

SCANNING THE WEEK'S NEWS of Main Street and the World

Johnston Urges Strong Price Laws; Price War Confined to Large Cities

BUSINESS AS USUAL—For some time the home towners has been uneasy over the nation's economic outlook. Headlines in the last few days haven't helped his uneasiness any.

Economic Stabilizer Eric Johnston's charge that the nation is sitting on an "economic time bomb" that may explode into runaway inflation next fall, unless congress keeps a strong program on the law books, caused considerable comment and worry.

Noted for speaking his mind, Johnston said that "business as usual" has an ominous ring to me at a time when men are dying in battle in Korea for a free way of life.

He added that the consumer, the housewife, is not going to be the forgotten American if I can help it.

Shortly before making these statements Johnston proposed a new wage formula pegging pay ceiling to living costs and permitting for millions of workers an immediate boost ranging up to 12 1/2 per cent above the levels of January, 1950.

The belief is becoming more universal that the government must take a firmer stand and congress must enact stricter laws governing prices and wages.

The threat to the nation today is as great from the inside as from the outside.

SWEET MUSIC—And while home towners tried to understand statements from Washington on the economic situation, the average small town resident read of reports from New York, Oklahoma City, and Atlanta of red-hot price cutting wars following the supreme court fair trade decision with a feeling of awe and incredulity.

To many it was like sweet music of yesterday.

Tens of thousands of gleeful shoppers—men and women—rushed wildly through New York bargain basements in search for nationally advertised goods that had been marked down, some of it as much as 40 per cent.

Small electrical appliances, summer-weight suits, cosmetic items, best-selling novels, sheets, pillow cases, nylon hose and girdles were marked down again and again. It was a consumer's paradise.

Home towners then took a quick look at their local newspapers in the hope that Main Street merchants had some new bargains. Most of them, however, were disappointed. The big city price-war had not yet reached the home town level.

And economists reported it was not likely to.

Most retail organizations predicted the New York price-war would level off quickly, with prices from 8 to 15 per cent below the former fixed-price levels.

Trade sources, also, pointed out that the price-war was not likely to spread because most home town merchants signed fair trade contracts.

On top of this, consumer goods may become tighter as the summer progresses and defense needs begin to eat into present backlogs.

HOW CLOSE TO WAR?—The man on Main Street, who never knows all the facts, received a shock that sent a shiver of fear down his back as the MacArthur hearing continued in Washington.

The shock was delivered by Adm. Forrest Sherman who told senators that the U.S. government so feared a world war last December that its field commanders were ordered by the high command to "increase their readiness" and the Mediterranean fleet went to sea.

Sherman said the orders were issued after MacArthur told the joint chiefs of staff that the U.N. should accept an armistice in Korea "on the best terms available" and the army would have to quit Korea unless the war could be carried against Red China.

Sherman's testimony before the armed services and foreign relations committees again impressed the average American with the fact this nation barely escaped World War III in recent months.

Many are wondering how close to war we are today?

RURAL BANK DEPOSITS UP—Rural banks, largely farmer-owned and reflecting farmer finances, have shown amazing increases in deposits during the past 10 years, a recent survey of seven states revealed.

One bank, in an Illinois town of less than 400 population, increased its bank deposits from \$168,000 in 1940 to \$3,480,000, more than 20 times as much.

In the same 10 years, its population dropped from 500 to 359. Country banks, generally, in the seven-state midwest survey area, showed deposits rose from three to 20 times, many of them 10 times, in the 10-year period.

The survey was conducted in Indiana, Illinois, Iowa, Nebraska, Wisconsin, Minnesota and Missouri. All of the towns had less than 600 population.

PEACE RUMORS CONTINUE—Rumors of peace in Korea continued to circulate in many world capitals although they were denied by high government officials. The move, if any is made, apparently will come from the United Nations side.

Some reports indicate the United States might be willing to halt the fighting at the 38th parallel provided it was a "real" settlement with assurances of no further Red aggression.

Observers in the far east, however, were skeptical that any peace feelers will come from Peking. They might come from Moscow. Communist China might be thoroughly licked, but they could simply call its "volunteers" back behind the Yaluz river boundary and sit and lose little face.

SAME AS REFUSAL—The Russians now say they are willing to hold a foreign ministers' meeting if the ministers would discuss the North Atlantic pact and U. S. bases in Europe.

The Soviet note with the big "if" was sent to the U.S. after 3 weeks of meetings in Paris by deputy foreign ministers of U. S., France, Britain and Russia.

According to western diplomats the Russian note amounts to the same thing as refusal to attend a foreign ministers' meeting. The U.S. has told the Russians many times they would not discuss the North Atlantic pact. The new Soviet line is that U.S. bases in Europe are "the essential cause of the worsening of relations between the U.S.S.R. and the three powers."



