

CHAMBER REVIEWS BUSIEST YEAR

AID TO MILITARY IS MAIN ITEM ON ACTIVITY LEDGER

Coming of Camp White, Expansion of Airport, Housing Efforts Take Attention

Winding up one of the busiest years ever experienced, the Medford Chamber of Commerce has compiled a summary of the past 12 months under the direction of Frank Hull, manager. In a report to the president, Karl Janouch, Mr. Hull reviews the year's activities in relation to Camp White, the Medford airport, the local housing situation, agriculture and other projects.

Pertaining to the cantonment report states: "The cantonment represents an expenditure of approximately \$30,000,000 and has a continuing expenditure in the quartermaster's department alone, of some \$3,000,000 a year. The Chamber of Commerce took the leading part in acquisition of this army camp and is constantly in touch with officials at the camp, and will be as long as this conflict exists. Some of the contacts are of a very serious nature and important to the well being of this community. The Chamber of Commerce is the natural channel through which these activities are guided."

Airport Big Asset
Discussing the airport the report states: "This project is considered one of the finest assets of Jackson County. The Chamber of Commerce has consistently worked toward its improvement and enlargement in every way. In fact, it could practically be said that something is done about the airport daily."

"Its future benefits to this community are unbelievable unless one has analyzed what air traffic means to a community. It has been advocated by several influential citizens that our airport should be consolidated into a Jackson county project instead of its present status as a city of Medford project. Over \$1,850,000 has been spent on this airport to date."

Housing Hope
Reporting on the local housing situation the summary states: "The Housing Authority, created by the city and the Chamber of Commerce, has recently had approved a 125-unit temporary housing project. This project should be under construction in a very short time and will relieve some of the present congestion."

"In the past the Chamber of Commerce has continuously assisted in the procurement of priorities, handling of correspondence and the arrangement of contacts with the proper authorities on all of the housing, both permanent and temporary. Obviously we will continue to do so."

Help In Housing
"We have actually housed over 1,500 military personnel and their wives since July 20, and are continuing to handle anywhere from ten to 25 daily. We feel that our relations with the military personnel of Camp White are pleasant and conducive of benefits to this community."

"The Chamber of Commerce represents the acting contact of several of the federal agencies in operation in the community, such as the Rationing Board, the Office of Defense Transportation, Rent Control Office, Recreation and Civilian Protection. Under civilian protection there is a great deal of detail, and dissemination of needful information being passed on to the citizens of this community daily."

"The Chamber of Commerce last year secured single-handed the large federal shops located as the fair grounds. These are a permanent asset to the community." The shops, originally constructed for the CCC camps in this area, have been taken over by the army and employ many men at the present.

Aid Given Many
"The Chamber of Commerce is continuously active in running down and getting information of benefit to not only its own business members, but for the benefit of all business, including professional, in the community."

"In agriculture, while it is difficult to list any tangible result, the Chamber of Commerce believes it has been of value this last year. Acquisition of all of the projects listed above directly benefits agriculture in the consumption of its products. The Chamber handles between two and three hundred inquiries by communication, monthly. We also continuously serve citizens of this community with various forms of information, advice where feasible, as

Babson Gives Outlook for 1943; Sees Gain in Defense Production Sharp Drop in Non-Defense Lines

THUMBNAILED OUTLOOK FOR 1943

1. **TOTAL BUSINESS:** Defense production will be up sharply (plus 50%); non-defense down sharply (minus 33%), accompanied by a drastic standardization of products.
2. **EMPLOYMENT:** The above also applies to employment. If we do not include the armed forces.
3. **FARM INCOME:** Will be up 5% in 1943 over 1942.
4. **DIVIDENDS AND BUSINESS EARNINGS:** Have passed their peaks and will be lower in 1943 than in 1942.
5. **LABOR:** There will be practically no strikes until the end of the war and wages will gradually become stabilized.
6. **COMMODITY PRICES:** Will strengthen somewhat, especially the prices of manufactured goods. Commodity price indexes will indicate far less than the actual advance.
7. **TAXES:** Will be felt severely, especially by the white-collar group who can expect no pay increases.
8. **RETAIL TRADE:** Will be 12% off in physical volume in 1943 compared with 1942.
9. **HIGH-GRADE BONDS:** Should decline, but good stocks should sell higher.
10. **CREeping INFLATION:** Will continue throughout 1943.

