



Your Money's Worth

By SYLVIA PORTER
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WHY OUR TAX RATES 'BRAKE' RECOVERY

Why is it that our tax system is now getting so much blame for being a drag on our economy? asked the intelligent woman across the dinner table the other evening. "I listened to President Kennedy's TV address on taxes, heard him condemn our high rates, promise tax cuts in 1963 and refer to how much faster the Common Market countries are growing than we are. But I've not heard a simple explanation of why the system is a drag and how our tax rates compare with those of Europe."

These are highly pertinent observations. So here goes with my attempt at a "simple explanation."

No other federal government in the world takes so big a bite out of the paychecks of workers and the profits of businessmen as our does—and this goes across-the-board from Communist Russia to the socialist and totalitarian nations of Europe and South America. None hampers employment and production with such confiscatory tax rates as the United States, proud upholder of free enterprise and capitalism.

In our capitalistic nation, for instance, 86 per cent of the government's take comes from taxes on paychecks, profits, estates or gifts. In Communist Russia, in complete contrast, only 15 per cent comes from taxes on incomes and the 85 per cent balance comes from direct taxes on Soviet citizens when they buy food, clothing, shelter, etc. In the prospering Common Market nation of West Germany, only 22 per cent of the central government's collections comes from income and capital taxes; the rest is raised from sales, excise taxes, customs duties. In the prospering Common Market nation of Italy, the income-capital tax bite is only 26 per cent. The closest to the U.S. in relying so heavily on income and profits taxes is New Zealand, which collects 65 per cent from these sources.

No other federal government in the world penalizes individuals or businessmen with extraordinary abilities and ambitions to the extent that our tax structure does. Our top tax rate of 91 per cent on individual incomes is frankly confiscatory, can't possibly be justified on financial grounds, for few individuals who qualify for this bracket permit themselves to get into it. A personal income tax rate, which reaches 50 per cent on as low as \$16,000 of taxable income is distinctly discouraging to individual risk-taking. As for the 52 per cent tax rate on corporations, the evidence is overwhelming that this has retarded American industry's ability to reinvest earnings in job-creating activities.

No other federal government has held to an oppressive tax structure as long as we have—with the possible exception of Great Britain, another nation turning in a sluggish performance. Every other nation which slapped on steep taxes during World War II has long since reformed them—which is what President Kennedy was referring to when he mentioned in his TV address that "by lightening tax burdens," the Common Market countries have achieved "full employment and an economic growth rate twice ours."

No other federal government has "accepted" four recessions since the end of World War II without its leaders getting down to work and saying flatly our tax structure is at least partially responsible and reform is overdue. There is no doubt that our tax rates helped strangle the 1959 recovery—for they bit so quickly and substantially into rising incomes and profits that the advance didn't have a chance to survive. Tax reduction-reform was bypassed in 1960, though, bypassed again in 1961, and now it's dead for 1962. Meanwhile, as Kennedy pointed out, during the past 15 months of economic expansion, federal taxes have siphoned out \$5 billion more from our economy than increased federal spending has poured into the business stream. This is a measure of the way our high rates tend to brake a recovery almost automatically as it proceeds. In the first half of calendar 1963, when federal tax collections will be at their peak, the brake will be on in earnest—and if we don't get the tax reductions pledged for this period, the economic consequences for us could be dismal.

Much of this was hidden in the earlier postwar years, when the enormous pent-up demands of the whole free world kept the U.S. heading strongly upward. Now, in this new competitive era the realities have become clear, and, significantly, agreement on the depressing effects of our tax rates is virtually unanimous among informed economists and financiers—"liberal" and "conservative," Republican and Democratic.

H-Bomb 'Father' Refutes Credit For Big Explosive

By PETER J. HAYES
United Press International

San Francisco—(UPI)—A few years ago, bushy-browed nuclear scientist Dr. Edward Teller was asked what American astronauts would find when they finally reached the moon.

"Russians," he said.

Teller's reply, while succinct, was typical of the Hungarian-born physicist's plain-spoken warnings on his adopted country's role in the power struggle with the Communist world.

Teller, often called the "Father of the H-Bomb," is scheduled to deliver one of the feature addresses at the National Conference of United Press International Editors and Publishers in San Francisco Oct. 1-2.

