of Oregon Statesman

Bits for

Breakfast

By R. J. HENDRICKS

Mrs. A. N. Bush was 11-14-37

The passing of Mrs. A. N. Bush

is a sad blow to the loving mem-

bers of her own household, a

distinct sorrow for a wide circle

of intimate friends, and a great

influences for real good and pro-

She was a woman of culture

tending to the underprivileged

Born October 27, 1861, into the

Hughes, in Salem, Oregon, she

inherited the outlook and stamina

of her great grandmother, Tabitha

The Pringles, including her

mother, grandmother and great

grandmother, arrived in the little

settlement that became Salem on

Christmas day, 1846, walking into

city, in drizzling rain and flurry-

5 5 5

hardships and dangers of the part

of the 1846 covered wagon im-

migration which took the south-

ern route, by way of the Rogue.

Umpqua and upper Willamette

South Umpqua canyon. News of their plight reached

the lower Willamette valley settle-

ments, including those of French

Prairie, just in time for such re-

sponse of succor at the point

where Eugene now stands that,

under roof and with available

food supplies and warm clothing,

so that they escaped a snow storm

An ever slight further delay

would have meant loss of life to

the whole Pringle contingent.

Grandma Tabitha Brown, safe in

old clothing to Indian women for

buckskin-and so started herself

5 5 5

She saved enough money from

glove making, above expenses, by

early spring, 1847, so that she

was ready for another needed

enterprise. She had a little over

\$30, and with this, plus courage,

grew into Pacific university! She

filled the needs of orphaned chil-

dren off the plains. They paid \$1

a week when their relatives could

Of such heroic fiber and far

vision was the great granddaugh-

ter of Grandma Brown constitu-

Methodist of Salem, and of Will-

amette university; a working and

Lausanne hall of Willamette is

partly a product of her aid and

vision. When it was finished, she

helped furnish it; supplying both

money and taste for the beautiful

and appropriate things, for the

generations of fine young ladies

to troop through those halls. One

She aided in gaherting the first

supply of books for the Salem

public library; helped in securing

the building site; went east and

induced the Carnegie foundation

heads to give for the building

That she had a true vision is evi-

denced by the fact that the build-

ing is already short of needed

Mrs. Bush helped in securing

quarters for the Salem YWCA.

When death to the redwood tree

at Summer and Marion streets

was decreed, she saved its life,

by providing a light for traffic

Mrs. Bush had been an invalid

for 10 years; leaving her room

But through all her physical pain

and helplessness, she maintained a

stout heart and a clear mind. She

nor in her studies. She was a stu-

1 1 1

She lost no interest in current

events or in the progress of her

home has perhaps the most com

received more than sympathy

friend, over a long period of years. No one in that circle will while

gon history in existence.

read aloud to her.

writing within recent months.

only when carried by her people.

is the

smallest city park in the

of her last departures from her

home was to visit Lausanne.

when they could not.

giving trustee.

n her 67th year!

They had come through the

ing snow, illy clad and hungry.

gressive growth all her days.

and poor.

Brown.

worthy scion of fine

pioneer stock settling

Oregon: going great loss:

"No Favor Sway Us; No Fear Shall Awe" From First Statesman, March 28, 1851 CHARLES A. SPRAGUE - - Editor and Publisher

THE STATESMAN PUBLISHING CO. Charles A. Sprague, Pres. . . Sheldon F. Sackett, Secy. Member of the Associated Press The Associated Press is exclusively entitled to the use for publication of all news disputches credited to it or not etherwise credited in

Pensions From Gambling

The impoverished aged, whose bread is now provided by loss by the community in which the state's profits off of liquor, are to have it buttered by she lived and worked and exerted the profits off of legalized gambling if the amendment proposed by pinball interests is adopted in Oregon. The bill itself is buttered with old age pensions of a minimum of \$35 a and vision, of high ideals and month, with the obvious purpose of attracting the votes of deep and wide sympathies, exthe aged.

