

# The Oregon Statesman

"No Favor Sways Us; No Fear Shall Awe"  
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## Ballot Measures—IX

The last state measure on our 1944 ballot is a constitutional amendment imposing a gross income tax of from three to five per cent to provide funds to pay \$60 a month to every person aged 60 or over and to every disabled or blind person unable to earn a normal income. It is required under the amendment that the recipient abstain from gainful occupation and that he spend each month's sum within 30 days after getting his warrant.

This tax is one which is imposed in disregard of the principle of ability to pay and is paid out in disregard of the principle of need. The tax also is levied "in addition to all other state taxes and excises." The individual would be subject to a gross income tax as well as a net income tax, and corporations likewise. This would be in addition also to city, school and county property taxes, and to payroll taxes. It would also be in addition to federal withholding and income tax.

A gross income tax is unfair because gross income does not accurately measure ability to pay a tax. It makes no allowance for dependents. It permits no deduction for expenses of interest and taxes paid. It is a tax on every dollar of gross income a person or a business receives.

While the amendment would prohibit a sales tax, this tax in itself may easily become a pyramid sales tax. Dr. Townsend says that business will "roll" this tax along. If that is true then every article that is bought will carry the accumulated gross income tax of all prior handlers from raw material on through manufacturer, wholesaler and retailer. A retail sales tax is tacked on only once; at the end transaction. The person on a salary is thus caught two ways. First he pays the three or five per cent on his own gross income (as well as his net income tax to state and federal governments); but when he buys merchandise he pays the accumulated gross income tax of the previous handlers of the merchandise. Thus he finds this gross income tax is like a double-barreled shotgun which carries a powerful kick.

Farmers in particular would be hard hit. They take their produce to market, say a load of wheat. They must take the market price, either the national price or the world price. Then they must pay three or five per cent on the total proceeds from the sale of the wheat, and they can't add this to the price of the wheat. But when they turn around to buy flour or bread they will have to pay the pyramided gross income tax of all the intermediate handlers insofar as they are able to roll it along.

Not every business would be able to pass its tax along. A meat-packer in Oregon for instance would have to pay a gross income tax on his sales. But a packer located in Vancouver, Wash., or Walla Walla would not have to pay that tax; so the latter would have an advantage within his distributing zone, over the Oregon packer. What would be the result? The chances are that the Oregon packer, to compete, would cut down the price he pays to the Oregon grower for livestock, so the grower would find his price reduced; then on the grower's sales he would have to pay his own income tax; and if he purchased his meat back as hams or bacon or steaks he might have to pay the accrued gross income taxes of railroads, truck lines and retailer.

Who will pay the tax? Actually it will fall on the weakest link in the economic chain. The one who is unable because of his weak competitive position to pass along the tax will have to absorb it or go out of business. The amendment would work definitely to the advantage of non-resident concerns doing business in Oregon by interstate commerce.

Even if we were to accept the Townsend theory that the spending will "improve business" that still would not erase the inequities of this gross income tax. This alone is sufficient ground for rejecting the proposal.

The Statesman recommends Vote 317X No.

The internal revenue board has ruled that the cost of gold braid for military uniforms is deductible on income tax reports. It isn't being worn much now, the men who are entitled to it wearing field uniforms instead. Nor do we hear many jibes at the gold braid and brass hats as we did two years ago when the swivel-chair strategists were planning the war. These same brass hats are hammering out our victories on land and sea.

Turkeys have replaced beans and hops as being pickier-short.

## Editorial Comment

### MEMORY

Speaking at Cleveland, Henry Wallace called on the voters to "Defeat Taft." That was a slogan in 1912. Wallace was talking about Sen. Robert A. Taft of Ohio. The 1912 battle cry was against his father, President William Howard Taft, when "T. R." jumped the fence and the split vote helped send Woodrow Wilson to the White House. Wallace was not trying to mislead anybody.

This is but one of the confusions of similar names in this campaign, some inadvertent or circumstantial, some introduced for deliberate mischief. One of the accidental confusions is the name of Roosevelt, as one delegate in the last democratic convention demonstrated when he shouted his roll call ballot for "Theodore Roosevelt." And it is not in the "Barnaby" comic strip alone that the name "Dewey" is mentally mixed up with the admiral, the hero of Manila bay.

