

# The Oregon Statesman

"No Favor Sways Us, No Fear Shall Awe"  
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**THE STATESMAN PUBLISHING COMPANY**  
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## Cotton and a Free Market

The Senators Claghorn, from down south have been running to Washington to ask the government to "do something" to stop the decline in prices of cotton. The whole south was speculating in cotton, even some members of the congress, so it is reported. They pushed the price up to about \$200 a bale (40c a pound). When they started to cash in on their paper profits the bottom fell out of the market, which has been demoralized ever since, taking an almost vertical plunge of 10c a pound, which still keeps the price more than twice what it was before the war.

Southerners have been ardent drum-beaters in the attack on Washington bureaucracy, in the campaign for freedom from Washington controls. Their politicians have used their power in the national capital to gain favors all along the line for cotton and cotton-growers. They have milked the treasury of huge sums for price protection in the past and for export subsidies. They pressed OPA for boosting ceilings on cotton manufacturers and kept OPA from putting any ceiling on raw cotton. But when the market drops in response to the normal operations of a free market based on buying and selling in an open exchange, then they run to get under the shelter of government and ask Uncle Sam to "stabilize" the market. They gambled, but don't want to meet their gambling losses.

What has occurred with cotton may occur with other farm commodities. In fact the readjustment process is under way now. Not all the farm groups will be as politically potent as the cotton growers have been for the past 13 years. While there are government price guarantees under many crops, others do not have that support. In most instances prices could take a considerable drop before the government support would be effective, so high have farm prices been above parity.

Sound agricultural policy should not rely on government guarantees. It should avoid the excesses of price speculation which invite deflation that wrecks prices. It should aim to keep production in approximate balance with demand and adjust crops to meet changes in the demand. The free market is the best balancer our economy has, even though as in the case of cotton its operation may be painful to those on the wrong side in trading.

Cotton has been wet-nursed by government too long. It is time to put cotton-growing on a sound basis, and that means to bring it in line with the world market.

## Basic School Fund and Taxes

Some sincere friends of schools like C. C. Chapman of the Oregon Voter fear that by making the fund of \$50 per census child mandatory on the state, good times and bad, the burden will roll on to real estate as proceeds of income taxes decrease, and that we might again have mounting delinquency of real estate taxes with resulting foreclosures. That is a possibility, to be sure.

However, the school districts still have control of their own property tax levies; and in bad times the directors would heed the pressures of taxpayers. Also, since this is a bill and not a constitutional amendment the legislature could reduce the sum to be raised if the economy goes into a tailspin.

These are real risks to be sure; but The Statesman feels we should assume the risks and then use our brains to solve our tax problems. It is time that Oregon put its school financing on a reasonably stable basis by adopting a plan of state support such as the pending measure provides.

In California voters have to pass on a measure which would require the legislature to provide state support for schools at the rate of \$120 a year for every pupil in average daily attendance, guarantee a minimum salary for teachers of \$2400, and require the state to contribute to support of kindergartens. In comparison the Oregon bill to set up a basic school support fund of \$50 per census child is modest.

If Bob Hannegan runs recordings of speeches of the late FDR to influence voters in this election we suggest he rerun extracts from his 1932 speech about balancing the budget and staying on the gold standard, and his 1940 speech in Boston that our boys would not fight in foreign wars: "I say it agane and agane and agane."

The government now is offering a premium of \$20 a ton for production of housing nails in excess of quotas. Even the government busts ceilings to stimulate production. For an even more urgent reason—to finish a house already begun—the builder sometimes springs a price to get some badly needed items. When a black market exists it exists because the economy is not in healthy condition.

The Oregon City has just celebrated its 80th anniversary. To its venerability Walter W. R. May, present editor and publisher, has added vigor and character. It has again become a voice in local and state affairs as it was for many years under the late E. E. Brodie. We tender congratulations to the Enterprise staff and to Editor May on this anniversary.

Women in Portland and Seattle are promoting a milk strike because of the high price of milk—18c in Portland. No consumers' strike has been reported on blended whiskey aged in wood chips, selling at \$5 the fifth in state stores and costing 75c a gallon to produce.

President Truman has canceled duties on foreign lumber. What a figure that would have caused a dozen years ago. Now it raises no ruffle of opposition, perhaps because of knowledge that there is little foreign lumber to come in, so great is the demand in other countries.

The Eugene Register-Guard has a picture of a cougar, measuring nine feet from tip of nose to tip of tail, which was shot five miles from the heart of Eugene. Corvallis is exhibiting another Cougar hide, but the OSC team had to journey over 350 miles to get it.

Madame Schiarparelli, French dress designer, came over to this country on the Ile de France to display a new dress design which she calls "Illusion." Her aim was to create a smaller waistline for women. No wonder it is named "illusion."

Papers are telling how Molotov has "warmed up" at the current meeting of the assembly of the United Nations. Maybe some one slipped him a copy of Carnegie's "How to Win Friends and Influence People."

Decontrol seems to be rolling about as fast as the government functionaries can write up the orders. If for political effect, the release is probably too late, for the voters appear determined to vote for political decontrol of the country next Tuesday.

