The Oregon Statesman

"No Favor Sways Us, No Fear Shall Awe" From First Statesman, March 28, 1851

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The Senate's Tax Plan

When the legislature assembled it was recognized that its toughest problem was one relating to taxes. This was the situation:

1. A deficiency of around \$6,000,000 in revenues to cover general fund appropriations for the current biennium; an additional deficiency of over \$2,000,000 incurred during the biennim; and an anticipated deficiency of around \$38,000,000 to cover general fund appropriations for the next biennium.

2. Against this was a surplus estimated at around \$50,000,000 at the end of the current biennium in the personal income and corporate excise tax receipts which by law and by court decision were reserved for reduction of state

3. Additional demands for school support running into many millions and demands for \$12,-000,000 for buildings at the state institutions of higher learning.

How was this problem to be solved of getting money or using money on hand to pay our bills?

The budget director, Governor Hall and Governor McKay recommended making receipts of the corporate excise tax available for general fund use. The house of representatives passed a bill to this effect. A bill was introduced to cover receipts of personal income taxes into the general fund.

The danger in this was that if receipts from these taxes were made free for general spending they might soon be exhausted and a heavy tax burden would fall on property owners. Or if receipts continued adequate to take care of appropriations for three years the state would its tax base, which might be needed for a property tax levy in the future.

There was this other factor which weighed heavily in the minds of legislators and tax authorities and that was that the personal income tax was originally dedicated exclusively for property tax reduction. The corporate excise tax was devoted to the same purpose but carried no such declaration of intent in its title and was not submitted to the people as a property tax reduction measure.

To resolve this dilemma of not having enough and having enough, the senate committee of taxation of which Dean H. Walker is chairman, has worked out a program which in our opinion neatly does the job. It separates receipts from the personal income and corporate excise taxes. The former go into a property tax reduction account to take care of state appropriations within and outside the 6 per cent limitation and to take care of the basic state school support fund and the county school fund. The reminder stays in the property tax reduction ac-

Receipts from the corporate excise etx make up a separate account. First call on such receipts is to assist in eliminating a state property tax and maintaining a reserve of \$15,000,000 in the property tax reduction account. The next use to which these receipts may be put is to meet any deficiency in general fund appropriations. Any risidue would remain in the account to be picked up the next biennium.

It must be emphasized that this is not a permanent solution to the state's fiscal problems. If receipts from these sources fall off or if large additional burdens are imposed on the state then other sources of revenue must be provided. Unless the voters authorize some heavy appropriations there should be a reserve of at least \$15,- 000,000 for the start of the next bienniumwhich will mean we have reduced our surplus by \$35,000,000 in two years.

Under this plan certain specific things will be

propriations will be covered by revenues. (This does not take into account any large increases in the state school support fund or a building program for institutions.

the historic dedication of the income tax to re-

Some may say, this puts a protective screen around property. It is more correct to say that this plan in effect reserves taxes on property to local units of government.

volved: actually it is gather simple. It is primarily an adaptation of the established system of taxation in Oregon to the needs of the time. The house should follow the senate's lead. That body adopted the program unanimously Saturday.

has approved with minor changes the plan for highway and bridge improvements at Salem which was recommended by Highway Engineer Baldock. A survey of the board of directors of the Salem Chamber of Commerce indicated their support of the plan. Needed now is the assent of the city council which is the real local authority, and that should be forthcoming Monday night.

time has been had for study of the plan; Second, contention and the uncertainty may be ended.

It is clear that some persons will be injured in the change-over, and others may be helped. But the decision has to be made on what is best for Salem now and in the future. Some changes must be made or Salem will strangle; and the plan recommended is prepared by competent authority. Its early approval by the council will insure inclusion of the local program in the general program the highway commission is setting up for the next two years.

At best work of such magnitude will take years for completion. It will have to progress by stages. But with a coordinated plan the work can be put on schedule, the Willamette bridge and the Lancaster drive bypass being the items of greatest urgency.