WALTER SHEARD, WND Correspondent

Important Court Ruling

RETAILERS and small business firms throughout the country are vitally interested in repercussions of the recent U.S. supreme court decision which ruled that non-signers of state fair trade compacts are not subject to provision of the several state fair trade acts.

It is no secret, according to business executives, that the only excuse for these fair trade acts was to keep prices of merchandise up and uniform. The supreme court decision knocks this practice into a cocked hat insofar as those merchants who are non-signers are concerned.

As a matter of fact, the office of price stabilization in a recent ruling permitted merchants who were caught selling a product below prices set under a state freeze the base price of the general freeze order, to raise their prices to those allowed, despite OPS ceiling prices.

The supreme court's decision, however, killed this OPS ruling if the merchant is a non-signer and wants to sell below the fixed minimum.

Also, the decision may have far-reaching implications on future OPS orders. Although the ruling has not thus far been enforced, recent OPS regulations provide for uniform pricing of all branded items. OPS is now studying the court ruling and its applicability to its pricing formula, particularly with reference to branded products.

Already some of the nation's largest stores have announced a decision to slash prices, some as much as 6 per cent, as a result of the supreme court ruling.

Compromise Draft Law

At long last a compromise approval has been given to the new draft law. It keeps selective service on the statute books until July 1, 1955, and fixes the minimum draft age at 18 1/2 years. The compromise also ends the deadlock on universal military training by laying a foundation for installation of the training after the end of the Korean emergency, but not, however, until the congress has had a second long look at the program before putting any UMT into effect.

Critical Industry

The agricultural industry has been termed an essential or critical industry, subject to deferment of draftees as is any other critical industry. Such deferment, however, is left to the judgment of the local draft boards, who must decide among other things that the young farmer must be producing a substantial quantity of agricultural produce for market; that his services on the farm cannot be replaced; or that his removal would cause undue hardship and would not be in the best interest of the military or defense program.

CEA Petition Pigeonholed

Like a young David out of the west tackling the Goliaths of its industry, California Eastern Airlines came to Washington recently all set to make a big splash in the big pond. This non-scheduled freight carrier had filed a petition with the civil aeronautics board to establish regularly scheduled passenger coach service between California and the east coast at a tariff of something like \$100 under that of the regularly scheduled lines. It announced it would fly newsmen from Washington to the west coast and back to show off its coach service, a performance which was canceled the day before the scheduled take-off. Its officials threw a big cocktail party at one of Washington's swank hotels for newsmen and others, among them senators and congressmen, the result of which has been that the CEA petition before the CAB has been pigeonholed and likely will remain so. The big airlines objected.

A Fair Hearing

Sen. Richard B. Russell of Georgia, Dixiecrat champion and fair deal baiter on civil rights, has risen in stature since he became chairman of the joint senate armed services and foreign relations committees' investigating the MacArthur ouster. He has been eminently fair, has played down sensationalism, vetoed movie and television shows in his committee, and has done a real fact-finding job with such searching interrogation of witnesses that he has won the respect of even the most ardent MacArthur supporters.

Appropriation Slashed

Did you think that civil defense against possible atomic warfare is important? Congress slashed the requested appropriation of the civil defense administration from \$403,000,500 to only \$31,750,000. Said former Gov. Millard Caldwell of Florida, CDA administrator: "I have faith that in time—and I hope that the time is not too late—the congress will recognize that an informed public is a full co-partner with the military forces."



ONE-STOP NORWAY TO NEW YORK FLYER . . . Captain Charles F. Blair, Jr., who ended a one-stop Norway-to-New York flight, traveling by the way of the North Pole and Alaska, is greeted in New York by his son, Christopher, one year old, and his wife, Janice, following his arrival without mishap at the International airport. Captain Blair's solo flight over the North Pole was the first such flight to be made in a single engine aircraft. The flyer is an employee of an airline. He claims that passenger service to Northern Europe is very possible using the route that he just traversed.



STUDENTS TAKE DEFERMENT TESTS . . . Some of the more than 175,000 college students who are scheduled to take the new tests for deferment from the draft at more than a thousand centers throughout the United States are shown in this general view at Columbia University in New York City just prior to the tests. The new examination will determine whether these students will be granted deferments from the draft under the government's new program to postpone the induction of college men who have special talents or who have made high scholastic marks in their chosen courses in the universities of the nation.



LIVING DEAD . . . Bonny Coby, 2, appears to be stranded as she stands alone on a deserted street in Utica, N. Y., during simulated atom bomb attack. The city was described as devastated with casualties heavy in the attack. Many residents failed to take cover and were described as "living dead." Make-believe enemy planes roared over the city and dropped the "atom bomb" 13 minutes before the red alert was sounded in Utica's industrial heart.



