

The Oregon Statesman

"No Favor Sways Us. No Fear Shall Awe"

From First Statesman, March 22, 1851.

THE STATESMAN PUBLISHING COMPANY

CHARLES A. SPRAGUE, Editor and Publisher

Published every morning. Business office 215 S. Commercial, Salem, Oregon. Telephone 2-2441.

Entered at the postoffice at Salem, Oregon, as second class matter under act of congress March 3, 1873.

Electric Energy for the Northwest

The talk of Dr. Paul J. Raver, administrator for Bonneville Power at Salem last week, drew fire from opposite sides of the state. The Astorian-Budget took umbrage at his reference to "fish" as retarding the program for developing the region's hydroelectric resources. The Bend Bulletin pointed out that a brother bureau in the interior department, the fish and wildlife service, has been putting brakes on projects such as the Pelton dam on Deschutes river. Actually Dr. Raver indulged in no criticisms. He pointed out the fact that controversies over salmon protection had disrupted the program outlined for public and private power development.

City of Tacoma dams on the Cowlitz, the PGE proposal for the Deschutes, and the army engineers' plans for dams at The Dalles and Ice Harbor on the Snake all have run into "fish" opposition, though indirectly at The Dalles where the immediate issue is settling with Indians on their tribal fishing rights.

We had thought with several dams now building that the northwest should overcome its electric deficiency. Dr. Raver doesn't favor stopping to catch one's breath. He sees the enormous hydroelectric potentialities of the northwest as goals to be realized just as fast as possible. Lacking coal and petroleum and natural gas, electricity to be generated from falling water is the only great power resource which this region has, and power is basic to industrial development.

BPA has recently published studies on an "Advance Program for Defense." Fully aware of the great value of Bonneville and Grand Coulee for defense production in the late war Bonneville is eager to move forward to provide a power surplus available in the present or future emergency. Industries to be served would include particularly light metals, electro-chemical and fabrication.

The increase in electric generation capacity to be provided by plants now in construction is known. The study undertakes also to set against this figure the anticipated requirements for civilian and defense needs. The increase in federal generating capacity (January peaking figures for minimum water year) will be 1,024,000 kw between this year and 1954-55. The increase in non-federal capacity for the same period will be 955,000 kw, or a total of nearly 2,000,000 kw. After that year there will still remain four generating units to be installed at McNary dam and 12 at Chief Joseph, by 1958-59.

As to demand the study estimates that loads will continue to increase though not as rapid a rate as the past ten years. An increase of 800,000 kw in demand is estimated for distribution systems between 1950-51 and 1954-55. For defense needs a report of the president is cited giving the figures of four to four and one-half million kw as required for expansion in atomic energy and metal and chemical industries. Necessarily this is somewhat nebulous. We do not know how serious the war threat will become or what the level of economic activity will be in the next ten years.

It is also an important public question as to the allocation of hydroelectric energy to great energy-consuming industries such as aluminum reduction and chemicals. If these heavy industries move in to absorb hydroelectric energy as fast as it can be produced then our great natural resources will be more or less permanently dedicated to basic industry, lifting the region only one step above the level of primary producer, which it is largely now. Somewhere there ought to be a balance struck.

There is one project which is free from the fish controversy and that is Hell's canyon. It has opposition from Idaho Power company which wants to build five low level dams on this run of the Snake river. The greater volume of power offered in the one big dam, both through its own generation and though adding to the stream flow for use in dams lower down, together with the benefit of flood control offered by the vast reservoir, makes the one federal project inviting. This however has not been authorized by congress.

Another comment with regard to our power situation: the northwest has consistently been the power deficient region for the past several years. Other regions, dependent almost entirely on private plants, have not suffered much. This has been due to two things: 1st, the alertness and promptness of private utilities to move, as compared with the slowness of the federal process; 2nd, the greater speed with which small plants, particularly steam plants, can be constructed. It takes from four to six years to plan

and build and put into operation one of these mammoth dams across the Columbia (they are just now adding the last of the generators at Grand Coulee); but only a year or two to erect a big coal or oil or gas-fired steam plant.