There was this attitude in the planning commission where there was division of opinion: No matter what the decision is let us close ranks and join hands to work for continued advancement for Salem. We commend that spirit to all Unreasonable Arguments.

1. Assuming the correctness of estimates, ap-

4. The state base for a property tax will be

What is the difference between this senate committee plan and the house bill covering all receipts from the corporate excise tax into the general fund? The difference is that property tax reduction still has the priority of use for proceeds of this tax and only such amounts as may be needed to extinguish deficits be transferred into the general fund.

The explanation of the plan may appear in-

Time for Action

The Salem long range planning commission

There are two reasons for action: First, the improvements are urgently needed and ample the question should be settled so that both the

accomplished:

2. No state property tax will be needed; and

duce the property tax preserved. 3. No new taxes will be required for the bien-

preserved.

But what kind of programs does TV provide? This subject is discussed at some length by Gilbert Seddes in an article in the March Atlantic Monthly. At present sports get the biggest play. Then there are movie shorts, participation shows and vaudeville. TV has a great opportunity, says Seddes, but the danger is that "it will be used as a weapon in the war between the rival networks and in the greater struggle between radio and the movies for control of the

seems

(Continued from page 1)

the silent screen when people

could hear them talk. Meantime

big advertisers are wondering how to stake their dollars-how

much should they throw into the

Then there are the possibilities

of great changes in TV mechan-

ics. At present only black-and-

white stuff is transmitted; but

Columbia Broadcasting still has

its facilities for color transmis-

sion and other companies doubt-

less are working on the problem.

flict is the one precipitated, by

Zenith radio which in full page

ads threw a scare into owners

and prospective purchasers of

TV receivers (except Zenith).

The ads intimated that the fed-

eral communications division

would open up new TV channels

of ultra-high frequency which

would make most existing sets

obsolete. Makers of Admiral TV

rejoined with a denial—and a

television channels, each six

megacycles wide in the 44 to 216

megacycle band. (This is Greek

to me, too). Last year, in re-

sponse to pressures for more

channels, it took up the matter

of opening up the 475-890 mega-

cycle band. It seems the chan-

nels now allotted are not enough

to satisfy demand; but there is

sharp conflict in the industry

over any mixing of Ultra High

and. Very High frequencies at

least in the same areas.

The FCC originally set up 12

\$1,000,000 suit against Zenith.

The latest and sharpest con-

TV experiment.

Admittedly there is the probability that television, since apparently it is to be supported by commercial advertising, will develop as radio and cater to the mass audience with programs geared to relatively low levels of intelligence. (What a wow TV will be with endless soap opera in sight as in hearing!) As Sed-

world of entertainment."

'We seem to be watching for the hundredth time, the traditional development of an American enterprise; an incredible ingenuity in the mechanism, great skill in the production techniques-and stale, unrewarding, contrived and uninteresting banality for the total result." The new tool of communica-

tion is here. It is developing much faster than seemed possible. A lot of pioneering is being done in the mechanical field, on commercial levels, and in study of how to use the new implement. New techniques will be required and new craftsmen in TV production will emerge. They will find that TV has limitations -a housewife can't do her morning work and "see" that soap opera, and her husband can't read the paper and "see" a TV

TV is coming in fast-you'll know it's here when you see the "bird cages" going up on the houses.

The Safety

To the Editor:

There are perhaps reasonable arguments that might be advanced against a CVA — and we should listen to them.

But yesterday a Portland attorney publicly repeated the unsupported and intemperate accusations of the Pacific Northwest Development association. He resorts to such "scare" "smear" attacks on CVA as:

1. "The president would appoint three men of no prescribed qualifications." 2. "They would have lifetime

jobs beyond the reach of congress.

3. "Private power companies must be efficient or they die." "Government - operated plants need not be efficient and seldom are."