The amendment would repeal the existing prohibition on lotteries in the constitution, or limit its application to schemes of "pure chance." It would make lawful the licensing family of John and Emma Pringle

"bowling alleys, bridge pool and billiard rooms, horse racing, dog racing, other forms of racing and racing establishments, conducted under the pari-mutuel wagering system; bank nights, punch boards, pin-ball, collective pin-ball and collective skill games, and ratfles and bazaars conducted by resident non-profit corporations for local charitable purposes; and the legislative assembly may license, tax, regulate or prohibit any or all other games or devices of skill, chance or amusement."

This is the ingenious method of the gambling interests the Lee house, first residence of to keep going their lucrative though nefarious business. If | whites on the site of the capital the profits are large enough to lift the pensions of all the needy aged by \$7.50 a month, one realizes the stakes there are in this business. Or perhaps the \$35 is pure bait, with no assurance of its being realized.

The state would thus appear in the role of a modern Robin Hood, stealing from the weak-willed, the youths, the workingmen with families to support, to turn part of the money over to the pensioners. Most of the aged, we antici- valleys. They had abandoned their pate, will object to such a scheme of financing old age pen- | wagons and goods in the terrible

Unemployment Roundup

The long-deferred census of unemployment is to be made, on a voluntary basis. Next Tuesday postal carriers will distribute blanks to everyone. These are to be filled out and in forced marches, largely on mailed back (without a stamp) by dropping the cards in any foot, they were enabled to be postbox. Those who do not need to return the blanks are those who now have work, either full time, or part time and who want no more work; persons not working now be- of three weeks' duration. cause of sickness, vacation, strike or time off from a job to which they will return; persons unable to work because of permanent disability; persons retired or not wanting work;

Those who are expected to register are those totally unemployed and who want work; those partly employed who the same spot, present 960 Broadwant more work. Persons on WPA, NYA, CCC should enroll as unemployed.

This will be the first head count of the unemployed in this country. It will not be complete, for there are thousands of transients who will not be reached, and thousands of others, no doubt, who will fail to return the blanks. It will however provide some definite information as to the extent of unemployment in the United States.

Public cooperation is urged to make the census as com- in business as a glove maker. This olete and as accurate as possible. The machinery is very simple. If the unemployed or partly employed will respond government agencies will have some definite information on which to go in planning for return of unemployed to steady

Property Taxes

Multnoman county by dint of paring here and there manwhere Forest Grove stands that aged to include in its regular budget the deficiency in relief which it wanted the state to assume. Even then the sum may not prove adequate because of the lumber mill palsy in Portland. The aggregate of all property tax levies will give Mult- afford it; nothing, or only labor, nomah county the highest tax millage in its history, and that despite the fact the state property levy has been eliminated.

Real property continues to be the patient packmule for carrying the load of government. Some new sources of rev- ted. Lulu Hughes Bush became a enue have been tapped: incomes, corporation excise, intangi- trustee of her church, the First ble, liquor sales, gasoline sales. These have supplied the state with revenue, but support of schools and cities and counties still falls on property. The mule is soon going to balk under

Further demands must be restricted to real needs. If the load of government is to increase then the costs must be assessed against the flow of money: current incomes; sales and the like. "Mustn't say the naughty word" is the popular slogan in Oregon with reference to a sales tax. We dislike it; hope it will not be necessary; believe it will not under careful economy and administration. But make no mistake: no additional large and continuing burdens can be placed on real preperty. The overloaded mule will not only balk, he will kick.

Lighter Corporation Taxes

News from Washington hints a lightening of the tax load hence twice the sized structure. on small corporations, affecting about 85 per cent of those now existing. That might be expected to have a tonic effect on business; and would have if it meant the reduction is made possible through a revenue surplus. If it means a diminished income for the government then that will make the budget deficit greater, and in the end be worse for business.

After all, if more money is to be derived for support of the federal government, it must come from somewhere; and since the small corporations make up such a high percentage of the total number they will have to be tapped along safety. That tree is now in what with the big ones.