Less disingenuous is the deliberate introduction of idea, rather than name association, like the new deal campaign speakers' appeals to "Vote for Roosevelt and defeat Hoover." This is varied by reference to other past republican presidents, abused justly or otherwise. The republicans could as sensibly say "Vote for Dewey and elect Thomas Jefferson"; he ran on the ticket in his day designated as "Republican." But of course it was not the same republican party we know, which made Abraham Lincoln its first president.

How much effect deliberate confusions of names, or ideas, may have depends on how many voters are simple enough to be affected. Persons who use such appeals think there are a good many simple minded people. —San Francisco Chronicle

## Morse for Senator

Oregon has the opportunity to send to the United States senate a man with the capacity to become a statesman of the first rank in the person of Wayne Morse. He is a man of high intelligence and of rare courage. His work in the field of labor relations has given him national distinction, so he would not have to wait for years to establish his place in the senate. Then the country will become his forum.

Morse is running as a republican, and has been a republican all his life. But he is no rubber-stamp republican; and if he becomes senator he will retain his intellectual honesty. We have no doubt that he will make many decisions that will provoke hot disagreement; but they will be honest decisions, such as he can fight for. And we need more men of that type in politics.

In his philosophy Morse recognizes that in the complications of an industrial society there must be more government regulation to preserve orderly relations. But he is aware of the danger that comes from government assumption of too much authority. He has seen the hypocrisy and the bungling of many of the new dealers, and feels that a new tone is demanded in our domestic administration, which only a change to another political party can furnish.

From the start of his campaign Morse has stood as a strong internationalist in the sense of urging full participation by the United States in a council of nations governed by a code of laws and with adequate power to enforce the peace. He would line up with Senators Ball and Burton rather than with Taft and Vandenberg in support of a genuine plan of international cooperation.

Morse has been subjected to some sniping because he has received the endorsement of the CIO and the AF of L in this state. That is not to his discredit in the slightest degree. Such endorsements came not because of any pledge of commitment, but solely because these labor groups knew from their experience with Morse on labor boards that he was preeminently fair. As a real leader on the war labor board Morse did as much as any individual in the war effort aside from the president, to maintain labor peace and sustain war production. It is significant that among his most ardent supporters are employers who have had cases before him.

We do not expect Morse to retain this hearty endorsement from both sides of the industrial struggle, because of the intensity of the partisan feelings. But we do expect him to do constructive work in the complex field of labor relations. His intimate knowledge of the facts of industrial life and of the laws and with the leadership in this field equips him for legislative service in a most unusual manner. We do not want a rank partisan either of industry or of labor writing labor laws. We do need men like Morse who are informed, are clear-headed, and have the courage to stand by convictions.

It implies no disparagement of his competitor, Edgar W. Smith, for whom we have a warm personal regard, to give our endorsement to Wayne Morse. The latter possesses rare endowments, not the least of which is youth (he will be 44 Friday), and gives promise of becoming one of the country's real statesmen in the difficult years of transition from war to peace.

The Red Cross is starting a class in advanced first aid. Whatever became of the bandage brigade which operated so generally after Pearl Harbor. The people really do not know how lucky they were the Japs didn't drop bombs on us. They might have been "first-aided."

## Interpreting The War News

KIRKE L. SIMPSON  
ASSOCIATED PRESS WAR ANALYST

The net conclusion to be drawn from otherwise irreconcilable American and Japanese accounts of the battle of Formosa is that it ended with the elusive Nipponese home fleet in flight, again refusing action, and the powerful American sea-air armada steaming toward other targets, its immediate mission completed.

There was no direct statement to that effect in Admiral Nimitz' laconic announcement giving the lie to enemy claims of a smashing victory. It seemed clear, however, that the breaking of radio silence to disclose the enemy's refusal of surface battle meant that the third fleet had completed its task against Formosa and the Ryukyus and was moving on to its next assignment. And in the whole period of its bold sweep in the East China sea area, Nimitz added, the fleet suffered no damage of "consequence" to plane carriers or battleships. Only two "medium" surface craft were forced out of action by aerial torpedo hits.