Left Lab

Teller is professor of physics-at-large at the University of California and associate director of the university's Lawrence radiation laboratory. He left the directorship of the lab when he began work on his current book, "The Legacy of Hiroshima," an account of the era of crisis that followed the dropping of the atomic bomb on the Japanese city.

Here are some of Teller's views as expressed in his book and in public statements:

—It was "necessary and right" to develop the atomic bomb. But it should never have been exploded over Japan only as an awful warning.

—The United States should build a series of deep, underground shelters to protect civilian populations against the devastation of H-bomb warfare. "If we so prepare ourselves that a terrible attack could hurt us but could not destroy us, then such an attack, I believe, will never come."

Atomic Mining

—It is feasible to use atomic explosions deep under the earth as a means of obtaining raw materials such as coal and iron. Such geographic engineering would be of enormous help to newly-emerging nations and as such might contribute to Cold War strategy.

—The price of energy from nuclear power plants will slowly decrease and may eventually be cheaper than conventional plants. But there is little future for nuclear-powered locomotives or automobiles because a collision could release deadly radioactive contamination.

—The trouble with U.S. education is that too many mathematics and science teachers are content to assign students boring exercises as homework. A solution might be wider use of educational television whereby youngsters are exposed to truly inspired teachers.

Too Much Blame

Teller disclaims the "Father of the H-bomb" title, declaring that he was given "too

much credit and perhaps too much blame" for the development of the super bomb.

In recounting the story behind the bomb, he once told how "hundreds of ideas and thousands of technical skills" of the world's greatest scientific minds went into development of a theory in the late 1920s up to 1952 when the United States detonated the first hydrogen bomb in Eniwetok island.

Teller said he would claim credit for the H-bomb in only one respect: When scientists were divided as to whether it was possible to build it, "I believed and continued to believe" it could be done.

Educated in Germany, Teller studied in Denmark with

famed atomic physicist Niels Bohr. He came to this country in 1935 as professor of physics at George Washington University. There he studied thermo-nuclear reactions in the stars. Later he was to work in New Mexico on efforts to deplete the fusion that makes the stars shine.

He went to Columbia University in 1941 and the University of Chicago in 1942. At Chicago he played a key role in the top secret Manhattan District project, which developed the A-bomb. After the war, he and colleagues urged the development of the H-bomb, until President Truman finally gave the go ahead in 1949 when Russia exploded its first atomic bomb.

STAR GAZER		LUNA	
Your Daily Astrological Guide According to the Stars To develop messages for Thursday, most words corresponding to numbers of your Zodiac birth sign.			
ARIES	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	ARIES	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Taurus	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Taurus	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Gemini	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Gemini	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Cancer	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Cancer	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Leo	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Leo	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Virgo	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Virgo	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Libra	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Libra	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Scorpio	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Scorpio	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Sagittarius	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Sagittarius	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Capricorn	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Capricorn	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Aquarius	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Aquarius	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31
Pisces	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31	Pisces	1-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31

Board To Abide by Textbook Decision

Portland—(UPI)—The Portland School board has agreed to abide by a Circuit court ruling that would permit parochial schools to keep tax-purchased school books at least for the coming school year.

The ruling had been made by Judge Virgil Langtry Aug. 16 in favor of parochial school parents who sought to block the school district from withdrawing the books.

Board Chairman William Wyse said the board has been concerned only with the legal responsibilities of the board and has taken no position on the merits of the parochial school textbooks issue.

The Oregon Supreme court ruled that distributing textbooks violates the state constitution, but the case has been appealed to the U.S. Supreme court.

Lawns Mark British Settlements in World

New York—(UPI)—Whenever the British Empire staked its flag, a lawn was sure to follow. From Capetown and Calcutta to New Zealand, English settlers have attempted to fashion lawns from the soil of five continents.

