

# FORT WORTH STAR-TELEGRAM

MORNING

EVENING

SUNDAY

AMON G. CARTER, PRESIDENT

FORT WORTH, TEXAS

June 14, 1932.

Senator Morris Sheppard,  
Washington, D.C.

Dear Morris:

I did not send the re-submission editorial to you with any expectation that you would agree with its sentiments, and certainly with no hope that it might change your views at this time. I know your position on prohibition to be of too long standing. I know that you are conscientious in your views, that you are not the type of political dry who votes dry and drinks wet. Therefore, I respect fully your stand and accord you the same sincerity that I am sure you accord me.

But I do believe that you have misjudged conditions under prohibition, that you have not come into contact with its varied and widespread violations, as some of us have, and that on the question of re-submission, like the attitude of Congress with respect to the manufacturers sales tax and other matters, you have misjudged the sentiment of the country and failed to take into account the change that has occurred. The reversal of opinion upon the part of many nationally prominent persons, such as John D. Rockefeller, Jr., General Pershing, Mr. Sloan of General Motors, and others, the declarations of Texas and other states in favor of re-submission, are all, in my opinion, not only important from the standpoint of the persons mentioned, but more so as evidence of reversed sentiment. I believe all of the gentlemen mentioned are sincere in their changed views - I believe you will agree on that point - and that this change is the result of a conviction that conditions have become worse, not better, under prohibition.

Racketeering, corruption of public officials, and gangland rule of our largest cities constitute a national disgrace. The fact that Colonel Lindbergh had to appeal to organized gangs, employ gang leaders and underworld "fixers", in an unsuccessful effort to recover his kidnaped baby

(though I have no criticism for him for his action), was a sickening confession of the level to which we have sunk in the cities and the power of organized criminals over constituted authorities. These activities, if not a direct result of prohibition, are certainly a by-product and are made possible by the enormous profits from illicit and untaxed liquor sales.

I do not believe that you have had occasion to notice the widespread drinking among the boys and girls, or, if you have seen it, you have misjudged such to be isolated cases rather than the general condition I believe it to be, based upon my own observations in Fort Worth. Twenty years ago even, when we had open saloons in Fort Worth, a man who came to a dance drunk was not permitted to pass the door. The one with liquor on his breath was either invited from the dance floors or shunted away by the refusal of the girls to dance with him. For a girl or unmarried young woman to be seen drinking at a dance or other social affair would have started enough talk for a town scandal, and would have meant almost social ostracism. Drinking at dances and social affairs is a common occurrence now. Boys from sixteen to twenty can be seen carrying flasks and bottles on their hips, drinking openly and brazenly, and they and their girl companions in the majority of cases will be found making frequent trips to parked automobiles and places away from the crowd so that the girl too may have their share of the corn liquor and the bathtub gin, concoctions that are far more potent in effect and more deleterious to physical welfare than any of the whisky or other liquor sold in pre-prohibition days.

Of course, there are no accurate statistics on the amount of liquor consumed now; but I believe that if we would take into account the home brew and gin made in the homes and the corn liquor so easily obtained, to say nothing of the readiness with which liquor can be had on prescription, the consumption is not far from, if it isn't as much, as that before prohibition. And this is consumption of the hard liquor variety, vile stuff compared to that before prohibition, which makes me believe that one of the most serious difficulties in bringing about a modification of the law to permit light wines and beer would be getting the people to give up hard liquor for much milder drinks. Beer of 2.75 percent might

not be the benefit to temperance its sponsors claim, because it would seem too tame to those accustomed to present day stuff.

You are a believer in prohibition from the sincere desire to promote temperance. I do not believe that the cause of temperance can be furthered by general legislative enactment. I do not believe a law affecting the habits and tastes of a people can be enforced in any community where the sentiment of the people is overwhelmingly against it. The attempt at such results in dismal failure, disregard of the law and lesser regard for other laws. I believe the cause of temperance will be advanced by the repeal of the amendment, by returning the control of liquor under some rigid governmental dispensary system in such states and political subdivisions of states as may desire, or by a modification of the law permitting the sale of beer and light wines under strict regulation, which sale, in time, should greatly lessen the consumption of hard liquor. If I believed that temperance could be achieved by prohibition, I would be wholeheartedly for it, despite its attempt to regulate habits by law and the undemocratic character of the amendment itself, which is destructive of states' rights and local self-government. You and I agree in principle, but disagree in method.

You do not think the revenue argument is sound; I do. My argument is that liquor is being made, sold and consumed on an enormous scale and the government is not getting a cent of revenue. A tax on the present consumption would be an important contribution to our national finances. But certainly I would not urge either repeal or modification of the law mainly on the basis of revenue, or the present deplorable state of our national governmental finances.