That seems to dispose completely of Tokyo claims of half a hundred or more American naval craft, big and little, sunk or crippled. It certainly dismisses the Japanese assertion that the Nipponese home fleet had intervened. Again discretion proved the better part of Japanese valor at sea. It tends also to confirm the conclusion that the bulk of enemy naval fighting power in the China sea is based southward where oil fuel is readily available and where Tokyo certainly anticipates early allied activity in the Bay of Bengal theater.

American forces have struck hard at Formosa. That boasted Japanese "unsinkable" plane carrier has proved a dismal failure as a sure protective bastion for the Japanese-occupied Philippines, for the central coastal area of China and for Japan itself.

The big and mountainous island is still there, a formidable place to take by invasion; but its usefulness as an air concentration point or staging base is now highly doubtful. Caught under the coordinated blasting of carrier planes and the giant superfortresses from China, the score or more enemy air centers in Formosa have been badly crippled.

The inner arch of Japanese insular defense islands, of which Formosa is the capstone, thus proved no more impenetrable than the outer barriers in the Pacific. Through which American power has already crashed.

Important changes in central Pacific plans might flow out of what has been learned of enemy weaknesses in the vital East China sea sector.



'Cradle to Grave'

## The Literary Guidepost

By JOHN SELEY

"RAILROADS AT WAR," by S. Kip Farrington, Jr. (Coward-McCann, \$4).

S. Kip Farrington, jr., has produced the perfect book for the man of the house, unless he be young enough to have escaped the thrill of the railroad and to have fallen for the allegedly greater thrill of scouting around the sky on a flying tin plate. Mr. Farrington's book is first rate for two very good reasons—it contains the best chosen and most dramatic set of railroad photographs I have seen for a long time, and it contains some real information.

It's all very well to say that a photograph shows a Santa Fe 4-8-4 type climbing Cajon Pass with 13 cars of the Chief, but it's much better to tell what the Chief's doing there, why it is remarkable that the locomotive can do what it is doing, and what the status of the railroad is, in today's war-balanced scales. This the author does with occasional incoherence, but with unquestioned authority.

Everybody knows that there's a war on the railroad irons, too. A few people may suspect that in spite of the enormous service the roads have done, the war has been used as an excuse for certain omissions, this being only an extension of the attitude found in all the industries, these being run by vulnerable human beings. But Mr. Farrington is concerned only with the service, and he writes admirably of that. He explains, for example, what centralized traffic control can do for crowded lines. He shows how the roads have borrowed and bought from each other, so that one's surplus supplies the other's deficiency—the Santa Fe, for example, bought a number of the Norfolk and Western's huge 2-8-8-2 freight locomotives to use as helpers on its numerous mountain grades.

Most phases of operation are discussed, with frequent lyrical outbursts about favorite locomotives such as the description of a ride from La Junta to Los Angeles and back in the cab of a Santa Fe 4-8-4 pulling Mr. Mr. Farrington's favorite train, the Chief. Freight handling is as miraculous as troop handling,

and both interest the author. I think they would interest almost any man.

## "THE YOUNG IDEA" By Mossler



Let's go some place where we can DANCE!

## IT SEEMS TO ME

(Continued from page 1)

locomotive is 126 feet long "equipped with special movable drivers to enable it to take curves." It is not the largest in the world. The Northern Pacific has one 175 ft. long. The S. P.'s 4-8-8-2 series are practically the same size as these SP & S engines.

You get down to the kernel when you read that this powerhouse can pull 200 to 250 loaded freight cars. That, friends, is railroading by wholesale!

The maximum length of trains ordinarily seen along here is around 1,000 cars and often they carry a pusher. The brother-hoods have sought legislation to set train limits of 70 cars. But here is an engine that can pull a train three times as long as the unit-maximum. Only the famed "water-level" grade through the Columbia gorge would permit such an accomplishment.

For these engines to be practical they must have a steady volume of business. I have seen freight trains crawling up the Columbia on the SP & S so short that a switch engine could draw them. Evidently the SP & S managers look for a continuance of traffic in volume to give these big boys plenty of work to do.

