



Your Money's Worth

By SYLVIA PORTER
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IT'S NOT GOOD ENOUGH

It's good but not good enough.

This is the story of the American economy in this mid-May of 1962, the 15th month of the 1961-62 business upturn. And this central fact carries some grim implications to every one of us which are now increasingly worrying both liberal and conservative economists in and out of government as well as thoughtful businessmen, labor leaders, investors in stocks.

We're on the way up and we're going to continue up. As conditions shape up now, the current mild, middlin' advance which began in February, 1961, will last at least through 1962. We've never been so big in economy. Our Gross National Product - meaning the total of all the goods and services we turn out - already is well above the half-trillion mark. At an annual rate of \$540 billion, GNP is a solid 10 per cent higher than it was in early 1961 and it's climbing steadily.

Still this is not good enough. For if we don't grow at a faster rate than we have been growing, this is what's ahead.

(1) Unemployment will not fall to the 4 per cent rate considered tolerable in our country. It will remain well above that rate, with all this implies to the millions of workers who won't be able to find jobs, to their families, to their communities.

(2) Bankruptcies, particularly among small businessmen will continue to soar. This fiercely competitive era is murder on marginal businessmen in manufacturing, wholesaling, retailing.

(3) Profits will not be fat enough to finance the investment in modern plants and equipment which is imperative if our industries are to be able to expand their sales in the world's markets.

(4) Our Federal budget again will sink billions in the red. We will pile up a major deficit in fiscal year 1963 - slated to begin this July-on top of the major deficit with which we're ending fiscal 1962.

(5) With a deficit in our Federal budget at home and a deficit in our financial accounts abroad, the threat to our dollar could become very real. For years, we have been spending more abroad than we've been earning abroad (the technical term is "a deficit in the U.S. balance of payments"). As a result, our foreign creditors have built up enormous claims against us. If they ever decide to withdraw these balances on a massive scale because they distrust the stability of our dollar, our entire economic structure would be undermined.

Yes, there are some exceedingly bright spots in our economy. It cannot be overemphasized that we are in an upturn and it is sure to last for quite a while. Retail sales in general and auto sales in particular are booming. Economists are taking heart from the sharp spurt in building of houses in March to an annual rate of 1,409,000 units after the February rate had sunk to the lowest in 13 months. The new McGraw-Hill estimate for business investment in plants and equipment hikes the rise in this crucial spending to 11 per cent against earlier government estimates of an 8 per cent increase. But at the same time, industrial production is leveling. Especially unsettling was the 3 per cent drop in new orders for durable goods in March, for this indicator is assigned significant weight as a signal of future trends. Consumers are now spending at so liberal a pace that our spending can't be expected to go on gaining at this pace. The federal government isn't going to increase its spending in future months at the rate of increase in past months.

This, then, is the picture - an economy moving up but not at the speed or on the scale essential if the grim implications summarized above are not to be realized.

The heart of the problem is speeding up our growth. This is the challenge to which leaders in every sphere are turning with mounting anxiety.

This is why in and out of the administration, among both conservatives and liberals, talk is becoming serious of real tax cuts - for individuals across-the-board and corporations across-the-board too. We well may be needing this most powerful of all stimulants in coming months.

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Spacecraft in Works To Detect Life on Mars

Seattle—UPI—Detection of possible life on Mars may be accomplished with the development of an advanced spacecraft called Mariner B, to be launched in 1964, the second National Conference on the Peaceful Uses of Space has been told.

Edgar M. Cortright, deputy director of the National Aeronautics and Space Administration's Office of Space Sciences, said the new craft would be powered with an Atlas-Centaur rocket and would be designed for flight to Mars.

A landing capsule would be guided toward the planet by the basic spacecraft which will then fly by the planet, he explained. While the capsule enters the atmosphere and lands, the spacecraft will perform scanning experiments.

Another spacecraft, known as Mariner R, is being designed to land on Venus.

May Be First Proof
"With the capsule on the surface of Mars may well come the first proof of extraterrestrial life," he said.

Cortright was one of seven space scientists reading papers at the conference.

He was preceded to the stage in the Opera House of the Seattle World's Fair grounds by Dr. Homer E. Newell, director of the Office of Space Sciences, who described an orbiting astronomical observatory under development by the Grumman Aircraft Engineering Corp., Bethpage, N.Y.

He said the OAO would be the largest of the scientific satellite observatories—about 10 feet in length and weighing about 1½ tons—and would be guided so accurately it could approach 0.1 second of arc.

"This is about equivalent to the accuracy required to use a telescope located in Baltimore to pick out either the right or left eye of an individual in Washington, D. C., for detailed study as to its color and brightness," he said.

4-H NEWS

Crazy Stitchers

The Eight Crazy Stitchers 4-H club meeting was held recently in Mrs. Goodwin's home. The meeting was called to order by Sharon Hudahl, secretary. The minutes were read and approved and roll call was given. Eight were present and three were absent. There was one guest, Mrs. Goodwin.

In our discussion, we brought up the 4-H summer school and camp.

Kathy Vandagriff, Reporter.

Steel To Become Issue in Campaign

Chicago—UPI—Sen. Barry Goldwater (R-Ariz.) has vowed to make the steel price dispute a leading campaign issue in this year's congressional elections.

"While I am not up for reelection myself, I will campaign vigorously on the issue of whether President Kennedy may dictate to 'American business,'" Goldwater told a news conference.

He said the President "has nothing to say about what prices U.S. Steel can charge."

"If he wants that power, I suggest he get the Constitution amended," Goldwater said.

"I don't like the President of the United States calling U.S. Steel Co. officials—of—and I don't think the President's father would like it," he said.

Elephant Purchase Fund Hits \$28,474

Portland—UPI—The fund to buy elephants Belle and Packer for the Portland zoo has reached \$28,474, just \$1,526 short of the needed \$30,000.

Members of the committee said they hope the goal will be reached by the end of the week.

The longest annual migration of any bird is the 22,000 miles some individual Arctic terns fly from the Arctic to the Antarctic.



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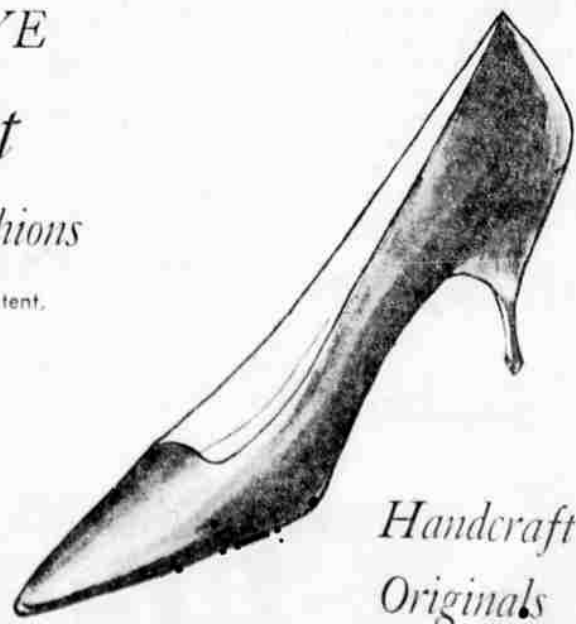
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