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Salem, Oregon, Monday, July 11, 1949

The Second 'Fair Deal' Announced

President Truman in his midyear economic report to congress has by scrapping his demand for higher taxes and a balanced budget and demanding an extensive infla-tionary program inaugurated a second "Fair Deal" of

Mr. Truman thus followed the example of his predecessor, Franklin D. Roosevelt, who was elected on a platform calling for rigid economy and a balanced budget (the First New Deal) after a few months in office similarly junked his platform for deficit expenditures that continued throughout his three terms (the Second New Deal) and on the same pretext, for fighting unemployment and recession.

Repeatedly in the last six months and up to a week ago the president has stood pat for a \$4 billion increase in in- or more season come taxes and a \$2 billion increase in withholding taxes. But now he tells congress flatly that "no major increase in taxes should be undertaken at this time" and advocated deficit expenditures, which only a week ago he viewed with alarm. He continued:

"We cannot expect to achieve a budget surplus in a declining national economy. There are economic and social deficits that would be far more serious than a temporary deficit in the federal budget."

At the same time, the president emphasized the strength of U.S. economy and recommended an 11-point program aimed at the highest prosperity ever.

He set a goal of "well above \$300,000,000,000"above past peacetime records—for the national output of goods and services. He said it could be reached in the next few years. But his message will convince not only the use of sea gulls which cleanthe people of this country, but the world in general, that a serious economic crisis threatens the nation, though he the crops and providence intervened with the use of sea gulls which cleanthe a serious economic crisis threatens the nation, though he the crops and probably develop-

The second Fair Deal will immensely extend federal control and promote socialism perhaps as a forerunner of bankruptcy and eventual totalitarianism.

Here is President Truman's position today on some key policies, placed alongside the views in his economic report of six months ago as listed by the Associated Press:

JANUARY, 1949

Budget Surplus "Essential to sound fiscal policy."

Taxes
"I recommend legislation to increase (taxes by \$4 billion a year."

Bank and consumer credit "should be controlled."

Credit

Price and Wage Controls "I recommend . . , selective price control authority (and power) to limit wage adjust-

Materials Allocation

"The need for mandatory con-trol still exists."

Commodity Trading
"I recommend . . . authority to
prevent . . . excessive speculation.

JULY 11, 1949

"We cannot expect ... a POOR MAN'S PHILOSOPHER budget surplus in a declining national economy.

"No major increase in taxes should be undertaken at this time."

"Ample credit supplies are favorable to business in-vestment."

"The necessary anti-inflation program was not adopted. The dangers . . . are now being revealed."

Not mentioned, See above.

Not mentioned. See above,

Oregon Gets 'Daylight' Train Service

The Southern Pacific's "Shasta Daylight" is more than man was far from a handicap," 35 full time employees and 75 just another fancy train. It is belated recognition to the Pacific Northwest of this region's growing importance, it was far from a handicap," 35 full time employees and 75 the Pacific Northwest of this region's growing importance, it was far from a handicap, and the same of the same of the pacific Northwest of this region's growing importance. the Pacific Northwest of this region's growing importance.

The train's first run was Sunday. California saw the original "Daylight" streamliner in the spring of 1937. This idea of having a first-class train ter—at the age of 47. Today, cover the run between San Francisco and Los Angeles during daytime hours proved popular. So a "Noon Daylight" was added in 1940. A year later another "Daylight" was added in 1940. A year later another "Daylight" customers a 30 to 40-page daily bers where there is potential most. The newsletters building activities work in their area. Architects, It was metropolitan areas of California. By the spring of throughout New Feel and the spring of the control of th two metropolitan areas of California. By the spring of this year, this series of "Daylight" trains had carried their 10 millionth passenger.

One of the advantages the Pacific Northwest has in this new "Daylight" service is in improvements that have this new "Daylight" service is in improvements that have been made through experience with the special trains in as she knows, she is the only wo-

California during these years, Salem, on the "Shasta Daylight" route, welcomes the new train as one offering the people of the area and state a better type of train transportation.

Here's That Predicted Predicament I feel at home in it."

