

The Oregon Statesman

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

THE STATESMAN PUBLISHING COMPANY

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Member of the Associated Press

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"Ability to Pay"

A company must be able to pay wages, whatever the level, or soon it will go out of business. In this sense, "ability to pay" is always a factor in fixing wages. When business is good employers generally are disposed to increase wages; they would like to decrease them when conditions are depressed.

Union leaders who make such a noise now about "ability to pay" will quickly change their tune when the business cycle is reversed. Then they will resist efforts of management to reduce wages because of "inability to pay." There have been times when an employer's offer to "show his books" was contemptuously tossed aside as irrelevant. It may not be long before this CIO demand for companies to "show their books" will arise to plague its own advocates.

There is in the withdrawal of General Motors from the sessions of President Truman's fact-finding committee more than appears on the surface. It is resistance to the idea which GMC believes is involved in the proposition in controversy, namely that a government body should limit profits or that profits become subject to capture by workers. GMC professes to see in the current thrust of UAW the spearhead of an attack on the capitalist system, and refuses to participate longer in the hearings. It risks public criticism by withdrawing, but evidently fears more a concession to the clamor for considering "ability to pay."

In the present instance, it would seem that wage determination would better be left to the negotiation of the principals. For how can the fact-finding committee make an accurate forecast of earnings of a company like General Motors in the time at its disposal and with the limited facilities of research which it has? For such vital factors as cost of raw materials, efficiency of labor, selling prices and profit margin are not subject to ready determination. At best the "finding" would be merely a guess, which a turn in the business wheel might make absurd.

Suppose the fact-finders report the GMC's prospective profits are such that a wage increase of 30 per cent should be made. Does that deprive the consumer of a chance at a lower price for the company's products? The consuming public has a stake in manufacturing costs as well as the employees.

Again, suppose that the 30 per cent increase which is demanded is granted; that then sets the standard for the whole automotive industry. But is such to be the effect, ought not the fact-finding to be industry-wide? Some of the smaller competitors of GMC might not be able to exist under such a wage scale. Finding the facts for General Motors thus involves finding the facts about Hudson and Studebaker and Ford.

Finally, there is the matter of overall policy. The professed policy of the government through the war was to fend off inflation. There has been some measure of success, as compared with past inflationary periods. Validating a series of sharp wage increases would have the effect of setting off the inflationary spiral. "Hold the line" would become a fiction.

For 13 years government dice has been pretty well loaded against the employer. Business men are fearful that further exactions by government against employer interest will make sterile the enterprise of the CIO and are unwilling to get further under the yoke of government dictation. Whether employers admit it or not, "ability to pay" is a factor in wage determinations; but management prefers to make its own projections of that ability.

New Frontiers

The war awakened the whole world to the new frontiers of the skies, and the unleashing of rocket weapons and of the atom bomb gave sharper point to the awakening. The war is over, but not the fear of war. Recognizing that great exposures lie over the roof of the globe via the north pole, the army air force in collaboration with scientists is beginning a long-range study of the polar area.

The plans contemplate use of 9-29s to make regular flying trips over Arctic regions to learn all the flying can about land masses, weather, ocean currents. Cooperation with Canada will be obtained since most of the polar region of North America is adjacent to Canada. Our government seeks also to keep flying rights from bases in Iceland and Greenland. Our own Alaska will be the major base for much of this work.

The knowledge is needed from the standpoint of future security. But it should prove of great value regardless of possible wars. The north incubates most of our weather. It is the movement of masses of air from Arctic regions which affects temperatures and determines storm conditions over most of the continent. Advanced weather stations should supply more knowledge of northern weather and so enable forecasters to make more accurate predictions of weather changes.

Meteorology, the science of the weather, received a big boost in wartime. It was indispensable for the successful operations of the air force. With new instruments and techniques, meteorologists will be able to use to good advantage the information which may be assembled in this new polar exploration by air, and render better service to the people.

Beginning Thursday there will be no limit on the number of turkeys a housewife can buy. But the limit has been passed on how much turkey her family can eat.

Salem really doesn't appreciate the holiday gift of Eugene and other upriver cities of their excess water. Too much of it, and dirty.