I attribute this situation to the fact that too many of our national legislators, unlike you, are not given to expressing their sincere views; that too many who vote dry and make prohibition speeches neither believe in the principle of the law itself nor in their personal habits practice what they preach. Prohibition with them is too much a proposition of what they believe to be popular, a means of re-election, and they are wholly lacking in the courage necessary to face the facts. This

lack of courage has almost disgusted the country and caused it to lose faith in its Congress, and the men to whom it has been accustomed to look for leadership. When an individual or a business finds its expenses exceeding its income through a sudden change in conditions, it does the practical and sensible thing of immediately reducing expenses to meet the reduced income. Otherwise, neither can survive. The individual or business can not do like the government; create overnight new sources of income by levying new, higher and often unreasonable charges upon its customers. That government can and does do with respect to the taxpayers. Congress' failure to cut off the various services, bureaus and expenses, as well as a flat ten percent reduction in salaries that were added on during boom times has been almost a cowardly admission of its inability to apply common horse sense tactics in a critical situation. Its action on the sales tax, to my mind, was another exhibition of the same character. It did not enact the sales tax for fear that it might penalize the small worker a few dollars a year in his purchases. It failed to realize that the same worker, if he could be assured of his job and his present income, would have gladly paid such tax or even a higher one, and that in trying to save him this small tax its action may result in his losing his job altogether and with it his entire income. How about the man out of a job? Don't you think he would jump at the chance to pay the small sales tax if he could only get a job?

It has refused to cut the salaries of government workers for fear that the example may cause widespread salary and wage cuts, when every business man in the country knows that every industrial and mercantile establishment has already been forced to cut its pay schedules the ten percent proposed for governmental employes, and most of them not once but several times. Therein the Congress is again out of step with what has happened over the nation and has yielded to the pressure of organized groups against the unorganized majority. Instead of the sales tax, Congress tried to give us the same pill with a little sugar coating, and in my judgement made the pill harder rather than easier to swallow.

Instead of a moderate manufacturers sales tax affecting every individual in the nation, it levied a few selected sales taxes under the guise of excise taxes, that will affect every individual on a few commodities, will cost him as much or more money than the sales tax would have cost, and in percentage run many times that of the proposed sales levy. Nearly every salaried person and most every wage earner owns an automobile of some type. There are some 23,000,000 to 25,000,000 cars, I believe, running in the United States. Since the tax bill levies one cent a gallon on gasoline, which is equivalent to approximately an 18 percent sales tax on this one commodity, it will hit the same people Congress sought to protect; and this is in addition to state taxes, ranging from four to eight cents.

I do not see how Congress can consistently defend its failure to enact the sales tax and at the same time raise the postage rate, put taxes on bank checks, telegrams, telephone calls, and various items of common, every day purchase. I do not like to impugn the motives of some of my good friends in Congress, but I can not escape the belief that in its failure Congress as a whole was more actuated by thoughts of re-election than by balancing the budget through a system of effective and equitable taxation.

I think Congress by its tax bill is more likely to kill the goose that laid the golden egg than it is to balance the budget. Its high income taxes, after three years of depression, will not bring in the expected revenue, in my judgement. Soaking the rich may be all right, when there are rich to soak. When there are none, it is but a futile political gesture. If there are any left, the high income tax rates will turn their investments into tax exempt securities, to the detriment of governmental revenues and business recovery.

What this country needs above everything else is an increase in industrial and commercial activities that will start re-employment. We can not have any improved conditions with 8,000,000 people willing to work but unable to find jobs. We can not expect anything but starvation prices for agricultural products unless we have people

employed and able to consume them. Voting millions to the Farm Board will be but additional waste. These people can not be put back to work if capital is driven into tax exempt securities, if a few selected industries are slapped with high sales taxes under the guise of excise taxes, on the theory that they can best stand the soaking. Ordinary business establishments can not go ahead, despite the severe cuts they have made in operating costs, if the government is to continue unmindful of the depression, spending on the same lavish scale as in days of boom prosperity, trying to support itself through high taxes out of the earnings of these same business institutions. It can not be done; the government will not get the revenue, and these same 8,000,000 people will remain out of jobs.

If Congress had continued the course it started last March, which gave such encouragement to the nation, rigidly cut its expenses, adopted a general sales tax and gone home, conditions would be vastly improved today and we would be on our way out. Instead, confidence has become more shaken, business has grown worse, instead of better, and instead of re-employment there have been further decreases in working forces and the certainty that others must follow unless there is a change.

The only ray of hope that I can discern on this dark horizon is that after the nominating conventions and the election in November, Congress may be able to lay aside political considerations and face the facts. I am certain that when that time arrives the balanced budget will be found to have been plugged instead of balanced, a mere paper job instead of a real one, and that nothing but a general manufacturers sales tax will give the needed revenue.

I realize that this is a very lengthy letter, that it will not agree with your views; but it is the situation as I see it, as I interpret the sentiment of our people, and I feel confident if you were to tour the state you would find verification for it.

With best wishes, I am

Yours very truly,