5. "There would be complete destruction of private initiative and enterprise. 6. "CYA would put halters and

hobbles on the entire country." The 15-year record of TVA which has been so highly praised by the New York Times completely refutes all of these absurd contentions. Private enterprise and initiative are flourishing in TVA; income growth there has outstripped the national average two to one; all seven governors and virtually all the residents are enthusiastic over TVA's achievements and democratic methods.

If no better case can be made against CVA than that this sort of diatribe, it appears to establish conclusively that a CVA is good for everyone except a few private power companies.

Yours very truly, George Penketh 5711 N. E. 24th Ave. Portland.

An average of 208 inches of snow falls annually on Mount Washington, N. H., highest peak in and, with a height of



POTENT MEDICINE

X-Ray Survey **Nears Finish**

The current chest X-ray survey in Marion county will be complet-ed this week at Salem high school, according to Mrs. Ruby Bunnell, executive secretary of the Marion County Tuberculosis and Health

association. "An attempt is being made, however," she said Saturday, "to re-turn the mobile unit to Salem this week or next for the benefit of those who missed X-rays when the machine unavoidably broke down last week."

In the meantime, she said, those who feel they have emergency cases may be X-rayed Monday or Tuesday at the high school between 4 and 5 p.m. Men are asked to come Monday and women Tuesday. The rest of Monday and Tuesday will be devoted to X-raying students - boys on Monday and girls on Tuesday.

Wiemals Home On Furlough

John (Mickey) Wiemels, in Salem on a 16-day army furlough, is due to leave Friday for Ft. Bliss, Tex., there to start on his way to Japan for duty and to attend ra-dar school. He is the son of Mr. and Mrs. C. C. Wiemals, Salem route 7, box 32.

Wiemals, who enlisted January 13 for three years, has completed anti-aircraft basic training at Ft. Bliss. Before entering the service he attend d Mt. Angel Prep school and will receive his diploma with the class of 1949.

Although only two or three meteorites a year are seen to fall, the number striking the earth annually probably is at least 100.

Epic Battle of Midway Finding Even Greater Place in U.S. Military Lore as Years Go By

(Editor's note—Wendell Webb was war correspondent for the Associated Press, accredited to the fleet at Pearl Harbor in the early period of the late war. He went with the fleet when it moved to intercept the Japanese thrust at Midway. He was an eyewitness to some events of that decisive battle, and got the flow of news coming in from various segments of the engagement. He is therefore well qualified to review, by request, the noteworthy article on Midway which appeared in a recent issue of the Saturday Evening Post.—C.A.S.)

By Wendell Webb

Managing editor, The Statesman
Military men long have known that the Battle of Midway broke the back of Japanese naval offensive power in early June of 1942 but it remained for a recent Satevepost story by J. Bryan to place the epic engagement in an overall perspective which will be as fascinating to participants in the flaming episode as it will to those whose homes it made secure.

to the confidential messages of

those dark days after Pearl Har-

bor, for if he had it is probable

he would have nominated Ad-

miral Spruance as the champion

of understatement. As the fleet

was closing the distance between

the onrushing Japs three days

before Midway burst out, Spru-

ance closed one message to his

Three weeks after Midway a

transport crept past a mine-

sweeper off the Farralone is-

fleet officers with this:

ing apparent.

those trying times:

'If We Only Had Those"

those out there."

beginning April 20.

lems will be discussed.

was announced Saturday.

Health Officials

To Attend Meet

Much of it has been told before, but mostly piecemeal, and there isn't a man who can claim he ever saw more than a comparatively minute part of the great show. For that reason, Bry an's round-up is a valuable adjunct to the nation's history. Credit Well Split

He covers well the historie defense put up by the Midway garrison itself, and does the fleet as much justice as ever has been done to it-the army released its stories right after the battle ended and when the censors allowed the navy to chime in with its side of the engagement several days later, it was too late to recoup much of the credit. But plenty will accrue to everyone concerned as the years go by. And Bryan has helped to even it up. A factor deserving of more

emphasis than Bryan gave it is the veritable ambush laid by the American fleet to the north of Midway. With all the heroism of all services, the element of surprise still played a major part in the victory against odds.