I come back to this matter of grade. It and curvature are the major factors in determining operating costs of train movement, controlling as they do time-consumption (wages) and fuel-consumption. Some years ago I discussed with a railroad specialist with the RFC the future of railroads. He emphasized the need for concentrating on main-line trackage and reducing grades. He pointed out that the great advantage of ocean transportation was that there were no grades for boats to climb over. He felt that by reducing grades and straightening lines

## THE SAFETY VALVE

Letter from Statesman Readers

MORE ON FOOTHILL ROAD To the Editor: County Judge Grant Murphy, of Stayton, and Commissioner Roy Rice, of the Marion County commission, after inspecting the road up the little north fork of the Santiam reported it in good condition as far up as Lomker's bridge from Mehama, also beyond the bridge to Elkhorn postoffice, and that when the county finishes the rocking of about 12 miles to Elkhorn postoffice it will probably last for years. Formerly the county had to haul rock 15 miles from below Mehama, but now the new county rock crusher set up near Elkhorn school provides a short haul and reduces maintenance costs.

Judge Murphy's report is helpful. Rocking the Mehama road will give permanent access to the forest reserve and may induce development of mines, such as the old Ogle.

Even more important now is the county board's constructive attention to the Marquam-Scotts Mills to Elkhorn and Gates so long abandoned—the vitally important community road along the Crooked Finger, to give outlet to the present farm residents, provide home-building opportunities for thousands of others, and assure farm and mining development on a scale so big as to enrich the county and Salem, the business center, together with Portland.

The section traversed by this road is amazingly rich in aluminum and other minerals to add to the county's wealth, and when this route is improved hundreds of homeseekers will be glad to acquire the good farming land. The section can be made, at comparatively small cost, one of the most attractive and prosperous in the state. Twice well "were done quickly. Let us hope that Judge Murphy and his colleagues will realize these facts and give immediate and proper attention to the Crooked Finger road. Nature has provided everything except official action and the yet-

## Rookies Bed Down Near Western Front Too Scared to Sleep

AT THE FRONT

IN FRANCE, Oct. 11 (Delayed)—While the whole countryside seemed to shake from artillery, load after load of rookies crawled clumsily out of trucks and lined up in cold shivering columns of two. Through the blackness they marched to a little pasture.

"Bed them down there beyond the kitchen tent," said Lt. Reinhart Hasselbring, Flint, Mich., former rifle company commander who has been regimental personnel officer since he recovered from severe wounds received in Italy. "Then in loud tones aimed at the rookies" care he added, "This is as far as they are going tonight."

They were replacements. It was a little village on the western front.

Hasselbring added aside as he strode toward a faint light in a nearby house: "Poor devils. They probably figured they were going right into the line tonight. It must be a miserable feeling coming as replacements this way, not knowing the guy next to you or having the least idea of what is going to happen to you next. I came with my outfit the first time. That is bad enough but most of these guys never even had an outfit yet."

Inside under one light, a captain and two sergeants were checking the newcomers' records. The lieutenant leaned over the stove. Outside somebody barked sharply: "Watch that light."

"Pvt. Kenneth F. Baxter, 37, six foot, two," the captain read. "He is big enough to handle a machine gun."

"Any guy that big has enough trouble just hauling himself around up there," disagreed Hasselbring amiably. The captain nodded.

"I guess we'll put him in company G," he said and turned over the other records. Thus unknowingly he completed the final split of four comrades who had come from Fort Meade, Md., and had been together many months.

Pvt. Paul Bernhart, Burlington, Iowa, was assigned to company C. However, two out of the four did remain in the same company if not in the same rifle squads.

"Pfc. Billy Doren, Evansville, Ind., and Pvt. Hardin Benton, North Wilkesboro, N.C. But outside, scattered amid hundreds of prone forms in the little pasture, none of the quartet knew. They only knew as each unrolled a shelter half, spread a single blanket on it, wrapped up and tried to sleep, that at last they had reached

and "Socksless" Jerry Simpson to the progressive-ism of William Allen White Mr. Ingalls escaped any infection of liberalism. He takes his political gospel straight, and gives it that way too.

the western front. With wide awake fascination their eyes watched the flashes along the hills.

