

Herald and News

Editorial Page

Impressive Conference

Our first opportunity to see Oregon's Gov. Hatfield in action at the speaker's rostrum was a rather refreshing experience. The governor appeared at an unusual session at a meeting of Oregon editors at the annual Oregon Press Conference in Eugene.

Gov. Hatfield, in more than an hour at the stand, answered a multitude of questions on every imaginable subject. He did it with grace, charm and candor to an unmatched extent. There was no feinting and no attempt to dodge "on the record" unrehearsed queries by some well-informed newsmen.

That the governor has a great awareness and appreciation of the problems and resources

of the state was manifested by his answers to questions ranging in scope from the Boardman project, down to problems of a purely local nature, such as stream pollution, and city annexation.

In answer to a question about his political future, the governor indicated that he will be a candidate for reelection in 1962. He gave a good, honest reason for that, too. He wants to carry on with some of the ideas and philosophies of government that appeal to him, and which he thinks he can implement as governor. We did not detect too much enthusiasm on his part when the possibility of seeking the Senate seat of Wayne Morse was suggested. He did, however, suggest the names of several Republicans who he considered as potential opponents to Morse. For whatever significance it might have, the governor did not include the names of any newspapermen in his list.

Regarding his reorganization proposals, the governor affirmed what most observers had suggested — that he had not ever hoped to achieve all of the objectives of the plan in this session of the legislature. He expressed the idea that "probably four or five" of those objectives would be a realistic achievement this session.

Retention of salmon fishing, air and stream pollution, the Boardman project, the seashore dunes national park, industry, farming, higher education, state services, depressed areas, extension of the Mall at Salem — these and other complicated subjects were handled by the governor with ease and aplomb.

One thing in the discussion that particularly impressed us was the governor's attitude regarding enticing industry into the state. He said that he does not favor the "gimmicks" that so many states and cities are using to lure new industry. Among them, he cited such things as tax writeoffs, construction of buildings, leasing of large plots of land for small sums (such as one dollar) and other variations from existing rules and regulations. These exemptions and dodges can only lead to chaos and future uncertainty, he believes. And we are in accord with that thinking.

If there is a market, or if other considerations are attractive to an industry, it is doubtful that tax gimmicks are necessary to bring it in. Those states and communities which attempt to provide services and discharge their obligations to the people of their respective areas need all of the tax money they can legitimately get for such purposes. It does not follow, then, that they can afford to dilute the structure that brings the tax money in.

We're much impressed with the governor, and encouraged with his decision now to be a candidate for reelection, if that is what the future holds for him.

Reapportionment

(Oregon Statesman)

Since this is the first legislative session following the 1960 federal census the Assembly is under obligation to reapportion the Senate and the House, effective in 1963. Failure to perform according to the constitution would throw the job to the secretary of state, or perhaps to the Supreme Court. Through its committees the present Assembly is making a study of its problem. Immediately they are confronted with the fact that application of the formula in the constitution will mean a loss of some seats to Eastern Oregon and corresponding gain in Western Oregon, simply because of the great growth in population has been on the West side.

There is talk of submitting a new amendment which would give each county a senator. That would make 36. Then nine more would be allotted to the more populous counties, making a senate of 45 instead of 30. The trouble with this plan, as with another type of federal plan to give each county a House member, is that some of the counties have so small a population that their claim to individual representation can't be justified. The last census showed Sherman County with only 2,430 people, Wheeler with 2,709, Gilliam with 3,036 and Morrow with 4,850. These counties in the past have sent some very able persons to serve in the Legislature, and doubtless would do so again; but there is just no logical basis for allotting each a senator or representative. Preliminary to sustaining such a claim there should be county consolidation, which under modern conditions of communication and transportation is fully warranted anyway. We do not anticipate that any of the counties with small populations would willingly relinquish their local sovereignty or identity. Until they do, or until there is substantial population growth in those counties, the plea for one senator or one representative each will probably be rejected.



JIM BISHOP: REPORTER . . .

No One To Listen To Ghost Of Jim Deering

MIAMI, Fla. — A troop of Girl Scouts came through the coral courtyard, neat in their green uniforms and innocent of eye. They studied the splendors of Vizcaya, but they did not understand the palace. Only one man does. He stood on the balcony watching them below. They did not see him because James Deering is long dead, and Girl Scouts do not believe in ghosts.

He stood quietly, an impeccable little man with mixed gray hair, a fresh white linen suit, white calfskin shoes, a malacca cane, and pince-nez glasses. He was amused. It cost Mr. Deering \$50,000,000 to build Vizcaya. Today, it is a Dade County park and anyone can see it, in the heart of Miami, for \$1.25.