Some better system should be worked out for taxing corporations, particularly by modifying or eliminating the tax on undistributed profits. Or if the corporation tax on small companies is lowered then heavier taxes should be imposed on personal incomes in lower brackets, because some one has to pay, and there is the only field not fully exploited at

Here it is, nearly two weeks after the New York City election and translations and performing some the results in the contest for city councilmen have not been announced. This is the first election under the new proportional representation plan. Persons mark the order of preference for the varlous candidates. The ballots are assembled, and the tabulation is complicated. It may be simple to do, but it is difficult to explain. The only report so far has been one of fraud in the canvassing of the some of the boroughs. The country is interested in the new scheme. If it succeeds in New York it will doubtless be copied where. How interesting it would be to vote for the 14 members of em's council on a "PR" plan.

Six-man football is gaining wide vogue in the middle west. Points in its favor are that it enables smaller groups to have teams, encourages a more open style of play, and reduces injuries. It does seem have possibilities. The trouble with football is that participation is confined to too few boys. Only those with fair chance at the first eam or the "squad" turn out. Others miss their play in the fine fall on. Why not a litter of six-man teams with fancy names like "rabbits," "hickies," "sparrows" recruited in leagues like the basketball leagues. Maybe the YMCA, which does a lot of pioneering in sports, might try out six-man football in Salem.

A Marion county turkey, grown by Fred W. Wagner of Aurora, is picked as the west's best to go to the White House for Thanksgiving. With that in the larder the president will not have to "eat crow" this fall.

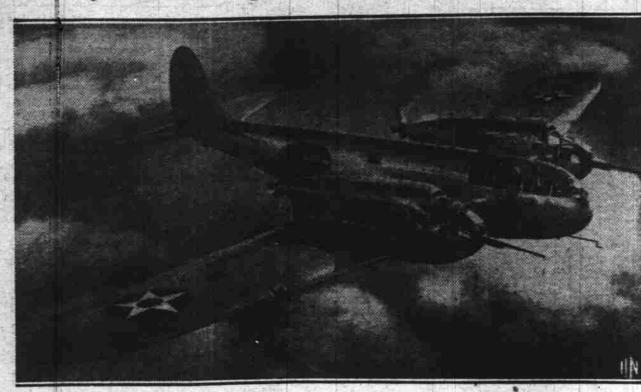
The president of Brazil has made himself dictator of that country as a "corporative state." He insists however that the form is neither fascism or communism, but democracy "in the modern sense."

President Vargas has Mussolini's own sense of humor.

from the good woman who had gone to her reward. The writer of this column is very proud to have known and counted her as a friend, over a long period of years. President Vargas has Mussolini's own sense of humor.

It should be plain after three trials that the supreme court has life lasts forget her or fall to miss that are left of this earthly pilno intention of engaging in a "Black out" performance,

Army's Dreadnaught Fighter Takes to the Air



Flying over Dayton, Ohio, is the Army's newest and most powerful bomber-fighter, the Airacuda. Forward position of the two automatic cannon and the excellent vision of the cannoneers, due to the pusher-type propellers, makes this ship one of America's mightiest fighters. The plane designed primarily to fight the huge "flying fortresses" can speed at more than 300 miles per hour.

9:30-Dorothy Dix.

7:15-News.

12:00-Value parade.

1:30-Popular salute.

4:15-The In-Laws, MBS

5:45-Swingtime.

7:45—Spice of Life. 8:00—Harmony hall,

8:50-Musical waves.

6:30-Musical Clock.

2:00-Family Altar Hour

9:15—Bailey Axton.
9:30—The New World.

12:45-Market Reports. 12:50-Escorts and Betty.

1:00-Forum Lunches

2:00-Neighbor Nell

10:02-Crosscuts.

10:30-News.

12:30-News.

7:45-Viennese Ensemble.

8:00-Financial Service. 8:15-Hollywood Hi Hatters.

10:00-Lost and Found Items.

10:45—Jack and Loretta. 11:00—Great Moments in History, 11:15—Radio Show Window,

11:30-Western Farm and Home.