Just so they keep John Steelman out of the coal mined negotiations. When you hear that Steelman has been assigned to the case it's advance notice of another government retreat and defeat on the wage front.

## Paul Mallon's Recommendations for Ballot Measures

BEHIND THE NEWS  
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WASHINGTON, Oct. 31 — One eminent democratic campaign contributor concedes privately the republicans should run away with the house and perhaps even make the senate tax along slightly Tuesday. He also predicts Gov. Dewey will run so strong in New York that the democratic senate seat there will be swept surprisingly from the grasp of Lehman.

A left-leaning Truman official familiarly made a bet at 3 to 1 that the republicans would not get control of the senate, although he would not hazard any personal funds that his administration would hold the house. But all this is not startling news to you, if you read this column October 11 saying the republicans might gain more than they had been claiming, pointing out there was a split in the union backing of the administration, and concluding with these words: "My election prediction is this:—The republicans will gain firm control of the house perhaps by 16 or 17 votes, or more, and will come close to controlling the senate, perhaps within one or two votes. If the split among the unions eventuates at the polls, the scope of victory will be enlarged to the same extent as the split widens."

Published Before Polls  
All this was written before any polls were published for the ensuing investigation of political reporters around the country averaged up to about the same conclusion you read here first. Republicans then were timidly awaiting the Gallup poll, which said last week republicans held 56 per cent of the national vote. Any republicans who were waiting for this will have to wait longer. It is indefinite to the point of worthlessness. No one is running nationally this year, so the national popularity affords no detectable suspicion of how many seats the republicans will gain or in what districts. It is too little too late, and merely broadly confirms better detailed prognostications offered by nearly every other authority earlier.

The knowing politicians do confess among themselves that some pre-democratic reaction set in after Mr. Truman belatedly relaxed OPA controls—although they do not know how much. The Gallup poll says the gain was only 1 per cent nationally, which might or might not affect some close districts, presumably not.

Hannegan on Spot  
These accumulations of evidence have caused the administration politicians to assume their defeatist attitude. Fingers are already being pointed around in various directions. The scalp of Democratic National Chairman Hannegan is being pointed to again. Although the call is feeble so far, it will swell into a roar if the expected happens Tuesday. Many southern demots think Hannegan played too closely with CIO, while most demo-congressmen will tell you the CIO ran itself out earlier and lacked the influence Hannegan expected. Others blame Mr. Truman's woe-filled muddling of the price-wage policies since he first astonishingly vetoed the congressional OPA bill last June. Still others contend he did not get the meat out soon enough, that he gave in too easily to labor, that his Wallace fiasco was a joke, etc., etc., etc.

Deepening Split Noted  
The truth is far more penetrating. Not even a popular leader could have avoided suffering this defeatism in his party in this election. It is not due to any of the personalities or reasons suggested but to the deeper basis into the cause of disunity in the party and in the movement. Truman stood for CIO economic policies (spending, unemployment compensation, OPA, no strike curbs, etc.). Congress did not. These policies proved unpopular as soon as the war

## Recommendations for Ballot Measures

The Statesman offers the following recommendations on measures to be voted on by the people at the election next Tuesday. These recommendations are advisory only. Voters are urged to study the measures and the arguments for and against them and exercise their own best judgment in voting.

**State Measures**  
300-301: Constitutional amendment to make the secretary of state and state treasurer eligible to succeed to the governorship in line after the president of the senate and speaker of the house.  
306 X YES  
302-303: Bill authorizing levy of 45/100 of one mill tax annually for ten years to be expended for constructing and equipping armories.  
302 X YES  
304-305: Bill to establish rural school districts and rural school board empowered to consolidate levies of school districts of county and impose a single property tax for schools outside of first-class districts.  
304 X YES  
306-307: Repeal provision of constitution barring Chinamen from holding real estate or mining claim (now a dead letter).  
306 X YES  
308-309: Amendment permitting legislative bills to be read by title only which conforms to present regular practice.  
308 X YES

310-311: Amendment increasing from 30 to 31 the number of members of the state senate.  
310 X YES  
312-313: Bill to regulate fishing in certain coastal streams.  
312 X YES  
314-315: Bill imposing three per cent gross income to pay old age and disability pensions.  
314 X NO  
316-317: Bill to create basic school support fund of \$50 per census child.  
316 X YES

**County Measure**  
300-301: To authorize special tax levy of \$200,000 per year for three years for constructing and equipping county courthouse.  
300 X YES

**P.U.D. Measure**  
(To be voted on in most of Marion county outside of Salem)  
318-319: To establish a people's utility district.  
318 X NO

**City Measures**  
500-501: Charter amendment which would prohibit city council from installing parking meters in Salem.  
501 X NO  
502-503: Amendment to clarify new charter provisions for electing city officials.  
502 X YES  
504-505: Amendment to make city elections correspond with state general elections.  
504 X YES

**IT SEEMS TO ME**  
(Continued from page 1)  
Sept. 16, 1946 came back. Some laid down their lives in the fighting from Buna to the Philippines. One Maj. Gen. George A. White, the commander who had led the division for many years, and trained it for battle duty, succumbed to illness just a few weeks before the outbreak of war.