Babson Park, Mass., Dec. 31.—Events are moving at breathtaking speed. Never before has the world been in the midst of such a far-reaching turmoil. Within the next hour news might break that will change the whole course of history. Nevertheless, it is vitally important to keep your perspective. To change your business or investment program with every piece of war news is utmost folly. A good example of this was portray when the United States opened up a second front in North Africa. That morning many thousands of self-appointed commentators were convinced that the war was going to last at least five years. Yet by midnight of that same day these same commentators could see nothing but a short war and a quick victory. Let us now, therefore, confine this outlook to probabilities.

RETAIL TRADE
The first quarter of 1943 should equal the first quarter of 1942; considering the entire year, a decline of 12 per cent is probable. Just what will happen depends on two things: first, upon the quantity of goods; and second, to what extent consumers are willing to take substitutes. Washington talks about 300,000 retailers being put out of business; but I believe this is entirely unnecessary. If landlords will be easy on rents, as sensible ones should be, practically all retailers can run on a skeleton force and keep alive until the war is over when business again should be good.

The hope of America lies not with big concerns, but with small businessmen. These small businessmen must be protected in order to preserve democracy. I go further and say that the preservation of democracy depends on small and so-called inefficient manufacturers and retailers to "clutter up" the economic situation. Large units lead ultimately to tyranny. As this is becoming recognized, I think 1943 will see some real help given the small retailers. Of course, no general forecast will apply to all parts of the country. The industrial and agricultural sections should hold up to 1942 figures; but retailers in certain other sections are bound to suffer. After paying their tax bill in 1943, the American people will have left out of their income \$36 billions more than they had after paying their taxes in 1940. City restaurants and amusements will prosper most; while filling stations, garages, lumber yards, household appliances and hardware stores will suffer most.

PRICES AND LIVING COSTS
Prices of practically all commodities are at their low with the exception of certain ones that are now imported from India, the Far East and Africa. As we are shipping loads of

assistance and direct action in hundreds of cases.
Help Organizations
The Chamber of Commerce, while not being in complete charge, has assisted in the following activities this year: the Red Cross drive, China Relief drive, Greek Relief drive, two U.S.O. drives, Community Chest and War Bond and stamp sales. Also, we handled completely the solicitation from our business men and the construction of a large public rest room on the parking lot.

The Chamber of Commerce has been continuously active in keeping before the proper authorities the necessity of highway construction through its area. It has representatives in the highway association and has carried out, up until last year, quite an extensive advertising campaign for future settlers.
To formulate a forward plan of operation under the present intensity of war is considered practically impossible. It could be considered safe to say that the work of the Chamber of Commerce in the future will parallel the past, and if it is at this time carrying a larger load than previously, that load will perhaps increase."

men and supplies to these points, ships may bring back supplies of cocoa, coffee, olive oil, dried fruits, cork, antimony, lead, manganese, hides and skins, mercury, molybdenum, zinc and other commodities. Throughout 1943 there will be a continued pressure to pierce price ceilings. These ceilings will be kept down fairly well on goods which the armed forces need.

Thus far the OPA has made no distinction between essentials and non-essentials. Not only is this a very difficult thing to do, but it is good politics to class everyone alike. The war against inflation, however, will never be won in this way. The only way to keep women from buying unnecessary clothes, for instance, is to let the prices of these clothes increase to a point where the price tag hurts. Therefore, during 1943, I forecast a reclassification of the essentials and non-essentials. Prices will be held down on the essentials, but retailers will be allowed to charge higher prices for non-essentials. There will be a little increase in living costs, but care in buying and less waste can more than offset any increases.

SECURITY PRICES
I believe that the Dow-Jones Stock Averages will go to points during 1943 higher than anything seen in 1942; also that bond yields and stock yields will tend to come closer together. This may mean a decline in the price of low-coupon, long-term bonds and an increase in the price of many stocks. This especially applies to stocks of companies which are not handicapped by cumulative preferred issues or bond issues. Remember, the London Stock Market is witnessing the highest prices it has seen for five years. Certainly, investors are sound asleep in the United States. Even the utilities begin to look better in spite of coming inflation.