Korean Complaint

Koreans are griping because the foreign ministers of the big three have decided on a four-power trusteeship for five years even going so far as to stone American soldiers in Seoul. The complaint is that they want independence and want it now. Outside people, however, will not be greatly impressed with the complaint. The Koreans have had no recent experience in self-government. They were so badly treated by the Japanese for 35 years that they seem pitifully weak as a people. Reports indicate also a great lack of harmony among the leaders of Korea.

It might easily be disastrous to cut Korea adrift. Conditions speedily might become chaotic while its people floundered about trying to organize for themselves a competent government. Five years is brief in the life of a country. If in that time the Korean people learn how to govern themselves they will do well. The word of the big four nations is given that independence will come. That will be fulfilled unless there is some later upset in world affairs. Koreans should get busy to demonstrate their capacity for self-government, rather than to agitate against the nations which brought them liberation.

Hitler Documents

So Goering and Himmler got fired by Der Fuehrer! That is the record left in the last documents signed by Adolf Hitler the last few days of his life. Goering got out of town and managed to escape Hitler's execution squad. Now he is No. one in the prisoners' dock at Neuenberg. Himmler, who sought to make a peace through Count Bernadotte of Sweden, lived till he was captured, then swallowed poison to escape the rap. Hitler died, at his own hand, first. His will and testament, so far as bequeathing power is concerned, was impotent, though Admiral Doenitz, whom he named his successor as reichschancellor, did bring the war to an end.

The documents uncovered by American intelligence officers are of interest in revealing how Hitler's power cracked and crumbled under the pincer-pressure of the advancing allied armies. The signature that once could horrify the world had only value at the last to legitimize his relations with Eva Braun. Even Goering got a later laugh at the man who fired him.

OPA is said to be revising its rules to prevent a famine of men's shirts, shorts and pajamas threatened for early 1946. Right now more men are losing their shirts than in the crash of 1929, so OPA had better get a move on.

Interpreting The Day's News

By James D. White
Associated Press Staff Writer

SAN FRANCISCO, Dec. 31.—(AP)—1946 is likely to be a year of decision in the Pacific.

When the guns died down last August, it soon became plain that a lot of things shoved aside by war would rise up and yell for action.

Some of these things look and sound so explosive that it may be doubted if another year can pass without something boiling over.

The foreign ministers' meeting and agreement in Moscow returned Europe to the dominance of the big three, who recognize that in this atomic age they cannot afford another war. But the Moscow agreement did not touch many of the burning questions of the Pacific.

Restating allied interest in a strong and democratic China still leaves up to the Chinese the important business of settling their internal strife which continues to threaten nearly half a billion people.

China World Problem

By their actions if not by their words, the two contending parties in China (the Kuomintang and the communists) depict their problem as one of deciding which party shall run China. But Americans long resident in China believe the question is bigger than China, and that in its most important sense it isn't one of which side or which system shall triumph but whether China shall be unified in the interest of peace in the Pacific and the world.

With her independence guaranteed by treaties and statements all over the place, China is in a unique position among the people of the western Pacific—she can afford, in that sense, to continue the internal bickering for which there is plenty of history-rooted reason but in which there isn't much future.

Philippines Safe

Only the Philippines, with their independence guaranteed by the United States, are in a similar position. Otherwise the southwest Pacific is in the process of being taken back under the imperialistic systems of Britain, France and Holland.

(And some critics lump with this the American insistence on certain exclusive bases in the Pacific and Russia's increased influence in East Asia.)

In the colonies the gunfire has not died. Most Japanese guns have been silenced, but the guns of earlier masters have come back, and are met by native guns barking demands for freedom.

The peoples of Indonesia, Burma, Malaya and French Indo-China still wonder whether the Atlantic charter's principles of self-determination apply to them, or just to the western world.

Today Jawaharlal Nehru of India warned that "the countries of Asia will not submit willingly to any empire of domination, and will revolt against it. It will be a continuing revolt of millions, with passion behind it which even an atom bomb won't suppress, and from that revolt will develop that terrible thing—the third world war."



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Pay 'Em or Lose 'Em?

News Behind the News

By PAUL MALLON

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WASHINGTON, Dec. 31.—The men who know what makes the stock market tick—if they do not tick it themselves—tell me the soaring heights of financial grandeur it has now reached in prospect of 1946 cannot be attributed to the normal considerations, or to those generally advertised.