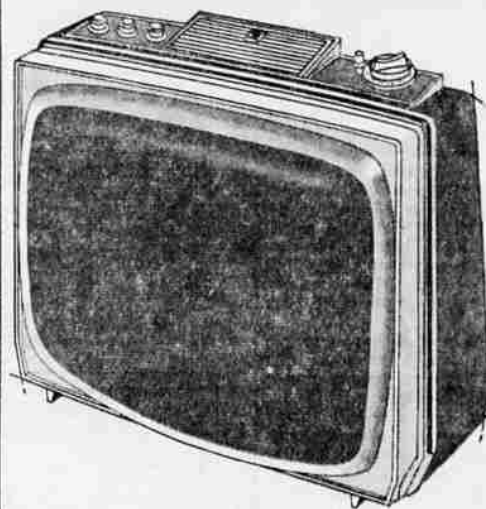
However, according to the Melnor lawn products company, the English were not always successful in their gardening efforts because of the wide varieties of climate and soil around the world.

PRETTY GOOD SYSTEM

Bristol, England—(UPI)—A retired British couple who hit the soccer pool today disclosed their system. Mr. and Mrs. Ellis Jones said cover the names of the teams on the card with a sheet of paper, then stick a pin in it and "hope for the best." They won \$173,000 Tuesday on their 35-cent investment.

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The Merrimac
featuring HaloVision

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Also Model 23L66K without HaloLight.

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MODEL 23L74W



MODEL 23L67K

The Garland
featuring HaloVision

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MODEL 23V69

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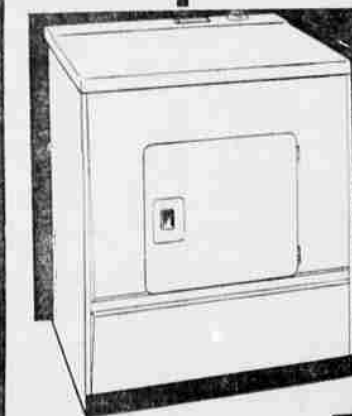
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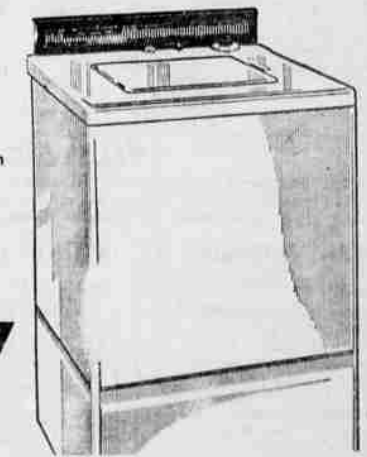
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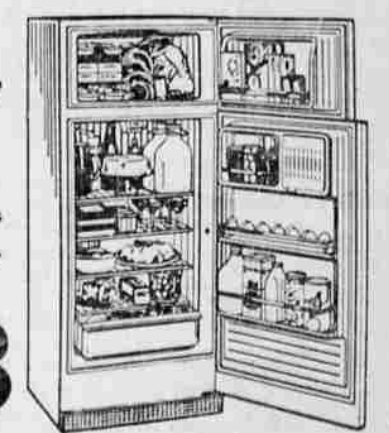


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Fisher Promises Lumber Effort

Salem—(UPI)—A pledge to "keep on top of legislative efforts to find permanent solutions to the problems of the lumber industry" was made in Grants Pass Monday by State Rep. Carl Fisher, GOP fourth district candidate for Congress.

Speaking at a public coffee hour Fisher said, "I would make a sustained effort to keep Congress aware that the health of the lumber industry is vital to the economy of the Northwest."

"I propose that we keep needing, keep talking and keep working until we convince the congress that the only way we will be satisfied is when every possible legislative step is taken," Fisher said.

"It doesn't make sense to me that Congress can be so concerned about problems of foreign aid and yet for years has given only a lick and a promise to the lumber industry."

Formaldehyde New in Wash, Wear Fabrics

College Station, Tex. — (UPI)—Formaldehyde, that chemical so much in evidence around biology laboratories, is bringing improved wash-and-wear qualities to cotton fabrics, the Texas A and M college extension service says.

A new process being studied by the textile finishing industry uses formaldehyde to bind together cotton's cellulose molecules to give a more durable finish to cotton used in wash-and-wear clothing. The formaldehyde-treated fabrics showed no tendency to yellow in tests, the extension service said, and did not discolor when subjected to chloride bleach.