1:30-Rochester Civic Orchestra.

2:30-Julane Pelletier, 2:45-Al Vierra's Hawaiians,

3:00-U. S. Army Band. 3:30-Press Badio News.

3:35—Charles Sears, 3:45—Did You Like That.

4:30—Speed Gibson, 4:45 to 8—Silent to KOB,

8:30—Sports by Bill Mock. 8:45—News. 9:00—Homicide Squad.

10:35-Biltmore Hotel Orchestra.

11:15 - Paul Carson, Organist. To 12 - Wenther and Police Reports.

8:30—Organ. 8:45—Gospel Singer. 9:00—Virginia Lee and Sunbeam. 9:15—Cadet Quartes.

KOW-MONDAY-620 Ke.

9:30-Memory La

11:00-News.

1:45 News.

10:00-Wrestling Bouts. 10:30-Stetson Varieties

:00-Just About Time.

7:30-Keeping Time.

:00-Stars of Today.

10:45-Just Plain Bill. 11:00-Grace and Eddie.

11:05-Musical Interluge.

11:10-Holly wood News Flashes.

KSLM

JOHNNY Monday Thru LAWRENCE Friday

4:00-Ernest Gill and Orchestra

2:15—Swingtime Trio. 2:25—Financial and Grain Reports.

6:45-News.

8:15-News.

4:30-Memory Chest, MBS.

4:45-This Side of Twenty, MBS.

6:15-The Phantom Pilot, MBS.

7:15-STATESMAN OF THE AIR-

9:00-The newspaper of the air, MBS

9:15—Romantic melodies. 9:30—Charles Gaylord's orch., MBS.

10:00-Dick Stabile's orch., MBS. 10:30-Kay Kyser's orch., MBS.

11:30-Frank Sortine's orch, MPS.

7:30-Over the Breakfast Table.

KEX-MONDAY-1180 Kc.

sports review, Ron Gemmell,
Vocal varieties.

12:15-News.

0:00-Phantom violin.

10:45—Bob Crosby orch. 11:00—Door to the Moon.

11:30-Sterling Young orch.

7:30-Sunrise sermonette.

KSLM-MONDAY-1370 Kc.

7:45-American Family Robinson.

Radio Programs

KSLM-SUNDAY-1370 Kc. 8:30-Morning meditation. 9:00-Dr. Charles Courboin, organist, 9:15—Salon melodies. 9:45—Martha and Hal, MBS.

10:00-New World Chamber orch., MBS. 10:45-Music masters 11:00-American Lutheran church. 12:00-Musical memories.

12:30—Popular salute,
12:45—Vocal varieties.
1:00—Moeds and melody, MBS.
1:30—Today's tunes.
2:00—Lee Hite's tes dansante, MBS.
2:35—Streamline Swing, MBS. 2:45-Ratbi Edgar Magnin, MBS, 3:00—Thirty Minutes in Hollywood, MBS. 3:30-Popular variety. 4:00-Stan Lemax sports talk, MBS.

4:15-Raymond Gram Swing, news, 4:30—Corp. Strands. 4:45—Hollywood news, MBS. 5:00—Bensy Davis' Stardust Revisw, MBS. 5:30—Heatt songs.
6:00—Melidic Gems.
6:15—Deed South Negro Choir, MBS.
6:30—Swingtime.

7:00—Somes of the range. 7:15—Vinsent Lopez orch., MBS. 7:30—Predident Roosevelt fireside chat, 7:45—Old fashioned revival, MBS.
8:30—Art Kassell's orch., MBS.
9:00—Negapaper of the air, MBS.
9:15—The Passing parade, MBS.
9:30—Warne King's orch., MBS.
10:00—Freddie Martin's orch., MBS.
10:15—Ted Weems' orch., MBS.
10:30—Kag Kyser's orch., MBS.

the Lee house, still standing on way, took stock of her resources. Like a divine revelation, she found in a glove finger what she 11:00-Les Hite's orch., MBS. had thought was a button but KGW-SUNDAY-620 Kc. turned out to be a picayune, a 8:00-Press Radio news. 8:05-Ward and Muzzy. six and a quarter cent piece. She bought with it three needles. 8:30-Sumlay sunrise program. traded some illy spared pieces of

9:30-Chigago round table. 12:00-Eddie Swartout's music. 12:30-Eicycle party. 1:00-Ray Towers, troubadour.