Paul Mallon

Earnings of the corporations have nothing to do with the case, they say. Nor is fear of inflation an uppermost impetus, although stocks afford a place for depreciating money to keep up with advancing prices in value.

If stocks go up as money goes down, then, theoretically at any rate, you save the loss from money depreciation due to advancing prices by buying stocks—and I say "theoretically" because it all depends on for what you ultimately sell the stocks.

Capital Hard to Invest

The buying of stocks is due, they assert, to the fact it is practically impossible for anyone to start a new big business today. Capital is easy enough to get, but then your troubles start.

You must acquire plant and if this requires new building, it is practically impossible. Materials are not available.

But if you get your plant built, you must have workers and today there is a shortage in all lines of employment.

If, by your superior ability, you get both plant and workers, then you can start into competition with those who already have both.

Housing Regarded as Key

Thus, the corporation or the man already in business, has a leg-up on the postwar era, which fresh competition is finding it difficult to match. These conditions should, in all reasonable expectations, prevail nearly if not entirely through the coming year.

The key to this locked question is a subject Mr. Truman recently has been doing something

about—housing.

The labor end of new business should be solved, to whatever extent it can be solved, by demobilization of the armed force manpower. But plants cannot be furnished until materials are available.

The wartime square footage of manufacturing floor space cannot become productive in fresh competitive enterprise until both resources become available—including housing for workers.

Scarcity to Continue

A New York financial genius tells me residential housing is behind 15 years, instead of 5 1/2 years as officially decreed. Unless a gigantic building program is undertaken, he says, the situation cannot be met, and he means the situation on rents, home and office scarcity.

But frankly, I do not understand this matter entirely. You can see new housing has been restrained for 15 years.

We have feared building because we (1920-28) overbuilt for a depression era. We tore down structures during the Roosevelt era and made parking lots because the buildings could not be rented.

Demands Are Moved Up

The war era did not bring an increase in the population needing housing, beyond the new housing we provided in most of the large cities through housing projects. But people moved up a few notches in their housing demands—required and demanded more and better residences and offices.

The crises in housing due to this abnormal demand still persists, and if national income continues to hold this level or go higher, the demand for housing certainly should continue at the present rate.

In a word then, if Mr. Truman fulfills his other economic promises, he must have a gigantic housing program. But if prices become stabilized at a lower level, normal expansion of housing should ease the crisis by lessening the demand. So I cannot bring myself to accept either the 5 or 15 year stories.

Delay Appears Advantageous

In any event, the business ac-

cent on this phase will be a primary factor of 1946. For the greater economic advantage of the nation, gigantic building programs should wait until an economic need develops (when national income is declining, when prices are faltering, etc.).

But the government could hold back its own building programs (spending for public works) for that eventuality, and contrive an orderly, long-term stimulation program for private building, definitely restricted so as not to accentuate the current inflation, caused by shortage of materials. Upon this problem, Mr. Truman has only begun.

The Literary Guidepost

By W. G. Rogers

AN ANTHOLOGY OF FAMOUS ENGLISH AND AMERICAN POETRY, edited by William Ross Basset and Conrad Aiken (Random House, Modern Library Giant; \$1.45).

More than 100 poets are represented here by almost 700 poems in about 950 pages. To the best of my knowledge, this revised edition is the largest selection of fine poetry for the money.

Benet, in his introduction to the English section, bemoans the times: maybe the Machine Age

in Hitler fashion. A man isn't a bad poet just because he favors Fascism, or a good one just because he opposes it. An able general may be a bad psychiatrist, a singer may be a bad democrat. History is full of great writers, painters, composers who were cowards, thieves, fornicators, turncoats and rogues.

To quote the French poet of the Resistance, Louis Aragon: "Poetry means more than wisdom."

GRIN AND BEAR IT

By Lichty



"It was an eventful year—the total destruction of German industry, the collapse of Japan—and finally this!"