Few details ever have appeared about the component parts of the American fleet at Midway and Bryan touched on them only slightly, with the exception of the carriers. Besides the Yorktown, Enterprise and Hornet, there were the heavy cruisers Pensacola, North Hampton, Vincennes, Minneapolis, New Orleans, Portland and Astoria; the light cruiser Atlanta and 12 destroyers.

Bryan, too, didn't sum up the Japanese strength to actually bring out the odds. Against the 23 American ships and Midway's own defense were 94 Japanese ships, including transports.

But ranged against that was almost equal air strength (in numbers but we were far inferior in quality of fighting planes); the element of surprise (the fleet had been off Noumea for south of the equator only two weeks previously); and the innate courage of American fighting men who knew, if the mainland didn't, that what transpired in that flaming 100,000 square miles of Pacific in the Midway area had a direct bearing on the immediate fate of America's west

It is all too true that if the U.S. fleet had had any battleships, it could have closed in for surface action against the enemy and the margin of victory could have been far greater. But with all too few ships of any kind left, the fleet could not afford to toss away cruisers futilly. The word "only" was inad- Public health and sanitation prob-

visedly used many times during World War II in describing our casualties. It is no word to use in deprecating losses. The "only," Susan Dove Ends either one or many, left grief and heart-break behind. But it Nurse Work Here might be used in recounting the nation's loss at Midway as 150 planes and 307 men (to Japan's 253 planes and 3500 men). Never had one of the world's decisive battles been won with so small a loss. It exemplified the lightning-fast warfare of modern times. But thousands of other men would not be alive today had it not been for the sacrifice of those 307 and the heroism of other thousands who survived.

The writer of the Satevepost recently joined the staff of the lostory might not have had access cal department.

Literary Guidepost

By W. G. Rogers NEW DAY' by V. S. Reide Knopf; \$3) An old man, born in 1857, out-

lasts revolts, riots, fire, plague and the general turbulance of nearly a century of Jamaicanhistory to tell us this story. It is the November evening, in . 1944, before Jamaica wins partial self-rule. John Campbell's "Son-Son", descendant of his brave brother Davie, is about to assume leadership in the new government, Crowds of blacks, near-blacks and blacks who are near-whites, sing the Campbells' praises outside the house and stir poignant memories of the long struggle for freedom. His tale, fictitious but with a historical background, makes this tender

His mind sweeps back to the 1860s, when he was eight. His dustrious, devout, is caught between his allegiance to Governor Eyre's established government and his kinship with the starving blacks, who are not slaves but who have not the franchise and whose plight is so desperate that they are heeding revolutionary

"The successful conclusion of Davie is on the side of the the operations now commencing rebels, and the boy John is with will be of great value to our on the recalcitrant young man, show stadium Friday night. How great is only now becombut when he learns that the Eng-One more little episode unknown to Bryan might give still more insight into the tenor of

torch to whole settlements. Many Campbells lose their lives in this Arutal repression. It isn't the last disturbance before the dawn of the "new day" in 1944. The story is told in dialect, a

combination, we are informed, of early English and Welsh, Dialect discourages many readers, and to tell the truth, normally it discourages me. But this is a language in effective short phrases, colorful, picturesque and poetic, and it fits Reid's purpose beautifully. No work-a-day English could catch so surethe stout marchers singing their hymns, the indomitable, rash father, the abiding loyalties, the bitter hatreds. I don't know whether this is a true picture of Jamaican life; but it's a stirring picture of real people engaged in the struggle which always appeals to Americans, the struggle for liberty.