1:30—Stars of temorrow. 2:00—Marion Talley. 2:30—Time of your life. 3:00—Posey playlets.
3:15—News.
3:30—A tale of today.
4:00—Professor Puzzlewit. 4:30-Sunday special,

6:00-Manhattan Merry-Go-Round. 7:00—Hawthorne House.

8:30-Jack Benny. 9:00-Night Editor. 9:15-Treasure Island 9:30.—One Man's Family. 10:00.—News flashes. 10:15.—Bridge to Dreamland. 11:08.—Bal Tabarin orch. 11:30-Stringtime.

KEX-SUNDAY-1180 Kc. 8:00—The quiet hour, 8:30—Second guessers, 8:45—Al and Lee Reiser, pianos. -Prophetic hour.
-Radio City music hall,

1:00-Family altar hour, 1:30-Beth Char iler. 1:45-Ranch bo s. 2:00-Metropolitan opera auditions 2:30-Sunshine melodies.

3:00-Health spot dream girl. 3:15-Songs of yesteryear, 3:20—Song cycle. 3:30—Novelty orch. 4:00-Popular classics, 4:45-Catholic Truth hour.

4:30-Concert trio. 4:45-Silent to KOB. 8:00-Irene Rich. 8:15-Rev. Richard M. Steiner. 8:30-Sperts by Bill Mock. 8:45-News.

9:00-Everybody sing. 10:00-Richard Montgomery book chat. 10:80-Calvary tabernacle jubilee.

RODN-SUNDAY-940 Kc. 8:00-West coast church,

Ten Years Ago

ovember 14, 1927 Twenty-eight killed, 485 hurt in blast at Pittsburgh; world's largest gas tank explodes, whole streets heaved into air.

lost no interest in her sympathies, Famous American flying ace Col. Charles A. Lindbergh, has dent to the last, doing French been awarded the Hubbard Medal of the National Geographic society.

She devoted every minute of The Kiwanis at their regular her time to her family, her luncheon today will have for friends, her interests and her work speaker, Professor J. O. Hall, head every minute her physicians of the public speaking department would allow from necessary rest at Willamette university. periods. This was true up to the

Twenty Years Ago

city, her state, her world. When November 14, 1917 she could not read, her attendants Harold Eakin of Salem, organizer throughout the Willamette valley district for the boys' div-She served and helped the park ision of the army YMCA, is doing board. She wanted her Salem to be a beautiful city. She knew Ore effective work for war fund campaign. gon and world history. The Bush

R. Buck, became the plete and valuable library of Orepastor of St. Joseph's Roman Catholic church in this city last At Mrs. Bush's funeral all week by appointment of Archclasses were present. Represented bishop Christie of Portland. were the lowly who in life had

U. S. Senator Charles L. Mc-

her throughout the days and years | grimage

12:15—Ma Perkins. 12:30—Vic and Sade. 12:45—The O'Neills. 1:00—Ray Towers, Troubsdour. 1:15—Guiding Light. 1:30—Story of Mary Marlin. 1:45—Refreshment Time, Singin' Sam. 10:00-Church of the air. 10:30-Poet's Gold. 2:00-Wife vs. Secretary. 2:15-Curbstone Quiz. 10:45-Marshall Grant, organist. 11:00-Romany Trail. 11:15-Lew White entertains. 2:30-Monday Blue Chasers. 2:45—Gloria Gate.
3:15—Don Winslow.
3:30—Woman's Magazine of the Air. 11:30—String quartet.
11:45—Eyes of the world.
12:00—New York Philharmonic orch. 4:00—Lady of Millions, 4:15—Back Seat Driver, 4:30—News. 2:00—Jane Wyatt and Brian Aberne
'Honesty's Policy.'
2:30—Dr. Christian.
3:00—Jos Penner.
3:30—Bomantic rhythm. 4:45—Top Hatters, 4:55—Cocktail Hour, 5:00—Stars of Today, 4:00-Jeannette MacDonald. 5:30-Grand Hotel. 4:30—Old songs of the church. 5:00—Columbia workshop. 5:30—The Laff Parade. 6:00-Alias Jimmie Valentine 5:45-Fireside quartet. 7:00-Contented Hour. 6:00—Sunday evening hour, 7:00—Sunday news review, 7:15—Jollytime chaf, 7:30—President Rooserelt, 7:45—Headlines and bylines. 7:30-Burns and Allen.

