

that will give the State of Maryland a wholly creditable administration and that, when I relinquish the office, Maryland may be in such high estate financially, culturally and economically, that I may step down with the satisfaction of knowing that from the standpoint of social welfare, I have contributed something definitely worth while to the great State whose people today honor me so signally.

The problems before us are many. Although different in character, they are as crucial as those that faced Maryland when our Nation entered the World War. Their solution will require sacrifice as well as courage and fortitude. Upon the soundness of their solution rests the future welfare of the State and its people. I do not propose at this time to discuss these problems in detail. It is sufficient to outline the general ideas that must guide us as we assume our joint tasks.

We must realize that besides *looking forward* to the betterment of conditions, we must devise new ways and means and apply them promptly and effectively, in order to insure the immediate betterment that we all desire so earnestly. We must adjust our tax structure that, while it will raise the necessary revenue, it will not tend to disrupt the business life and weaken the economic structure but rather will tend to encourage and stabilize them. While we are engaged in this common enterprise, we must not forget that these next four years, important as they now seem to us, are but steps in the long life of our State. One cardinal principle must guide us—namely, that in solving our problems for today we must also build for tomorrow. Our solutions must be well-reasoned and carefully considered, that those who come after us are benefited rather than penalized by our work.

Since my election I have approached the handling of these problems in a way that I felt would lead to their proper solution. I have sought and obtained the active assistance of public-spirited citizens of both parties. Able, informed, and experienced persons acceded to my request that they analyze and report upon the out-standing problems of our State. No consideration of partisanship or of politics dictated their selection or influenced their deliberations. Such a standard will be the guiding and determining one as we meet succeeding situations.

The most important problem facing the administration is that of placing the State's finances on a sound and enduring foundation. We must not live on borrowed money. We do not have the right to mortgage the future of our State unduly to meet present needs. We must provide adequate revenues for the proper discharge of the State's obligations and to supply the needed services. But, before we impose further upon the taxpayers, it is imperative that we exhaust every legitimate effort to avoid waste and extravagance in the State government. I am firmly convinced that substantial reductions in existing governmental cost can be made without impairing essential functions. This will mean the paring down of our departmental estimates, the elimination of nonessential expenditures, and the foregoing of governmental luxuries. We *must* get down to necessities.

Even with every possible economy, we shall have to raise additional revenue; this money should not be borrowed but should be raised by taxation. There is no easy remedy, no palliative that is safe for the State and its people. We must balance our budget and maintain our credit. Failure to do so can lead only to disaster. Months ago, in asking for the support of the voting