Petts Wood, Eng. (4)-You've seen a bull fiddle? You know how big a telephone booth is?

A man lost a bull fiddle here in a telephone booth. Stanley Small, manager of the Daylight Inn, found the in-

strument there the morning after a dance.

Assuming it had been mislaid by a member of the band,

he waited for the owner to turn up. That was 10 weeks ago.
"If anything has happened to the owner," Small said today,
"perhaps his relatives might like to take it off my hands."

This Guy's Had Streak of Trouble

Houston, Texas (4).—Think you've got trouble?
Early last week wrestler Sterling (Dizz) Davis was denied a license to promote wrestling matches.

Wednesday a sign shop he owns burned. Friday he woke up choking in smoke. His house was on

All of those fancy robes he wore to wrestling matches



Miracle?

By DON UPJOHN

Co-incident with the reported plagues of caterpillars moving onto Lebanon and the Keizer districts come advices from our old friend, Doc Bill Thompson, sage of Riverdale, that a dozen

gulls have been hovering about his place, maybe only the advance guards looking over the situation and planning to take up headquarters there for a pos-

sible projected invasion. Re-minds us of the old tale of Utah when the grasshoppers threatened to clean up the crops of the early Mormons

Incidentally, Doc tells us that the repair job. out at his Eden the birds have been more thickly populated and

one pair of birdies raise a fam- "loan" is pretty much ily and get them moved out into will never be repaid. circulation than another one grabs the house and starts a new project. Sorta bird house cooper-

FT & BA Note

fast members of our FT & BA pire were rationed by London the use of sea gulls which clean assumented to but I a but Australia, for instance, could the crops and probably develop- to a friend chicken feed and not buy from the USA unless ed the fattest crop of sea gulls. calls it a "transition period" from post-war inflation.

It is hard to see how increasing production, of which there is a surplus already, will help unless the markets for this production is found—and the only market in sight is that provided by loans or gifts abroad and subsidies at home. The cost of production is due largely to high wages.

Among the president's recommendations is an increase more liberal rules for carryover of corporation losses; an improved program of farm income supports as advocated by Brennan, the boosting of minimum wages to at least 75 cents an hour with broader coverage but increasing production, of which there is a surplus already, will help unless the markets for which will destroy the incentive for work.

ed the fattest crop of sea gulls an accident. We haven't been an accident. We haven't been the fattest crop of sea gulls in history. So much did the Mormons think of this saving visitation they erected a statue to the seagull which may be seen to the seagull which may be seen to they erected a statue to the seagull which may be seen to they even they even of this day. Our old friend the Riverdale sage thinks that may be his seagull visitors are on some errand of mercy but we middle. Now he has them over were appealing for financial to be scarified, or something, and resealed. One version was cated by Brennan, the boosting of minimum wages to at least 75 cents an hour with broader coverage but increasing the amount of unemployment compensation to \$30 for 26 weeks, which will destroy the incentive for work. ed the fattest crop of sea gulls an accident. We haven't been fic is being held up pending

> with more different kinds of picked up on the courthouse now poured an average of a birds this year than at any time under the nose of the sheriff's tain since the end of the war. he can remember. In fact, while office.

Small stack of poker chips other aid, the United States has

A Gal Who Made Good In a World for Men

By HAL BOYLE

New York (49)-Mildred Gainey laughs when she hears members of her sex complain about prejudice against women in industry.

amuse Because plaints her. in two years, starting from nothing, she in has built up a \$250,000 busi-ness. And she did it in a man's field—the construction indus-

"Being a wo-

She founded her business-Gainey's construction newsletter_at the age of 47 Today throughout New England.

"We serve as a kind of information center for the construc-

school she went to work in the office of a Boston publication specializing in regional industry news. When it was sold in 1945 to a nation-wide firm Miss Gainey—in private life Mrs. James William Reardon—decided it was time to retire.

"But I quickly became bored," she said. "I had too much time on my hands. I didn't know what to do with myself. And old customers of the firm it. I worked for kept phoning and urging me to go into business women in industry? for myself. So I decided to try."

keep a day-to-day check on the

contractors, sub contractors, equipment firms, railroads, furniture dealers, insurance companies — all get customer tips from her bulletins.