CHANGES BILLING . . . Dawlath Soliman, Cairo nightclub dancer, drew protest from Egyptian consul when she danced in Germany as King Farouk's "favorite dancer." She changed bill to read: "Dawlath Soliman—she enthused the king."



JOINS UNITED CEREBRAL PALSY TEAM . . . Joe Louis receives the United Cerebral palsy home run baseball bank as he attends a Dodgers-Braves game at Ebbets field. The baseball bank, symbol of the drive to help more than 200,000 children suffering from cerebral palsy, was presented to the former heavyweight boxing champ by Karl Van Meter (center), executive director, United Cerebral Palsy, and Melvin Ritter, chairman of the junior division in Massachusetts.



MRS. BING HOME . . . Mrs. Bing Crosby, formerly Dixie Lee of the films, boards an airliner at LaGuardia Field, N. Y., for flight to her California home after a vacation in Europe. This is one of the rare times Mrs. Crosby has posed.



Economic Stabilizer Johnston

"damn the consumer and full pockets ahead."

Price-War Shoppers

It's not likely to happen in the home towns. (See story above.)

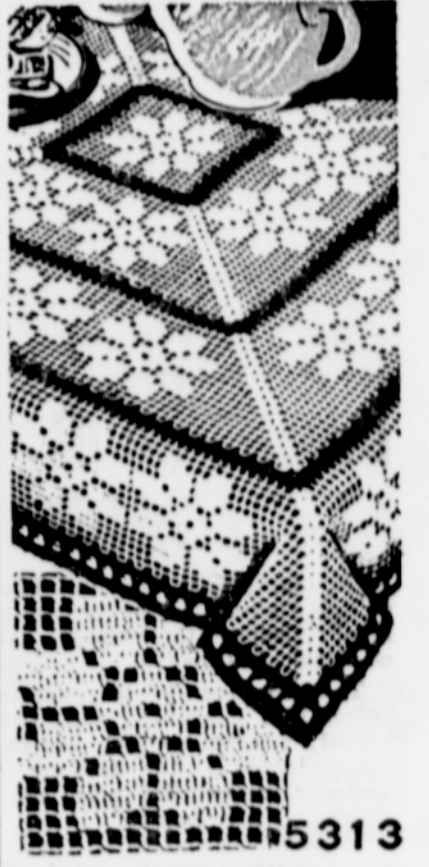
BIGGEST CATALOG EVER

Sears, Roebuck Mails Largest Catalog

Home towners and rural families who have for years received the Sears, Roebuck catalog will soon get the new edition. It is the biggest sale catalog the firm has ever published, containing 404 pages. A year ago, the corresponding sales book contained 294 pages. Hundreds of items, ranging from wading pools to wire records are offered at knock-down prices.

Notable by their absence from the current catalog are certain appliances that were featured a year ago. The sales book at that time contained refrigerators and washing machines at special prices. This year they aren't listed. Automobile tires are also missing from this year's catalog; a year ago they were offered less than the regular prices.

Tea Cloth



5313

Crochet Cloth

A fast moving filet crocheted tea cloth that's certain to please every woman who wields a crochet hook. Wide bands of white are joined together and edged with bright green cotton.

Pattern Envelope No. 5313 contains complete crocheting instructions and attach illustration for "Mie-a-Minute" cloth.

It's filled with ideas for nimble fingers—the Anne (about 1800) is only 23 cents, contains dozens of crocheting, knitting, embroidery designs. Send today for your copy.

Form for Sewing Circle Needlework, including fields for Name, Street Address or P.O. Box No., City, and State.

Keep Posted on Values By Reading the Ads



NO CONSTIPATION FOR 25 YEARS

"My husband introduced me to ALL-BRAN shortly after we were married. I use it in my cooking as well as for breakfast. The result: we're regular as clockwork!" Mrs. Antonina Graziano, 453 Garfield Ave., Jersey City, N. J. One of many unsolicited letters from ALL-BRAN users. If you suffer from constipation due to lack of dietary bulk, eat an ounce (about 1/2 cup) of crispy Kellogg's ALL-BRAN daily, drink plenty of water. If not satisfied after 10 days, return empty box to Kellogg's, Battle Creek, Mich. GET DOUBLE YOUR MONEY BACK!

HERE'S HOW TO ENJOY BAKING



A pleasure to bake, and a joy to serve . . . that's the kind of baking you can depend upon with confidence whenever you bake with Clabber Girl Baking Powder. Doubly sure, in the mixing bowl, in the oven, Clabber Girl's balanced double action is the home baker's stand-by.

CLABBER GIRL THE BAKING POWDER WITH THE Balanced DOUBLE ACTION