

# USE OF TAX POWER SEEN AS CONTROL IN BOOM OR CRASH

### Secretary Wallace Says Govt. Must Act As Policeman, Coordinator, Clearing House, Stimulator

WASHINGTON, May 12.—(AP)—The federal government, Secretary Wallace said recently, must use its taxing power in the next few years in an effort to control another boom and depression.

"A new science of government is in the making," he declared, "the broad outlines of which are just appearing." The farm spokesman in President Roosevelt's cabinet declared the government's place in the future would be "partly a policeman, partly a coordinator, partly a clearing house and partly a stimulator."

Every Ten Years  
"There seems to be a tendency for a boom and crash to come about once every ten years," Wallace said. "If 1919 produced 1921 and 1929 produced a 1932, we can not help from looking to the possibilities of a 1939 producing a 1942." \* \* \*

"There are indications that organized business, labor and agriculture, left to themselves, may produce a situation some time during the next 10 years which might bring about some time in the 1940's a repetition of that which we experienced in 1921 and the early 1930's."

The secretary said many economists believed the national income would climb to "at least 80 billion dollars" by 1940, unless a catastrophic war interrupted.

National income last year was about 60 billions, compared with a depression low of about 45 billions and the 1929 peak of about 79 billions.

Sees 1940 Surplus  
If the 1940 forecast is realized, Wallace said, present federal tax rates will produce income exceeding governmental expenditures and "there will be a surplus which can be applied on the debt."

The secretary said that many corporations and private individuals would make large profits and have large savings in the next few years. In the past, he said, large savings usually have resulted in unwise spending and speculation which in turn caused a depression.

"In short," he said, "an unusual pickup in corporate and personal sav-

ings is likely to be followed by a business recession."  
Wallace said the government could increase taxes in the period of big profits and savings and have the money thus produced to pass out in times of depression. The increases, he declared, should be made great enough to prevent savings reaching the point at which unwise speculation would begin.

### Defends Relief Spending

He remarked that many persons were worried about the outpouring of billions of dollars "for such activities as WPA, PWA, AAA and resettlement."

He declared, however, that funds from such activities found their way chiefly to persons who had little or no income in depression times, and so acted as an economic stabilizer.

Wallace said there was little chance for halting government expenditures for relief and similar activities. These extraordinary expenditures," he said, "will be with us for a long time in the future but the volume may vary considerably according to the stages of the business cycle."

## 4 Saved, 1 Lost In Navy Plane Crash

WASHINGTON, May 12.—(AP)—The navy announced today that one man was missing and believed to have been killed in the crash of a patrol plane 135 miles northeast of Coco Solo, Canal Zone, today.

The commanding officer of the Coco Solo air base said the four other members of the crew were rescued by another naval plane and were being returned there.

Names of the five persons aboard the plane were not immediately available.

## HIGH RENT MAY CAUSE AUTO WORKERS STRIKE

PONTIAC, Mich., May 12.—(AP)—A sit-down strike against rent levels in Pontiac was threatened today by a committee of the United Automobile Workers of America.

The committee announced that unless rents are reduced by June 1, members of the union would cease paying landlords and "sit down" in their rented houses.

## LEGS BROKEN IN FALL UNDER HUGE TRACTOR

PRINEVILLE, May 12.—(AP)—W. Earl Lytle of Prineville suffered a crushed left leg and a broken right leg when he fell under a huge tractor on the Ochoco highway construction job east of here.

He was rushed to a Portland hospital.

Lytle worked for McNutt Bros., contractors, on the new state road around the Ochoco reservoir.

A remnant of the fort which George Washington asked the British to build 173 years ago to protect the western frontier still stands in the shadows of Pittsburgh, Pa., skyscrapers.