Even Horses Share in Party

Even the horses got something at a fun-night party of Salem Saddle him. The father uses the strap club in the state fairgrounds horse-

The party was given by Mr. and lish plan also to whip him, he Mrs. Edvin Ward, for about 34 finds that so obviously unjust other rider members. A surprise that his sympathy for the mal- birthday party for Joyce Randall, contents grows. Then "Missis 13, featured the affair. The riders Queen Victoria's" representatives received cake and coffee while come down with all their might, their mounts were given carrots hanging and shooting, setting the and sugar.



Kremlinites' Battle for Power Looms lar struggle between Stalin and By Joseph and Stewart Alsop WASHINGTON, April 2—There Trotsky, after the death of Lenin. This reflected itself in the nonare only two or three chinks through which feeble beams of Russian communist parties all over the world, and left them light ever penetrate the dark, mysterious recesses of the Krem-

lin. One such chink is occasionally opened when a Western European communist leader visits Moscow to receive instrucsions, and then returns to report to his comrades on the lineup at headquarters. And

one of the lead-ing Italian communists, Reale, has just done

precisely this, with remarkably interesting results. Reale is known, in fact, to have come back from a fairly

protracted visit in a mood of deep depression. His report to the other Italian communist chieftains was that the world had been wrong in as-suming Molotov was sure to succeed Stalin. He

indicated that the succession to Stalin was actually in doubt,

If Reale is a competent reporter, a bitter struggle for Stalin's power is thus almost inevitable after the dictator's death. The Italian communists distress was caused, of course. by the recollection of the simicrippled and bleeding internally.

At the same time, the story of Reale's report from Moscow sheds valuable light on the puzzling changes that have already been taking place at the peak of the Soviet hierarchy. These have been so variously interpreted that London officially holds Molotov has gained power, while the British Ambassador on the spot, Sir Maurice Peterson, is known to believe strongly that Molotov's removal from the Russian Foreign Office indicates a loss of ground.

In brief, since the death of Zdhanov, it is thought there have been three main power groupings in the Soviet government, The first is headed by Molotov and his ally, Bulganin, chieftain of the Russian military forces. The second is headed by Malenkov, in charge of the party apparatus, and his ally Beria, overlord of the secret police. The third is headed by Mikoyan, manager of the state's vital economic machinery and his ally Vosnesensky, chief state planner.

Molotov and Bulganin, Mikoyan and Vosnesensky, have all just been removed from their former official posts, and given broad directing responsibilities in the same policy fields. Mere functionaries have replaced them, respectively, as foreign minister, war minister, minister for foreign trade, and head of the state planning commission. The changes have been announced as promotions. At the third corner of the power triangle, Malenkov has been left undisturbed (hold-

ing no ministry from which he could be formally given a step up). But Beria's fiftieth birthday has just been pointedly celebrated with the very special glory of a parade.

It is all as neat as a pin, with the honors exactly evenly divided between the three group-

Stalin's poor health is now a wel-established fact. According to information which is accepted in authoritative quarters, he suffered during 1948 from no less than four strokes, of which at least one was serious. If this is so, all the resources of modern science cannot greatly prolong his term, It is natural that he should devolve his duties upon younger men, and withdraw, as he has now done once more, to his retreat at Sochi on the Cri-

What could be more natural. moreover, than for an aging, ailing tyrant to divide his power in this manner, cutting it into equal slices, exactly balancing each potential hair against his rivals? The inner drama of absolute dictatorship may seem insane melodrama to people accustomed to the dusty, workaday intrigues of Washington, London or Paris. But these dramas also have their logic, as anyone who reads his-

mean Riviera.

tory must realize. The foregoing interpretation of what has happened in Moscow accords with this logic; is strongly sustained by the Reale story; and is accepted by some, at least, of those who should know best. If correct, its future implications are so portentous that they deserve examination on a later occasion, and at greater (Copyright, 1949, New York Herald

An Understatement