Inside the captain was saying almost viciously, "No, we are not going to send these guys up to their outfits until they are pulled out of the line. Most companies are due to get an alternating two-day break right away anyhow, and we are not going to send a raw bunch of replacements directly into the line again. We not only lose most of them that way but we also lose a hell of a lot of veterans, too, trying to take care of them."

"I am glad of that," Hasselbring said. "We lost a lot of men that way back at Mount Magiore. These kids will be in combat lines in three days anyway. Meanwhile, they will get a chance to learn a little first."

The rookies lay listening and wondering — as they would wonder many nights ahead—if any shells were likely to land close by. They had tried to locate one another, but the first effort met a quick discouragement. "Who is that?" barked a sergeant, spotting a movement.

"Just one of the replacements, sir," one rookie hesitantly unable to see whether his questioner was an officer or another enlisted man.

"Well, get back to your bed," said the sergeant less gruffly, partially because he had been addressed as an officer but mostly he felt sorry for the newcomer and understood his loneliness.

## WAC Movie Tells Women's Medical Work

The army medical department has released for private showing to the women of Salem a special film explaining the work of women at army general hospitals. This sound film will be shown for women who desire information on how they may serve with the medical department.

Gen. Norman T. Kirk, surgeon general of the United States army, has issued an appeal for 22,000 more women to fill the needs of the medical department in caring for wounded soldiers. Further breakdown reveals that Salem's part of the quota totals 13. The jobs open to Wacs in the medical department include everything from general office work to specialized medical skills such as medical technician, dental technician, physio-therapist, occupational therapist, nurses aide, and a number of other medical specialties.

"At this time the army is willing to undertake the training of women between the ages of 20 and 30 who care to learn any of 17 different medical specialties so that they might serve now and later enjoy full benefits," said Lt. Edith DiRe, local enlistment officer. Women who would like to see the medical corps movies should make arrangement with the army recruiting station at 211 post office building—telephone 7679.

## The Safety Valve

Letter from Statesman Readers MORE ON FOOTHILL ROAD To the Editor: County Judge Grant Murphy, of Stayton, and Commissioner Roy Rice, of the Marion County commission, after inspecting the road up the little north fork of the Santiam reported it in good condition as far up as Lomker's bridge from Mehama, also beyond the bridge to Elkhorn postoffice, and that when the county finishes the rocking of about 12 miles to Elkhorn postoffice it will probably last for years. Formerly the county had to haul rock 15 miles from below Mehama, but now the new county rock crusher set up near Elkhorn school provides a short haul and reduces maintenance costs.

## Veterans' Rights and Benefits

(Daily in this space will be published a portion of an official pamphlet giving information on the rights and privileges of war veterans under federal laws.)

### Insurance

#### GOVERNMENT

Your National Service Life Insurance will be one of your most valuable assets after your discharge. If you let it lapse, you will not be able to buy similar protection for yourself and your family for the same cost. To keep it in force you must do two things:

(1) Pay the premiums direct. Make your check or money order payable to the Collections Subdivision, Veterans Administration, Washington 25, DC. You may arrange to pay your premiums monthly, quarterly, semi-annually or annually.

(2) Your insurance was originally issued on what is called the Five-Year-Level-Premium-Term plan. Any time after it has been in force a year, and before the five years are up, you may convert it into Ordinary Life, 20-Payment Life or 30-Payment Life. Your new policy will have regular cash values after the first year from which you can borrow if necessary.

If you wish to change your beneficiary, write the Director of Insurance, Veterans Administration, Washington 25, DC.

#### PRIVATE

If, when you went into the service, you had private insurance, you may have arranged to have the Government protect this for you by guaranteeing the premiums. If so, remember that payments must be brought up to date, with interest, within two years after your discharge. Your insurance company or the Veterans Administration will answer any questions.

## Stevens

Modernize Her Ring

Hot diamonds installed in today's modern setting will enhance and bring out the beauty of the stone.

Credit If Desired