The most important question for the investor during 1943 will be, "Shall I buy peace stocks or war stocks?" Of course, the safest thing is to buy peace stocks. The war stocks include airplane manufacturers, the steel, copper and other metals and machine tools; while the peace stocks include building supplies, motors, rubbers, household appliances and the stocks of other companies which are now suffering from lack of business. One sure bet is that companies that are now prospering most during the war will suffer most after the war; while companies which suffer most during the war will prosper most after the war. There are some concerns of course, such as the merchandising companies, which should do well both during and after the war. The railroads will do well during the war—but afterwards, look out!

REAL ESTATE
New building during 1943 will fall off. Government building, both of factories and cantonments, will decline while residential buildings will continue to be held down. This means that not only will the manufacturers of building supplies and contractors have a poor year in 1943 but there is liable to be more or less unemployment among carpenters, masons, painters and plasterers. The honeymoon of the building trades is over for the duration. After the war, however, building should come back with a bang although prefabricated houses may put some union labor out of business. Hence, do not sacrifice good real estate or farms during 1943. Besides, there may be legislation requiring the demolition of buildings over 75 years old.

NEW INDUSTRIES
1943 will see the greatest crop of new scientific developments that any year ever witnessed. These may revolutionize agriculture, industry and commerce even to a greater extent than the war will revolutionize governments, politics and human relations. Among the new industries I especially have in mind are synthetics for making artificial products better than the natural; plastics for

displacing metals and wood; fertilizers and photosynthesis to revolutionize agriculture; photoelectric cells to make machines think; prefabricated houses; air-conditioning; radio heating which will dispense with all radiators and oil burners; automatic typing; unwoven textiles; ultra-microscopy which will greatly help the elimination of disease. New alloys with marvelous strength and lightness; harnessing the sun, tides and winds; cosmic rays to supplement our powerhouses; atomic power; new military armaments and commercial aviation. Big profits are possible for alert businessmen and investors.

During 1943 our wives will begin to use dried eggs, dehydrated vegetables, frozen meats and other innovations. This does not mean that canned goods will be displaced, but I do forecast a revolution in connection with rubber, aluminum, plastics and use of foods. There will be more experiments in national planning with government guarantees, but with the return of the Republicans to power after this global war, we shall see less, rather than more, rationing, price fixing and regulations. Some time it will dawn upon the American voters that the government cannot give the people anything that it does not first or last take away from them. There cannot be a leveling of living standards without a lowering of living standards.

FURTHER RATIONING
1943 will see more changes in civilian life than any year since the Revolutionary war. Wise are those who are first to prepare for these changes. When one studies the tremendous purchases which the government is making, they make one shudder. For instance, the army recently purchased 30 million pounds of mustard and 2 million pounds of black pepper, simply to fill a few months' requirements. Dried fruits are bound to be short in 1943, especially prunes and dried apricots; while the kibosh will still be on stoves, bicycles, typewriters, hardware and rubber goods. I should not be surprised to see the rationing of dairy products, certain furniture, paper supplies, manufactured goods, farm equipment and possibly clothing and shoes during 1943. Some of my associates think there will be rationing of meats, eggs and cheese, but present statistics do not indicate the necessity for this. Certainly, there will be no rationing of cereals, citrus products and fresh fruits that cannot be shipped.

What is most needed is the rationing of labor union leaders and a lengthening of the working week as the labor week now averages only 42.5 hours even after over-time payments. Of course, this is a hot potato that the Administration does not like to touch. I forecast, however, that 1943 will see a real step in this direction. The power of the War Labor Board will either be curbed or the board will become much more conservative. Manpower (including women) will be allocated. Private recruiting of labor may be curtailed. Farmers, manufacturers and other employers may be obliged to go to the U. S. Employment Service when desiring additional help while employees may be subject to the same regulations when desiring to change jobs.

POLITICAL SITUATION
Certainly we are entering 1943 with a much better political situation than existed a year ago. This does not mean that the new congressmen are conservative—some are more radical in certain ways than their predecessors—but they will combine with the conservative southern Democrats on questions of taxation and war matters. Looking back over 1942, it becomes evident that the tax situation was the most upsetting feature on business and investments. The markets were at their worst directly after the Morgenthau recom-

mendation of a 55% normal tax. When the House voted a 45% tax business began to pick up and even security prices had a real move when the Senate dropped the rate to 40%.