# SCREEN IS USED FOR TELEVISION WITH NEW TUBE

### Picture Has Brightness Equal to Home Movies—Scientists Say Tube Is Distinct Advancement

By C. E. Butterfield (Associated Press Radio Editor)  
NEW YORK, May 12.—(AP)—Television on a screen—images 18 by 24 inches square produced by a newly developed cathode ray tube—was demonstrated to the silver anniversary convention of the Institute of Radio Engineers here today.

The picture has a brightness equal to that of home movies. By increasing the distance from the screen it is possible to obtain one as large as three by four feet good enough to be viewed by an audience of several hundred.

### Enlargement Simple

Enlargement is obtained through a simple optical system placed before the fluorescent end of the tube, where the original picture appears at the small size of 1 1/2 by 2 1/4 inches.

Details of the new tube, which is the result of several years research in the laboratories of the Radio Cor-

poration of America, were outlined in papers written by Dr. W. H. Zwoykin, W. H. Painter and Dr. R. R. Law, the men directly concerned with its design.

It is the outgrowth of the "kinescope," the television receiving tube that paints images on its flat end but does not project them. The largest "kinescope" to date with a viewing end 15 inches in diameter, permits pictures approximately 9 by 12 inches.

### Not Yet Perfect

While the projection tube is regarded in scientific circles as a distinct advancement, Dr. Law said it had not yet reached the stage where it can be used outside the laboratory.

The tube, 18 inches in length but much smaller in diameter at the largest end than the "kinescope," has as its principal feature a new type of "electron gun" developed by Dr. Law and his associates. The "gun" which focuses the flying electrons, had to be designed to produce an extremely slender beam yet have brilliancy enough for projection.

The demonstration, part of an entire afternoon devoted to a television symposium, was planned to include a showing to the visiting engineers of the field-test 441-line pictures produced by the RCA-NBS station on the Empire State building from the Radio City studios.

Illuminating tests by Harley Iams, R. B. James and W. H. Hickok, also of the RCA laboratories, led them to conclude in another paper that outdoor television pickups of football games were less likely to be satisfactory than parades and races. This, they held, was due to the time of day and the lateness of the season.

In the measurement and recording of the brightness of scenes typical for television they also found that

present equipment was sufficiently responsive for baseball.

# RARE SAND CRYSTALS COMING FOR CHAMBER EXHIBIT OF MINERALS

A letter today from Gov. Philip LaFollette of Wisconsin promised a contribution to the Jackson County Chamber of Commerce all-state exhibit of gems and minerals.

At the same time a letter was received from Gordon Stout, secretary of the department of agriculture, South Dakota, who stated that rare specimens of sand crystals were being sent for the display.

Governor LaFollette's letter said: "Thank you for sending me a membership card to the Southern Oregon Gem and Mineral society."

"I am quite in accord with your desire to assemble an exhibit in which every state in the Union will be represented. I am asking Professor Ernest F. Bean, state geologist, to make an appropriate selection and send it to you."

Mr. Stout's letter said: "Under separate cover you should receive two samples of sand crystals which, in behalf of Gov. Leslie Jensen, we are happy to contribute to you for your

window display of Friendship Exhibits.

"It was our idea that these sand crystals would be something original as there is only one place in the United States that they can be obtained. That is in the Bad Lands of South Dakota near Hattiesburg Butte in Washburn county."

"We appreciate this opportunity to be of service to you and hope that our efforts meet with your approval."

### Dies in Auto

PORTLAND, Ore., May 12.—(AP)—The coroner's office said Lawrence Chantler, 56, Milwaukee, was found dead in his automobile on Powell boulevard. Chantler had been out to drive off the highway and stop his machine before he died. Death was attributed to a stroke.

### Average Wage Low

LONDON.—(UP) The average weekly wage of nearly 2,000,000 British

factory workers is \$10.75, a census compiled by the ministry of labor shows. The inquiry also revealed that, although wages have risen since the crisis in 1931, millions of workers receive only a few cents a day more.

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Girls' White Empire Sandals .....1.98  
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