A long acquaintance with hundreds of persons in the con-struction field is one of Miss Gainey's chief advantages.

as she knows, she is the only woman editor of a construction publication in this country.

"Some people say it's an odd field for a woman to be in," she said, "but I don't feel that way. I feel at home in it."

She has been in the field for 3 years.

After graduating from high school she went to work in the state of the struction field is one of Miss Gainey's chief advantages.

"Whenever we know of a specific project anyone is interested in, we give him a personal call," she said. As soon as bids are asked on a building project, she gets the plans and specifications and keeps them on file in her of school she went to work in the state of the file of the showed his naked to pension it off.

This is a crude way of putting of slash wages, because our econstruction, reduce employment or slash wages, because our econstant of the s fice. Subscribers who want to

"There is a boom ahead in

A pleasant, blue-eyed woman of 49, Miss Gainey still does all her own housework—and likes What is the biggest asset of

"Friendliness," she said, "That She began in April, 1947, with will overcome any handicap."

WASHINGTON MERRY-GO-ROUND

Europe's Currencies Reach Crisis Stage

By DREW PEARSON Washington—Here are some things to remember about the British monetary maneuverings which amiable Secretary of the Treasury John Snyder is trying to straighten out.

The story goes back to war days, but can be summarized chap-

ter by chapter.

1-Bretton Woods: have North Africa

could not go back to normal free-trade rela-tions after the ain mus. its wits, w ain must live by put across the same

across the same out-throat bar-ter agreements such as negotiated by Hitler (and as now sign-

ed with Argentina).

Roosevelt and Morgenthau urged that there was not much this by devaluing the pound. defeating Hitler if the allies were to adopt his methods afterward, and the British finally you can't compete with another came around to the idea of let- country's goods, you have to cut ting trade take its normal chan- costs by cutting both wages and -provided they got a loan profits.

he has numerous bird houses loan, and statements made by strewn around in strategic positions, there's a housing short a grant were denied. However, age out there. No sooner does it is now conceded that the one pair of birdies raise a familiary of the state of the

project. Sorta bird house co-ative association, as it were, and an arrangement, necessary all moving along in a friendly ing the war, by which British colonies and dominions sent their dollars to London, and FT & BA Note control of their dollars to London, and were then permitted to spend only such dollars as London dictated. In other words, all dollars, one of the sturdy and stead lar purchases in the British em-

neath heaving them out and busting them. At any rate, traf-plan was worked out, and under it Britain receives the largest grant of all countries. Adding up the Marshall plan, the loan, and

> Chapter 4—The Current Cris-: Despite the Marshall plan and the British loan, plus other interim relief, the British are still just as badly off. This also goes for many other western European countries.

As a result, Sir Stafford Cripps now threatens to do what Britain promised not to do under the loan agreement—once again restore the sterling-dollar pool. In fact, he has already abolished further purchases from the USA.

gress, they blame the British tection will not threaten their crisis on the labor government solvency. He said that "al-and socialism. This ignores the though unemployment has no fact that other western Euro- risen to the dangerous levels pean countries are likewise bad- which would call for all-out ly off, also that Britain has made emergency measures," the govmore heroic economies than ernment must take some action.

public building and highway also affluent at one time from recognize clearly that the ob-construction," she said. also affluent at one time from recognize clearly that the ob-milking Asia, but now in des-jective of farm support prices is extent, the French, who still farm income and promote shifts

At the Bretton Woods monetary conference in 1944, Lord Beaverbrook and Winston Churchill argued that Britain could not go with no commensurate rise in production. So we make up the difference by pumping Marshall plan money into Europe every

> Result-Today American and Canadian manufactured goods can outsell British goods almost anyplace. Our labor produces more: our methods of manufacture are more modern.