Recent visits to Washington convince me that the Treasury has temporarily lost its influence with Congress and that the 1943 tax bill will be written by Congress itself and will be fairly conservative. I am much interested in reports that Honorable James Byrnes, the new economic dictator, is to be put in charge. For the first time, it is reasonable to hope that a sales tax—perhaps under some other name—will be enacted in 1943. The farmers will continue to have as much influence in the 1943 Congress as heretofore, but the honeymoon of the labor and other blocs is temporarily at an end. 1943 will see very few wage raises and certain labor leaders will be put in the dog-house.

MONEY RATES

There may be a slight increase in short-term money rates during 1943; but there will be little or no change in the rates that banks charge their customers. Money rates are now managed by the government even more closely than the prices of commodities. The idea, however, that money rates will always continue low is just as foolish as were the forecasts of 10 years ago that money would permanently remain on a high basis. The pendulum has always swung and it will continue to swing after World War II is over. Whether or not banks should borrow from the Federal Reserve in order to buy government bonds will be debated during 1943. Banks that do this will temporarily make a profit, but whether this will work out as a profit or loss in the end is questionable. In the long run, very few banks, corporations or individuals make money by borrowing money.

The bonded debt of the federal government is now \$90 billions, or an increase of \$87 billions since the Roosevelt administration came into power. By the end of 1943, this debt may stand at about \$150 billions. Some of it, of course, will be raised by selling additional Victory bonds to the public and institutions. The amount will largely depend upon whether or not compulsory saving is adopted. I forecast, however, that the major portion of this money must be raised from the banks and chiefly from the large banks. This, of course, means inflation sooner or later.

CROP SITUATION

With normal weather conditions there is every reason to believe that more crops will be raised in this country in 1943 than in 1942 and that farmers should benefit accordingly. On the other hand, there always is the possibility of bad weather conditions including droughts and floods. The large amount of wheat, corn and other grains in storage, however, should help offset any crop failure in 1943.

The wheat yield for 1942 will be about one billion bushels, second only to the crop of 1915, while the corn crop for 1942 will break all records, amounting to about 3,250,000,000 bushels. The cotton crop for 1942 amounts to only 13,400,000 bales, but this is perfectly satisfactory considering the large amount of cotton in storage. Without doubt, the theory of "winning the peace with food" is sound. Farmers have a legitimate reason for expecting good treatment during the remainder of the war. After the war, their celebration will be over.

INDUSTRIAL PRODUCTION

Readers will remember that our war production will not reach its height until well into 1943. The plants manufacturing big bombers are not yet completed, shipbuilding is just getting into its stride and thousands of factories are still retooling. 1943, however, should witness a transition from construction to production. I, therefore, visualize a drastic reshuffle of sub-contractors, of labor and of communities in general. This means hardships for management and for the men and women workers. Some communities now doing well will become ghost towns; while other sleeping cities will become busy beehives.

Taking all in all, industrial production should climb into new ground during 1943, averaging about 210 per cent of the 1935-39 level. This would leave only about \$70 billions for domestic consumer goods, compared with about \$78 billions in 1942. This means that only about 10 per cent of the output of the durable goods industry and 60 per cent of the output of the non-durable goods industry will be available for civilian use in 1943. This estimate is on a per unit basis with no allowance for price inflation.

FAILURES

Business failures in 1942 amounted to \$105 millions and I fear these will be increased during 1943. If so, it will be due to manufacturers being unable to secure necessary raw materials or substitutes and

LOCAL BUILDING IN 1942 CURBED BY WAR EFFORT

Permits Valued at \$273,458 Issued—55 New Houses, 2 Businesses Built.

Due to the war, Medford building this last year fell materially below last year, figures in the city superintendent's office show. This year building permits totalled \$273,458 as compared to \$454,129 for 1941.

"This decrease is of course due to the drastic building restriction set up by the War Production Board," Frank Rogers, city superintendent, states. "Medford was more fortunate than many cities of comparable size where building was practically at a standstill since last spring."

Safetyway Constructs
Fifty-five of the permits issued during the year were for new dwellings. Only two business buildings were constructed during the year, both of these by Safetyway stores. The new stores, one at East Main and Oakdale streets and the other between Fifth and Sixth streets on Bartlett, cost \$20,000 apiece. These constructions were made possible since priorities had been given on them before the drastic restrictions were enforced.