8:00—Amos 'n' Andy. 8:15—Uncle Ezra's Radio Station. 9:00—Fibber McGee and Molly. 9:30-Vox Pop. 10:00-News Flashes. 8:00—Concert orch.
8:15—Sindio.
8:30—Leon F. Drews, organist.
8:45—Studio.
9:00—Modern strings. 10:15—Glenn Sheiley, Organist. 10:30—Deauville Club Orchestra. 11:00-Ambassador Hotel Orchestra. 11:30-Vogue Ballroom. To 12-Weather Reports. KOIN-MONDAY-940 Kc. 10:15-Hollywood melody shop.

Frankie. 8:00-KOIN News Service. 8:05-Sons of the Pioneers. 8:15-This and That with Art Kirkham. 9:00-Mary Margaret MacBride, radio columnist. 9:15-Edwin C. Hill, 9:30-Romance of Helen Trent. 9:45-Our Gal Sunday. 8:00-Reminiscing with Gene LaVelle 10:00-Betty and Bob. 10:15-Hymns of All Churches. 10:30-Arnold Grimm's Daughter. 10:45-Hollywood in Person, 11:00-Big Sister. 11:15—Aunt Jenny's Real Life Stories, 11:30—American School of the Air. -Silver Serenade.

MBS.
8:15—Big Freddie Miller, MBS.
8:30—Today's tunes.
8:45—News.
9:00—The Pastor's Call.
9:15—Friendly Circle.
2:45—Coral Strands. 10:00-Oddities in the news. 10:15-Carson Robinson Buckeroos, 12:15-Magazine of the Air. 12:30—Jennie Peabody. 12:45—Newlyweds. 10:30-Information bureau, MBS. 1:00-Myrt and Marge. 1:15—Pretty Kitty Kelly.
1:45—Homemaker's Institute with Jean-nette Cramer.
2:00—Red Cross Program. 10:45—Neighbor Jim, 11:00—News, 11:15—The variety show, 11:45—Leo Freudberg's o 2:05-Studio 2:15-Mary Cullen. 12:30-Musical memories, 12:45-Hits of today.

2:30—News Through a Woman's Eyes. 2:45—Hilltop House. 3:00—Western Home Hour. 1:00-National emergency council, MBS 1:15-Streamline Swing, MBS. 3:30-Judy and Jane. 3:45-Holiday Hostess. 5:50—Newspaper of the Air. 4:30—Eton Boys. 4:45—Bookworm. 5:00—Maurice Orchestra. 2:30—Katz on the keys, MBS, 2:45—Qklahoma Outlaws, 3:00—Feminine Fancies, MBS, 3:30—News. 3:45—Radio Campus, MBS. 4:00—Henry Weber's orch., MBS. 6:00-Radio Theatre: Edward Arnold

7:00-Wayne King's Orchestra, :30-This Brave New World. 8:00—Scattergood Baines. 8:15—Around the World with Boaks 5:00—Charles Gaylord's orch., MES. 5:15—The Story Lady. 5:30—The Freshest Thing in Town. Carter.
8:30-Pipe Smoking Time with Pick and Pat, comedians. 9:00-Herace Heidt's Orchestra. 9:30-Leon F. Drews, Organist. 6:30-Frank Bulla sports talk, MBS.

