

LAGGING ECONOMY

QUINCY, Ill.—*George Meany* is absolutely right in his statement that unemployment is rising and the economy is not on the upswing. He states that living costs have increased 10 per cent since Nixon took office, and that unemployment has soared 72 per cent. He also accuses "the administration" of doubletalk.

Living costs will continue to increase so long as the unions keep increasing their rate of pay.

In order to compete with other countries, many corporations are building plants abroad. Unemployment at home then increases and will be followed by an adverse balance of trade and further inflation.

Labor leaders know this and are "running scared." They are confronted with the idea that they must show gains in order to hold their jobs.

Sales of U. S. foreign subsidiaries already are double those of the parents' exports. If there is any doubt about foreign competition, read the several pages of advertisements by Japanese corporations in the August issue of *Fortune*.

The labor unions must realize that progressive and wholly unreasonable demands will eventually lead to their disaster and to the ruin of the American economy.

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