the monthly balancing of it, are only rudimental and incidental—the practical part of the course.

But I would also tell him that this study opens a new world, brings a broader understanding of things, and makes all things unified. That it means careful observation of current events, and discussions of present-day, vital problems, that are more interesting and alive than any of his other studies could afford. That through this subject all his other subjects will be a part of the whole, rather than disjointed, "outside" activities.

Most important of all, that money is not merely something to hold in the hand, but a stream, a power, that flows through people in their relations with each other, and without which they could not properly exist.

Oh, so many things I could tell that brother of mine if he would only listen and consider. Besides the invaluable practical knowledge that he will gain, he will have added something new to his life. Something that will make him realize that every phase of his life and every experience go to make his life fuller and more complete, for we are all a part of the "creative force."

Perhaps I haven't expressed myself clearly, and perhaps I'd only muddle him if I were to try to explain. But that is the nearest I can come to an expression of what economic education has meant to me, a newer, better understanding of money (and its relation to human beings) and wiser, more philosophical outlook on life in general.

Would he understand, I wonder?