Mr. Deering walked down the stone spiral staircase. He passed Eustace Edgcomb, who was a young Bahamian Negro working as a houseman when the palace was first built. He also passed Sammy Sands, a gardener grown old in the job. He nodded, but they did not see him.

Now he wonders why he built it. Mr. Deering moved into the palace on Christmas Day 1912. He spent only 90 days each year in it and he died aboard the liner Paris in 1925. Altogether, the prissy bachelor who preferred bourbon to women, spent \$10 days there. It is a big exquisite tombstone, one of the finest in the world.

Deering had the money. He was a partner in the McCormick harvester machine company. McCormick had the ideas, Deering had the money. He searched the world seven times for beauty. He could not find it in a good woman; he could not see it in a child.

So he roamed the globe, making notes on a formal Italian garden here, an oriental statue there, a stone model of Cleopatra's barge somewhere else. He bought rare tapestries, whole ceilings, ancient scrolled doorways, bronze gates, rich chairs, tables — he even bought four gold goose heads and necks as hot and cold water faucets for his marble bath. In Cuba, he saw a village with ancient Spanish tile roofs. He bought all the roofs for an enormous price and re-roofed the whole village. He wanted that tile.

Then he picked a place. Mr. Deering lived on Lake Shore Drive in Chicago, but a huge Italian palace with formal gardens and a stone barge would be out of place there. In 1914, he found a city of 8,000 persons called Miami. He moved south of the settlement and bought 200 acres of scrub jungle.

Mr. Deering hired 1,000 men to assemble his rococo palace. He bought a second tract of land so that men could quarry limestone and coral. When the place was finished, he hired 25 servants for the house — maids were paid \$30 a month and board — and 50 gardeners for outside work.

One day he walked to the greenhouse and met Sammy Sands' father Mr. Deering leaned on his cane and studied a tiny palm tree through his pince-nez. "What rare species is that?" he said. Mr. Sands said: "That is country gentleman corn, Mr. Deering."

His favorite expression was "My, my! Isn't that pretty!" Mr. Deering had a valet who shaved him before a gold-framed mirror, and a young male secretary

who traveled everywhere Mr. Deering went. Sometimes he arrived on Dec. 15th by special Pullman car which pulled up on a Vizcaya siding. Once, in a burst of economy, he rode down from Chicago sitting in a parlor car.

In front of the palace, on Biscayne Bay, he kept his yacht Nephenthe. It looked like a big houseboat between the dock and the stone barge. The society columnist said he staged wild parties. Mr. Deering was opposed to wild parties. His guests were almost always the same conservative people: Mr. and Mrs. B. M. Winston, Mr. and Mrs. Gaston Drake, Mr. Richard F. Hull, the R. E. Danielsens, and Mr. and Mrs. Chauncey McCormick.

He died at an oval table in what he called "the breakfast room." From there, he could look out 1,000 feet at his gorgeous Italian gardens, the cascading stairway with stone rats (or wheelbarrows, the arches with life-size Roman statues on top. By 10:30 p.m. Mr. Deering expected that everyone would be in bed.

The Deering courtyard has full-grown palm trees. There he sat at white wrought-iron tables listening to an automatic organ, with player piano rolls, intoning his favorite music. A sign in the kitchen said: "There will be no whistling in the palace while Mr. Deering is in residence."

One of the Girl Scouts looked up and saw a miniature Spanish caravel hanging from a ceiling. She emitted a little wolf whistle. The ghost of Mr. Deering looked up from a rare orchid in the garden. He adjusted his glasses and frowned. Then he smiled. Who would listen to him now?

How About a Little Respect for the Public?



Anti-Trust Conspiracy Case Cost To Taxpayers \$300,000

Editor Note: United Press International reporters, headed by Jack V. Fox, have checked into the background, in various cities, of the recent electrical industry anti-trust case. Following is the first of three dispatches reporting on how the government broke the case and obtained convictions at Philadelphia, Feb. 6, and describing the "organization" men involved.

By JACK V. FOX
United Press International
It took the United States gov-

ernment four years, cost more than \$300,000 and involved a good part of the FBI to crack the anti-trust conspiracy in the heavy electrical industry.

Investigators were up against executives who used codes, destroyed communications and met in expensive hotels in dozens of different cities.

One group met 26 times in 10 months to set prices, rig bids and divide up sales in the power switchgear equipment field.

They used an elaborate formula known as "phase of the moon"

to indicate whose turn it was to submit a low bid and at what price in the \$2 billion yearly heavy electrical field. Each company had its copy of the "moon sheets."