D. B. Harritt Discharged From Seabees

After three years' service with the Seabees, D. B. Harritt, CEM, has received his discharge. Wearer of the American theatre and Asiatic-Pacific theatre ribbons, the Philippine Liberation ribbon and the Good Conduct and Victory medals, Harritt was communications chief of the 102nd naval construction battalion. He served at New Caledonia and Finch Haven. At Hollandia he was detached from his outfit and loaned to the army and went to Talasoa, Leyte, thence to San Fernando, Luzon. At Subic bay, he rejoined his battalion.

Harritt is a graduate of Hill Military academy in Portland and a former student at Willamette university. The navy man will have seen three years of service with

has corrupted the poetic voice and ear; we distrust poetry if it's popular; poets sound too many "harsh discords," anyway, they no longer enjoy public respect.

But it's not surprising, I think, that they don't enjoy public respect when they don't even enjoy the respect of publishers. In the American section a note (page 788) recalls that Aiken originally included 12 poems by Ezra Pound. They are omitted here against Aiken's wishes but at the insistence of "the publishers, who flatly refuse at this time to include a single line by Ezra Pound."

The note does not explain the omission, but presumably the reason is not poetry but patriotism. In broadcasts from Italy during the war, Pound is reported to have defended Fascism, attacked Jews, condemned democracy . . . attitudes which you and I abominate. He is now a U. S. prisoner on a charge of treason.

If the reason for the omission is that Pound's poetry wasn't worthy, there wouldn't have been serious objection. If the reason is Pound's broadcasts from Italy, the omission is an unpardonable error, and especially disturbing since Random House generally shows surpassingly dependable editorial judgment.

To drop Pound is to burp books in Hitler fashion. A man isn't a bad poet just because he favors Fascism, or a good one just because he opposes it. An able general may be a bad psychiatrist, a singer may be a bad democrat. History is full of great writers, painters, composers who were cowards, thieves, fornicators, turncoats and rogues.

To quote the French poet of the Resistance, Louis Aragon: "Poetry means more than wisdom."

the armed forces in Hawaii, stationed at Schofield barracks after leaving the university. Prior to reporting for navy duty, he was an employee of the West Coast Telephone company at Forest Grove. He has rejoined the company as assistant supervisor at Coos Bay.

Harritt is the son of Mr. and Mrs. K. W. Harritt of rte. 1, Salem. After visiting friends and relatives in Washington, Oregon and California, he and his wife have gone to California.

Elect Officers At Boy Scout Lodge Meeting

At the annual lodge meeting of Order of the Arrow, a unit of the Boy Scouts of America, at Camp Meriwether, Hebo, election of lodge officers for 1946 took place.

Alvin Adolphe, troop 24, Dallas, was elected lodge chief. John Thompson, Explorer troop 17, Salem, was named secretary with Elmer Klienke, troop 1, Salem, voted treasurer.

The new board of directors consists of Frank Deckebach and Richard Easton, both Seascout ship 12, Salem, and Robert Schachtsick, troop 50, Stayton.

Promoted to brotherhood honor at a special ceremony were Richard Easton, John Thompson, Glen Kleen, all of Salem, Lawrence Hobart, Silverton, Ted Roake, jr., Salem, and D. L. St. John, scoutmaster of the Gervais troop.

It was decided at the meet that a regional meeting of the 12 Arrow lodges of the north west would meet at Yakima, Wash., on February 22. The lodge also voted to hold lodge meetings in May and September 1946 in addition to the regular annual meeting.

State Department to Issue Pilot Licenses

The state department tomorrow will start actual issuance of aircraft licenses for 1946. The fee is \$10 a year. Pilots are registered by the state aeronautics board. Officials estimated that approximately 50 aircraft licenses would be issued during the first three months.

Late-Comers Line Car License Window

A long line of automobile registrants was in front of the state automobile license department when it opened at 8 a. m. Monday and the congestion continued until late in the afternoon. Persons not having 1946 plates on their cars today are subject to arrest under the Oregon motor vehicle laws.

Bright lies the new year ahead. In it for you . . . there will be happy days . . . birthdays . . . anniversaries . . . weddings, perhaps — times when you'll want to select fine gifts. Remember, we are here to serve you — with collections that will grow ever bigger and more glorious, and with a steadfast reputation for fair dealing. We wish you a happy, jewel-bright New Year — and welcome you — whenever a gift's on your mind!

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