D:45-Castillians 10:00-Five Star Final 10:15-White Fires. 10:45-Eyes of the World. 11:00-Bob Crosby Orchestra. 11:15-Sol Hoopi Orchestra. 11:45-Serenade in the Night,

KOAC-MONDAY-550 Kc. 9:00—Today's Programs. 9:03—The Homemakers' Hour. 10:00-Weather Forecast. 10:01-Music. 10:15-Story Hour for Adults. 10:45-Delbert Moore, Violinist. 11:00-School of the Air. 2:00-News. 12:15-Noon Farm Hour.

1:15-Variety. 2:00-Home Visits with the Extension Staff-Helen Ann Thomas, home demonstration agent at large"Buying Household Linens, Blankets and Mattresses."

2:45—The Travel Hour.

8:15—Your Health. 3:45-The Monitor Views the News.

4:00—The Symphonic Hour. 4:30—Stories for Boys and Girls. 5:00—On the Campuses. 5:45-Vespers, Rev. D. Vincent Gray. 6:15-News. 6:30-Farm Hour. 7:30-4-H Club Meeting. 8:15—The Business Hour. 8:30—Dean Victor P. Morris—The World in Review.

Pension Club and Better **Business Men Help Needy**

9:00-10:00 University of Oregon.

JEFFERSON - Following adfournment of the Townsend meeting Thursday night, much enjoyment was had at the auction sale at which \$29.70 was realized by the Townsend club and Better Business club for relief of a local family that is passing through a siege of illness. Dr. H. C. Epley of Salem and H. B. Henningsen were the auctioneers. One cake brought \$7.65.

On the Record

By DOROTHY THOMPSON

Washington. It seems clear that the government recognizes that we are in an economic condition which demands a reconsideration of important policies. There is also apparent recognition that the present recession of business cannot be halted

and turned in another, upward perethy Thompson direction, except through increased and more vigorous private enterprise. The condition of the nation debt and of the budget will action of the sort initiated in 1933. There is more reason and realism manifest in Washington than we have seen in many a long day.

But this column will continue to insist that we will see no impressive economic recovery and no permanent economic reform without a radical change in the methods that have been employed for the last five years. The change that is needed is fundainto government of reason, fairness and objectivity. This government has tried to go forward backward in liberal, ethical and

"Social progress is nothing eral economist, George Unwin.

for a time some of its component modity prices. parts, unless that government sets for itself standards of reason, thought and behaviour some- whether the radicals want rates of those whom it is trying to ment" or upon "reproduction govern. A government is in a costs" is entirely a matter of the private enterprise for unsound will give the utilities the worse hasty and wildly speculative ad- ever will give the consumer the it is behaving badly for a good ment. The moral is that neither end simply does not hold water standard is fair. in a world with a shred of common sense left.

"building activity," in which both government and business agree that there must be marked stimulation if we are to prevent fur-

1937, although its sale of elecbillion and a quarter dollars. Now why isn't it? It isn't because the industry has been

atory laws, such as the holding company act, demand difficult reorganization of financing methods and corporate structures, and, socialist. It is only, ofen, sadisfinally, because of unfair gov- tically anti-capitalist-though deernment competition. These facts can, and will be, demonstrated in tem! greater detail in future columns. For the time being, we will confine ourselves to remarking that the acceptance of the terms laid down to the utility companies in its rates fixed on that basis? the president's press conference. Or, for that matter, on the basis would not settle the difficulties of reproduction costs? If it did, of the utilities, and any reason- either way, it would be producable and permanent settlement, ing. I wager, the most expensive satisfactory to anybody, 'nclud- power on the face of the earth. ing, in the long run, the govern-

The president states that the rate which the utility companies charge for power should be calprudent investment, as against a been the basis accepted by the supreme court in the past. That last statement needs qualification. The supreme court never And if one is familiar with the bases for rate establishment used in other countries, which apparently have been more successful than we in working out a settlement between government and utilities, one will find that no used anywhere,

The question of what should constitute the basis for the rate ready tomorrow if such a settleis an old fight in American pol- ment can be reached.