Those who witnessed the impressive ceremonies could not but remember those who did not return with the colors, those whose lives had been the price of victory.

I do not believe the people of Salem appreciated the significance of the ceremonies Wednesday afternoon. The attendance in front of the capitol and even the crowd along the line of march of the parade were small, far smaller than each should have been. In patriotic events preceding and during the war the popular turnout was large. This event, rich in its symbolism, the real crown of victory so far as Oregon troops are concerned, should have attracted a great throng of people. There was ample publicity but no attempt was made

ended. I indeed his democratic congress took the opposite stand on nearly every issue, trying to make itself more popular in the face of White House vetoes and threats. This split eventually reached down deeply into the unions, as well as the party, where it was finally realized the policies were unrealistic and contrary to public aspirations. Truman and Hannegan tried to ride two horses going in opposite directions, with the usual result.

to exploit the occasion. Unfortunately the people did not seem to grasp its meaning and went on about their work and pleasure. Perhaps it is just the reaction from the concentration and high purpose of the war. Our people have too much of a tendency to ignore these patriotic celebrations except in the fever of wartime. That is the only explanation I can give—and it is no adequate excuse—for the meagre crowd which appeared to observe the formal, dignified, brief exercises which for the Oregon National Guard marked the return from federal to state authority, and marked the termination of years of difficult and honorable military service.

The colors are home, to be guarded as precious emblems of sacrifice and victory. We who saw them go, borne proudly by our fighting men, greet their return with hearts overflowing with gratitude for victory and sadness over sacrifice, and a resolution to cherish the principles of government of which these colors are the symbols.

## The Safety Valve

LETTERS FROM STATESMAN READERS

To the Editor:  
An advertisement captioned "don't you believe it," being distributed by the Oregon Taxpayers federation, makes a deliberate mis-statement, it says, "local boards would be prohibited from using any of basic school bill's tax money to reduce local taxes." This is not true. The basic school law would prevent the legislature from distributing the basic school fund as a tax offset as is being done now. It would be distributed as revenue. The school board would then set the local tax levy for such local revenue as is needed in addition to provide proper schools.

Basic School Fund Committee, Mrs. H. H. George, Chairman, Portland.

**GIVES VIEWS ON BILLS**  
To the Editor:  
I have been asked to comment on the measures to be voted on in the coming election. I would like to do so on four of the proposed bills. The first of these is No. 312 on the ballot.

The purpose of this bill is to regulate fishing in coast streams and inland waters. It would preserve fish life for the benefit of future generations, vote YES on this bill. Commercial fishing is the greatest threat to fish life. This bill will give the state the power to effectively regulate that kind of fishing.

The 3% Old Age Pension bill, No. 314 on the ballot, is, I believe, an unwise bill and should be defeated. This will levy a 3% tax on gross income. Sure enough, it would be a wonderful thing for the old folks, in fact, it would be so wonderful that it would attract old people from all parts of the U. S., but it would not last long because the results would be ruinous to the tax payers. If a 3% gross income tax is added to our present tax load, no one would be able to stay in business in Oregon. Evidently the people who prepared that bill are not tax payers in Oregon.

The school bill No. 316 on the ballot is a good bill and should be adopted. Top leaders in religion and science are now in unison urging that if civilization is to survive, the world must have more of two things: Religion and Education. EDUCATION WITHOUT RELIGION IS DANGEROUS. The Nazi regime is a sample of education without religion. Bill 316 will give our schools the help they sorely need now. Properly administered, this measure should not increase taxes.

Regarding the P. U. D. measure, I wish to say that when I consider the meagre crowd which appeared to observe the formal, dignified, brief exercises which for the Oregon National Guard marked the return from federal to state authority, and marked the termination of years of difficult and honorable military service.

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ented to go on the sponsoring committee. I was prompted by a deep conviction that since Bonneville dam is owned by the government (the people) the electric energy produced there should go to the public at cost. Electricity is a God-given utility that minutely touches and gladdens every human being within its reach. Like religion and education, like the water we drink and the air we breathe, it reaches in and effects every human endeavor and no profiteering public or private, should be allowed in an element so essential to human welfare.

If the P. U. D. is properly managed, benefits gained should many fold offset taxes and franchise money paid by the power companies, after all, taxes paid by the power companies are in fact paid by the people through the rate structure.

Let your conscience be your guide when you vote on this measure. MAY THE BEST PLAN WIN.  
Respectfully,  
Alf. O. Nelson

**DOGS OR MEN**  
To the Editor:  
We didn't like the apparent approval in your comments of Admiral Nimitz' praise of the medical dept., where he especially mentioned "experiments on living animals." Hundreds of signatures were obtained here in Portland to try and save the war-dog heroes from insection, but they took them anyway; all that had lost their owners. "Sneaked them to a secret hiding place at night in trucks." Read the Readers' Digest of Aug. '46.

M. M. Allen, Portland.

Martin and Vincent Pinzon, commanders of the Pinta and the Nina in Columbus' expedition, put up the cash for their ships; Isabella of Spain furnished only a small part of the money needed.

**STEVENS**



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