It was pointed out that these building figures do not include the Federal Housing Administration project recently authorized for Medford. This is to include 125 family units to be constructed in the Jackson school district and will cost about \$400,000.

merchants being unable to get a supply of goods. In addition to the normal casualties and the war, I expect a certain "birth control movement" in business. The government may require new businesses, farmers desiring to increase acreage and especially employers desiring to increase their sales forces to get permits. Sales organizations would be the first to be treated to "birth control." We may also expect to see in 1943 experiments in "zoned markets" by limiting the distance that goods can be shipped.

The paid leaders of the farm groups are fighting ceiling prices on farm products, but I believe the farmers would be willing to have ceiling provided they could also be assured a floor. I am certain that farmers are more reasonable and far more patriotic than the lobbyists in Washington who pretend to represent them. There will be no decline in purchasing power. Men, and especially women, in the farming and munitions districts, will have more money even after the payment of taxes than they have ever had before. The delivery of goods should be easier in 1943 than in 1942 due to an improved tire and gasoline situation.

WAR OUTLOOK

It must be realized that a great improvement in the resources of the Axis powers has taken place during 1942. Where they were short of raw materials they now—with the exception of a very few commodities—have a surplus supply. For instance, in 1939 the Axis powers had no rubber and today they have 90 per cent of the world's supply; in 1925 they had only 25 per cent of the bauxite, seven per cent of the iron ore, nine per cent of the tin ore, 10 per cent of the manganese ore, eight per cent of the lead ore, and six per cent of the world's flax. Today the Axis powers have 66 per cent of the bauxite, 44 per cent of the iron ore, 73 per cent of the tin, 35 per cent of the manganese, 21 per cent of the lead, 35 per cent of the flax and a large percentage of the world's oil. These figures show that time is not necessarily on our side. The success of the United Nations depends more on making every sacrifice.

The best opinions are that Germany will be brought to her knees, probably through the lack of oil, in late 1943 or early in 1944 and that it will take another year to finish Japan. As Germany does not want to see Japan a world power, she may endeavor to join the United Nations in putting Japan back where she was 40 years ago. This would mean not only cleaning the Japanese out of China, the Philippines and the Dutch East Indies, but also making them give up Manchukuo, Korea and Formosa. Of course, the present actions of our navy in the Pacific are merely to keep the Japanese from pouncing on Russia at Vladivostok. They are no part of the coming campaign to clean up Japan. All of this means that the general

war news during 1943 will be better than that of 1942.

CONCLUSION

It is probable that 1943 will witness further cuts in civilian business, that victory models and standardization will be compulsory, that manpower will be rationed as well as commodities, that a sales tax will be inaugurated, that subsidies will be extended, and that inflation, like a great glacier, will continue slowly to push up prices; but what of it? We grow by striving—not by arriving. Character gains during 1943 will by far offset all losses and inconveniences. This global war will be a great blessing to all the world by bringing about the spiritual awakening which is the only solution to our troubles.

OUTGOING MAYOR REVIEWS CHANGE BROUGHT BY WAR

Problems brought up by building of Camp White adjacent to Medford have been solved much more readily than was anticipated, according to H. S. Deuel, outgoing mayor of the city, in reviewing the city's year yesterday. Mayor Deuel will be succeeded by C. A. Meeker at the first council meeting in 1943, which will be January 5.

"We have accommodated ourselves much more rapidly and with less confusion, to the problems and changes brought about by the building of Camp White than anyone anticipated," the mayor said. "People have had to change their habits and way of living somewhat, but for the most part this has been done quickly and cheerfully," he added.

Planning Helped
Much of the orderly transition from a small quiet city to the center of teeming activity of a war center was accomplished because of preliminary planning, the mayor said. He pointed out that prior to building the camp here several had been set up in California and that through visits to these centers and correspondence with officials many problems were avoided. "There was much advantage to not being the first cantonment on the coast," Mr. Deuel said.

Mayor Deuel also said that all agencies of the government and the army had been most cooperative and had helped materially in preventing and solving major problems brought up by the camp. The mayor complimented the general citizenry on the splendid manner in which personal problems had been handled and stated that he wished to thank Medford people for their helpfulness and cooperation.

Little Confusion

Frank Rogers, city superintendent, also commented yesterday on the fact that the impact of the camp, with its resulting enlarged population, had been less confusing than first anticipated. He said countless difficult situations had arisen from day to day but that these had all been met and that operation of the city's departments was returning to normal.