Let There Be Light-But How? ities. The reproduction theory There are hopeful signs in was invented, I believe, by William Jennings Bryan, in order to reduce the railroad rates; and recognized in the Ames case, handed down in the 90's. In the wake of declining price levels. the radicals always tried to substitute reproduction costs for historic investment. Then came the concern, in the first decade of this century, with railroad abuses. and Senator LoFollette got through a law demanding the revaluation of the railroads. The process took about twenty years, and was completed only shortly before the great despression benot allow another pump-priming gan. It cost the government and the railroads-chiefly the railroads-about half a billion dollars, and demonstrated that the railread investment book value was not actually too high, taken as a whole.

In the wake of the inflation of commodity prices during the great war, both the railroads and utilities demanded increased rates, and in the case of the utilities, the upward trend of growth in electrical development actually threatened to bankrupt, them at mental. It is the introduction the old rates. The utilities' demand, in face of the fact that commodity prices had doubled, seemed just, and after years of in economic reform while it goes litigation was granted—at a time when war inflation was declining political standards. But no one and prices had become stabilized can walk backwards into the fu- around 150 per cent of pre-war. This gave the utilities a break, because they were also in a dymore than the growth of social namic phase of power developcharacter," says the English lib- ment due to technological genius and new financing methods. Then No government will ever suc- came the deflation, and the radceed in reforming the social or- icals again asked adjustment to der, however much it may crow the new level of declining com-

All of which simply means that what higher than the standards based upon "prundent investhopeless position in bludgeoning price level-they want whichever financing, imprudent investment, break, or, as they think, whatventures and grossly unfair treat- best one. And their attitude of ment, if the same accusations can the utilities is the same. Neither justly be made against its own is the basis for any permanent, behaviour and the argument that or any really equitable settle-

The British socialists have been trying out a fair basis on which to evaluate utility invest-The most obvious place for im- ments for the purpose of transmediate expansion of private en- ferring them from private to pubterprise, with increased capital lic ownership. Their conclusions expenditure and increased em- will hardly be thought to be the ployment, is in the field of util- propaganda of economic royalists ities. Utility construction expen- Ernest Davies, of the New Fabian ditures come within the classifi- Research bureau, a realistic socation of "durable goods" and cialist economist, has just published a pamphlet entitled "How Much Compensation?" He makes

the following statement: "There are four possible bases ther business recession. In 1929, of valuation, viz: (1) Stock exthe utility industry expended change values, (2) asset value \$900,000,000 in the construction | (accumulation of historic price of distribution and transmission | levels varying with each comlines and generating plants. In pany, (3) capitalized earning power, (4) a global sum based trical energy is 40 per cent high- on the value that would be fetcher than in 1929, it is spending ed in a sale between a willing only about half a billion. In line seller and willing buyer. Wherwith its previous history, it ever the last is practicable it should be spending at least a should be preferred; where it is not, a combination of (2) and (3) provides the best method. Compensation should then be harassed by an almost daily bar- based on a combination of caprage of criticism from federal of- ital valuation of the whole conficials; because drastic reform- cern and its potential earning power."

So much for this idea of a socialist. But the New Deal is not pendent on the capitalistic sys-

As for the basis of "prudent Would the TV.A. investment." want to be investigated, and have

There isn't any simple formula for an equitable settlement. And yet a settlement, and a fair one, can be arrived at, provided the culated on the basis of the actual approach is objective. A conference similar to the one which rate of calculated on the cost of broke up in childish pique some reproduction, which, he says, has months ago neers to be reconvened, with utility executives, economic authorities in this field, and officials of the interested government agencies sitting at has accepted reprodction costs as the same table. They need to dethe sole basis for calculation, termine a fair method for the sale of power from federal prejects to existing public and private agencies, without ruthless competition; amendments to the holding company laws to permit utility financing while fully safeguarding the public against resuch simple formula has been currence of past abuses, and, finally measures to stimulate utility investment and building.

There are over \$1,000,000-000