> Snyder's Remedy - Amiable John Snyder would remedy all This is only another way ducing wages and profits. When

om the USA. Politically, cutting wages is Chapter 2—British Loan: In difficult. So devaluing the 1946, Britain got a post-war \$3,- pound accomplishes the same 750,000,000 loan from the USA, thing less painfully without let-This was officially considered a ting British labor know it. In the end, of course, British labor has to foot part of the bill, because the pound buys less and

will never be repaid.

One condition of the loan was that Britain would abandon her "sterling-dollar pool." This was an arrangement, necessary due ing the results of the r

DANGER OF A DEPRESSION?

Briefly, Here Is Truman's View of Economic Health

Washington, July 11. U.B .- President Truman today reviewed, explored and prescribed for the nation's economic health. In the main, he found it good, even if in a decline. But he said there are hidden dangers of a depression. Here, briefly, is the president's diagnosis and his recommenda-

TAXES: No general tax in- in lines of agricultural produc-The cut made last year in estate and gift taxes should be resumption of farm products."

The cut made last year in estate crease in the total domestic conhighly organized and under strong leftist influence—the and gift taxes should be restored. The three per cent sumption of farm products." strong leftist inf railway and con transportation tax on goods SOCIAL SECURITY: Raise workers. If it was should be ended. The loss the benefits in the old age and trouble, it found it. should be ended. The loss carry-over provision in corporate income tax laws should be liberalized. At present corporate losses on operation can be applied two years back and two years forward. "No changes in the tax laws which would result in a larger net loss in revsult in a larger ne

PRICES: Businessmen raintain production and sales volume by cutting prices, "even at the cost of temporarily reduced profits. Maintaining Coupled with private construction, he said this should "maintain the construction and the construction are said this should maintain the construction and the construction are said this should maintain the construction and the construction are said the said this should maintain the construction are said the said this should maintain the construction are said the said this should maintain the construction are said the said this should maintain the construction and sales to construct the said this said duced profits. Maintaining Coupled with private construc-volume in the present situation tion, he said this should "main-ties far more important than main-taining profit margins."

WAGES: Management should strengthen the whole economy."

chine, a typewriter and an office cubicle.

"I wasn't worried about competing with big business," she said. "I figured my service would sell wider if it were cheaper, so I cut the cost of my newsletter to about one third the price charged by my competor. And from the start I concentrated on giving my customers personalized service."

Now she has an office staff of 35 full time employees and 75 full time employees and 75 full time employees and 75 for expendents.

Cripps has also done what Beaverbrook and Churchill promote deteral budget."

UNEMPLOYMENT: Minimum tederal-state unemploy of the call of 15 cents.

UNEMPLOYMENT: Minimum tederal-state unemploy of the call of 15 cents.

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Unemployment: Market unemployed G.I.'s be continued to 15 cents.

Solution of the day—the police.

After Gen. MacArthur wonders to the continued to 15 cents.

Week for 52 weeks benefit for unemployed G.I.'s be continued to 15 cents.

What all this boils down to 15 the trust accounts of the call of 15 cents.

What all this boils down to 15 the trust unemployed G.I.'s be continued to 15 cents.

Week for 52 weeks done fit of 15 to 16 cents.

Week for 52 weeks done fit of 15 cents.

What all this boils down to 15 the trust unemployed G.I.'s be continued to 15 cents.

Week fo Now she has an office staff of reasonable degree of efficiency. estimated for those states meeting the minimum standards to ing the minimum standards to Facts in the Case - In con- insure that the increased

It also ignores the fundamen- a transition period, in which we tal trouble with England and must work toward conditions western Europe generally, that will promote a more stable namely, that it is eating more and enduring growth in producthan it is producing; that it has tion, employment and purchas-too high a standard of living for ing power." "To restrict busi-its wealth, and that it has tion, employment and purchas-prizefighter in "the set-up. its wealth; and that it expects us ness investment, curtail produc-

ple in those colonies lived just above the starvation level, while tary of Agriculture Charles F. "Heck, I'm no tarzan," he "Proof of the fact that Holly-the British empire wore ermine. Brannan's agriculture plan. It says, adding with a canny eye wood men are in good shape," but with a social revolution in would authorize direct production to business, "but if that's what he added, "is the fact that many but with a social revolution in would authorize direct production to business, "but if that's what he added, "is the fact that many of the 50-year-old men can still the social revolution in would authorize direct production to business, "but if that's what he added, "is the fact that Holly-want. I'll give it to 'em." above the starvation level, while tary of Agriculture Charles F, the British empire wore ermine. Brannan's agriculture plan. It Miss Gainey, whose business is increasing steadily, is optimistic about the future.