Out here the private companies in Bonneville territory did very little to increase their generation capacity after Bonneville was authorized. They became dependent on federal generation. One reason was fear of public ownership; another was the relatively higher cost of privately produced energy as compared with tax-free production by the government. Only recently have private companies in the immediate BPA area shown interest in constructing new generating facilities.

Over the country the outlay of private companies has been enormous, but it has kept the regions they serve adequately supplied. Present plans call for an outlay of two billions a year for three years. Perhaps both the companies and the public in the northwest have made a mistake in this dependence on Bonneville. We have been educated so long to low-cost power that companies are unwilling to build more steam plants with higher per kw cost of generation. Tied to the jerky federal program we may lose development otherwise possible.

It comes down to this (which was mentioned also by Dr. Raver last week): Shall we go in for supplemental steam plants? They can be built quickly. They are useful for meeting peak demand even in normal times, and quite indispensable in seasons of very low water. PGE for example could have had a steam plant built and running in the time lost dickered over the Pelton site, which still has the fish hurdle to overcome. The extra cost of steam over hydro might force a slight increase in rates; but it is better to have that than no electricity. (TVA is adding 2,700,000 kw in steam generation to its 3,100,000 kw in hydro).

The northwest must not let the fuss over fish hamstring its development. The dams building will take care of very substantial expansion. Hell's Canyon could add a great output a few years later. Steam plants can serve to iron out the valleys in hydro generation. If we pool our ideas as we have our energy in the northwest we should come out all right.

Next Monday ceremonies will be held at the national monument on the Little Bighorn river to commemorate the 75th anniversary of "Custer's last stand." This was the battle in which Custer and his entire command of troopers from the Seventh cavalry were wiped out by the Sioux and Cheyenne Indians. The National Geographic magazine reports that a statue of Crazy Horse, one of the Indian chiefs in the battle, is being carved in heroic size on the granite top of a mountain in the Black hills. The Indian will sit astride a horse 400 feet long; and height of horse and rider will be nearly as great as the Washington monument. That surely will be Crazy Horse's last ride.

Editorial Comment

HOW BRITAIN GOT THE OIL

Few of us have ever heard of William Knox D'Arcy, but it was this Australian engineer who, 50 years ago, opened the way for the British control of Iranian oil that has the whole world by the ears today. D'Arcy wrangled from the Shah the exclusive rights for 60 years to any oil that might be found in Iran (then Persia) except in the five northern provinces.

The most remarkable part of this remarkable concession was the price paid. It was only \$20,000 in cash, another \$20,000 after profitable operations should begin, and a royalty of 16 per cent of the profits. No wonder the Iranians cry "Murder" when they consider the original D'Arcy concession!

D'Arcy sold his rights, for what now seems a pittance, to the Burmah Oil company, which struck high-grade oil and lots of it. In 1909 the Anglo-Persian, now Anglo-Iranian, company was organized to develop the deposits, and commercial production began in 1913.

In that year the decision was made to convert His Majesty's Navy from coal-burning to oil-burning, and in 1914 the British government bought a controlling interest in the Anglo-Persian company. But in 1932 the Shah cancelled the D'Arcy concession. He alleged that it had been obtained under duress, that the oil fields had been developed inadequately, and that the royalties had been calculated unfairly.

A new 60-year contract was signed in 1933. By this the British oil concession was restricted to 100,000 square miles in southern and southwestern Iran and the royalty was increased to 20 per cent. This percentage has been raised again and again, but Britain must evidently go still further if it is to continue to get he oil.—Corvallis Gazette Times.

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GRIN AND BEAR IT

by Lichly



"It SEEMS TO ME" (Continued from page 1)

continent, interesting and enlightening:

"In Europe, one soon acquires a great appreciation for the dynamic character of the American economy which is contrasted so sharply at ever turn with the restrictive business practices over here. I had been told about the monopoly conditions which existed in the European economies but I was not prepared for anything so complete and all-encompassing. All of the institutions reflect this monopoly or cartelized system of production. And the results—low wages, inefficient production, high production costs and high consumer prices, very low standards of living, stagnation of technology—are abundantly evident."