Touhy Will Have Hearing On Writ

Chicago, Jan. 1.—(U.P.)—Federal Judge Philip Sullivan today issued a writ of habeas corpus for the captured gangster, Roger (the Terrible) Touhy, but stipulated that the freeing of Touhy would depend upon the outcome of a hearing on the writ Jan. 5. The petition for the writ was filed by Attorney Joseph Harrington, acting for Eleanor Touhy, niece of the gangster. The writ charged that Touhy was being held by federal authorities in violation of the constitution.

RELEASE OF BUTTER WILL NOT FILL NEED

Chicago, Jan. 1.—(U.P.)—Officers of the mercantile exchange announced today that approximately 2,000,000 pounds of storage butter frozen in the 35 principal markets on Nov. 21, will be released for civilian consumption by the WPB upon recommendation of the department of agriculture.

Traders said that the release will not relieve the butter shortage, however, for it represents only a small portion of the weekly butter consumption of the nation.

AD HELP PRAISED

New York, Jan. 1.—(U.P.)—Advertising's contributions to the war effort were praised today by Secretary of Treasury Henry Morgenthau, Jr., who expressed thanks, in a year-end message to the advertising council, for the help the council had given the treasury in its war financing campaigns.

See Mail Tribune Want Ads.

BUSINESS BOOMS HERE PAST YEAR; CAMP STIMULATES

Thorndike Says Largest Volume Ever Recorded—All Bank Deposits Increase.

An excellent, perhaps even a record-breaking, year of business was enjoyed by Medford this past year, according to local bankers. This was spread over all types of business and embraced fruit growing, warehousing, cattle raising and all types of farming.

"Business in Medford this past year has been excellent, with a very substantial increase in bank deposits and a large number of new accounts," said George T. Frey, manager of the Medford branch of the United States National bank of Portland.

Looking ahead to 1943, Mr. Frey said that fruit men, farmers and cattlemen generally would have a good year, which automatically meant a good year for merchants and banks except in those lines where merchandise would be unobtainable due to the war. Lack of labor will be an increasing problem also, he said.

Mr. Frey pointed out that a good deal of the increased business was due to the building of Camp White and that business from the camp itself would carry along for the duration of the war and afterwards. He predicted that the next few weeks would be light, as it traditionally is, and that some establishments would seriously feel the lack of merchandise.

Women Lauded

Mr. Frey complimented women on the manner in which they had taken over the work of men called into service. He pointed out that the increased staff of the United States National bank was all women and said the bank now had nothing but women tellers and that only six men were on the staff, with one of these due to leave by the middle of January.

"Medford probably had the largest volume of business ever recorded," stated Eugene Thorndike of the First National bank of Portland Medford branch. "Merchants, restaurants and hotels all enjoyed an increase of from 20 to 125 per cent. Contracting firms especially reaped a harvest of business due to the construction of Camp White."

Mr. Thorndike said that casualties among Medford firms had been small this past year but predicted that during 1943 there would be more due to the lack of merchandise, to lack of labor and to an increasing drain into the armed forces. The lumber industry has been hit hardest by the labor shortage, he said, the type of labor used in this industry seemingly being the exact kind needed in construction, ship building and the armed forces.

Rent Income Jump

Business will generally be as good the coming year as 1942, Mr. Thorndike believes with losses in some types evened up by others gaining or holding steady. He pointed out that the housing situation created by the camp had brought a large increase in rental incomes to the district and that automobile firms were going a good business in repair work, business generally holding up better in this line than had been anticipated.

Predictions for the fruit industry are a bit hard to make, since the ability to obtain supplies and the labor situation affect this industry so much, Mr. Thorndike said. He stated that the Christmas business this past year was the largest ever handled by the industry locally, some firms being completely sold out several days before Christmas.

Staff Increased

The First National here has also increased its staff this past year and has replaced men going into the service with women, Mr. Thorndike stated. A year ago the bank had 35 men and five girls with the picture being almost exactly reversed this year with a staff of 30 girls and 10 men.

TAKE "12-MILE DRIVE"

Newport, R. I. (U.P.)—The Twelve Mile Drive, one of the sights of America in the gay '30s, still interests recruit sailors who come here from all parts of the country. USO has conducted Twelve Mile Drive parties, and shown some of the great mansions of other days, but gasoline rationing has cut into this form of entertainment. Now USO is considering a return to the carnyals and buggies which were typical of Victorian Newport.