Asia, the British have to live tion payments to farmers on their own crowded island, certain goods to make up the with little help from the grown-difference between support with little help from the grown-difference between support up and independent dominions, prices and those received on the The same is true of the Dutch, open market. "It is desirable to perate straits; and, to a lesser to maintain an adequate level of

Claims Title of Oldest Baby Sitter

St. Louis W.B .- Mrs. Johannah Joeckel, 86, claims title to the oldest professional baby sitter in the area. "I wouldn't be satisfied just sitting around doing nothing," she says, although her job sometimes keeps her out until 2 a.m.

BY GUILD

Wizard of Odds



MacKENZIE'S COLUMN

Japan Looks Like Prime Commie Target

By JAMES D. WHITE As the cold war moves in on the American occupation of Japan,

one of the first big problems is this:

Are the Japanese police going to indulge in some good oldfashioned terror before com-

munist agitation is dealt with? This means more workers than jobs. It means too many people working for the government. It

For instance, one root of the means a government afraid to problem is the fact that there fire them. are too many people in Japan.

ed to other needy persons.

PUBLIC WORKS: A \$9,000,-

The government also has a lot of pre-war politicians in it, like Premier Yoshida. His cabnet, and those of earlier postwar premiers, have been told many times to cut expenses, to run a more efficient administration.

Last winter occupation officials got specific. They said "balance the budget."

The government also has a

The government stalled. Finally it was told to weed out some of the deadwood among its own It turned to the bloc of gov-

railway and communications workers. If it was looking for

enues would be justified at this ommendation that aid to the custom so that appropriations needy aged and blind be extend- for government departments can for government be kept high.

Naturally, there was trouble with the workers, with the communists egging them on.

Right in the middle, Russis suddenly decided to return thousands of Japanese prison-

Perfect Hollywood Man Put Together by Ryan

Hollywood sun—male cheesecake.

Ever since Mack Sennett's bathing girls, Hollywood cheesecake

has sold like—well, cheesecake. Now it is getting another gender, reports Robert Ryan. The actor discovered this was his first postwar film in which he showed his naked chest. Since then a vast amount Hayden.

Lee before the shutters click. All Rooney.

they want, I'll give it to 'em.'

cake trend might come from a Roses," recalled the controversy belief that male stars wear a decade ago over whether Rob-

"I think the public has an "That's no test of ruggedness," idea we're blown up with air," said Ryan, who has a fair-sized he said. "Actually, film actors stubble on his chest. "The have better builds than the avergreatest specimen of a man I

To prove his theory, Ryan of- was hairless." of the community:

Shoulders—Alan Ladd. Chest—Kirk Douglas. Arms—Robert Mitchum. Midsection and hips—Sterling

Legs—Errol Flynn. Ryan mentioned others with

good all-around shapes: Bill Wil-liams, Vic Mature, Donald been O'Connor, Guy Madison, and in the small, handy-size, Mickey

pass the cheesecake test."

Ryan, who is now playing a

Ryan hinted the male cheese- fully-clothed role in "Bed of ert Taylor had hair on his chest.

age American male. They have ever saw was Max Baer in his to; it's part of their business." fighting prime. And his chest

fered the perfect Hollywood But some film stars take no male, composed of the best parts chances. There is still a market here for chest toupees.

not cut wages in order to reduce prices. "Business cannot be prosperous unless the purchasing power of the worker is maintained." The present 40-cent hourly minimum wage should be raised to 75 cents.

UNEMPLOYMENT: Minimum federal-state unemployment

By BOB THOMAS Hollywood, July 11 (49)—Here's the newest thing under the