"In France, for example, it is not uncommon for operators to be making a profit of 500 percent per year at the same time that wages are so low that the operators argue that it doesn't pay to install machinery that would increase productivity and volume of output. As a matter of fact, even the tax laws of France reflect the basic arrangement by which output is restricted and high prices are maintained by agreement. These laws tax the number of units of output or transactions instead of income, and so there is a direct incentive not to move in the American direction of increased output with its lower per unit costs and lower prices. Even the trade unions subscribe to this approach and sign industry-wide agreements which base wages on what the least efficient unit can afford to pay."

To educate a people with habits so deeply ingrained in business practices to adopt a dynamic program for economic development is a major undertaking. The immediate dislocations cause strains and protests (like lowering a tariff in the USA). The temptation is for only minor adjustments when a major operation, not only in techniques but in mental attitudes is required. And millions accustomed to old world ways simply do not want to be "Americanized."

This week is National Bow Tie week—dedicated to fathers who tie their bows weekly . . . And (good news for asthmatics, hayfeverists and sneezers in general!) the entire month of June is National Ragwood Control month—sponsored, not by OPS, but by the Cincinnati Citizens' Anti-Weed committee. Now if the Office of Price Stabilization would only ration ragweed.

Hurley Claims Stalin Made No Yalta Demands

WASHINGTON, June 19—(AP)—Patrick J. Hurley tonight disputed testimony by Secretary of State Acheson that concessions were made to Soviet Premier Stalin at Yalta to bring Russia into the war against Japan.

"I talked to Stalin," said Hurley, "and he made no demands because he was our ally."

Acheson had given the concessions testimony at the current senate inquiry into the ouster of General Douglas MacArthur and the administration's Far East policy.

Hurley, former ambassador to China and President Roosevelt's personal representative in Moscow during World War II, spoke in a broadcast.

Hurley said that Stalin told him he was ready to come into the war, and he said:

"I think Mr. Acheson was wrong about a number of things in his testimony. I recall that Stalin told Harry Hopkins and also probably Cordell Hull that he was ready to come in."

Hurley gave his views on the NBC program "Meet the Press."

Hurley—scheduled to testify tomorrow before the Senate Inquiry Committee—said he came to Washington in 1945 to see President Roosevelt because "I couldn't believe we had sold out the Chinese nationalists in secret agreements at Yalta."

It was at Yalta that President Roosevelt, Premier Stalin, and British Prime Minister Winston Churchill negotiated agreements which led to the entry of Russia into the far Pacific war against Japan just one week before Japan surrendered.

Willamette university mustered men in 1898, 1917, 1941 and it stands ready today. Good luck to President Smith in his debate against academic astigmatism. Long Live Realistic Christianity.

Eldon F. Caley
361 Leslie St.

Better English

1. What is wrong with this sentence? "I cut the apple in half and gave up one to my brother."

2. What is the correct pronunciation of "tipend"?

3. Which one of these words is misspelled? Attendant, adolescent, adhorant, admition.

4. What does the word "modulate" mean?

5. What is a word beginning with eg that means "wealthy?"

ANSWERS

1. Say, "I cut the apple in

two (or, halves), and gave (omit

up) one half to my brother."

2. Pronounce stipend, I as in sigh,

accent first syllable. 3. Adherent.

4. To temper; soften. "There are

many speakers who do not know

how to modulate their voices."

5. Opulent.

Quote for the Day

If we lost our liberties it will be because we abandon them—Dr. Vanover Bush.

Strike Violence

Brings Death, Murder Case

SUMMERTIME, Ga., June 19—(AP)—Violence at the strike-bound Berryton Mills brought death to a woman employee Monday and murder charges against two men and five women.

Sheriff Reuben Lyons said Miss Nellie Tucker, 45, was killed when strikers overturned a car carrying her and five other women to work. She tried to jump from the car and was crushed beneath it. The others escaped with shock and minor injuries.

The sheriff said a water line to the mill was dynamited last night, and power lines at the mill were damaged.

Members of the CIO-Textile Workers Union of America have been on strike at Berryton since May 31. The union has won two elections authorizing it to represent Berryton workers, but TWUA and management have been unable to get together on a contract. The union struck on grounds the mill refused to negotiate in good faith. Some 300 production and maintenance workers are affected.

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