Yet so complete was the Justice Department investigation that not a single one of the 45 men and 29 corporations (doing 95 per cent of the nation's heavy electrical business) entered a not guilty plea.

Federal Judge James Cullen Ganev of Philadelphia sentenced seven men to a month in prison, suspended prison sentences for 23 and levied fines totaling \$1,924,000.

None of the top management of General Electric, Westinghouse or the other huge corporations was indicted.

The government had these weapons in its inquiry:

Expense Accounts. They showed the same executives present time and again in the same hotels with their competitors.

The Tennessee Valley Authority. The huge federal power project furnished a mass of information on its own purchases which showed beyond a doubt there was a price-rigging plot.

Informers. As the case developed, minor figures involved told on their superiors. The government, playing for keeps, granted them immunity from prosecution for doing so.

Subpenas. The simple power of subpoena drew in corporation executives and forced executives to testify before grand juries. They could not claim the Fifth Amendment clause against self-incrimination. The Sherman Anti-Trust Act excludes that.

The prosecution began under Atty. Gen. William Rogers in the Eisenhower administration, and new Atty. Gen. Robert Kennedy got in only on the tail of the case but long enough to endorse the severe penalties the government was asking.

The man closest to the case was William L. Maher, chief of the Anti-Trust Division in Philadelphia. Maher at one time had 29 Justice Department lawyers working under his supervision. In his office last week, Maher described how the case developed.

For years there had been complaints about near identical bidding on equipment for public agencies. In late 1957, the FBI started an investigation of certain products.

Then in May, 1959, the TVA furnished substantial information on its experiences with the big electrical companies. It was enough to call a grand jury, the first of four in the case. In all 75 witnesses were summoned.

Maher said there was no wire tapping or "bugging" of hotel rooms. Testimony of those involved exposed the whole conspiracy.

Members were known to each other by numbers. They wrote on plain stationery to each other's homes and destroyed letters afterwards.

One group involved General Electric, Westinghouse, Allis-Chalmers, I-T-E Circuit Breaker Co. of Philadelphia, and Federal Pacific Electric Co. of Newark, N.J.

During 1958 and part of 1959, executives of those companies met in hotels in Philadelphia, Pittsburgh, Newark and Haddonfield, N.J., Cleveland, Milwaukee, Detroit, Scranton and Hershey,



EDSON IN WASHINGTON

Kennedy Proposals Sound Like Utopia

By PETER EDSON
Washington Correspondent
Newspaper Enterprise Assn.
WASHINGTON (NEA)—The programs which President Kennedy has so far mapped out for the country are almost Utopian. Everybody can have everything. Both ways.

America has the resources, he says, to meet the demands for national security. At the same time it can have advancing well-being at home.

This has the familiar ring of "We can have guns and butter both," as the saying was in World War II days. Some of the optimists were saying then that the country could win the war with business as usual and without sacrifice.

Kennedy has altered that concept by saying that he will ask for sacrifices where needed. But the assumption now seems to be that these sacrifices aren't going to be to many, too great, nor for too long a time.

The country can have full production, the President indicates, and still have "reasonable stability of the price level." But what's "reasonable" to him hasn't been defined.

In the eight Eisenhower years the consumers' price index advanced 12 percentage points—114 to 126—or 1.5 points a year on the average. This provides a basis for future comparisons with the Kennedy administration record.

The President wants to increase the 2.5 per cent average annual growth rate of the last seven years to at least 3.5 per cent. He thinks that personal income last year could have been raised 20 billion dollars and profits raised five billion—at the same time.

Some people hold to the old-fashioned idea that higher wages mean lower profits. But that isn't the way it's going to work in the new Utopia, where higher wages and profits will mean higher tax collections to rebalance the budget.

Kennedy talks about balancing the budget "over the years of the economic cycle."

This means over a period of both boom and bust. It means budget surpluses for debt retirement in the years of prosperity, to offset the deficits in the years of depression.

The Eisenhower record vs. four years with total surpluses of six billion dollars, four years with total deficits of 22 billion. In other words, the national debt rose 16 billion—from 274 to 290 billion—another basis for comparison.

In these same eight years employment went up from 60 to 68 million, while unemployment rose from 1.5 million to 4.5 million using the conservative estimate of the last Eisenhower economic report. These are other measures to keep in mind.

The programs which Kennedy has so far proposed to Congress for economic recovery and growth will not by themselves, he says, unbalance the last budget which Eisenhower submitted.

No cost estimates for these Kennedy programs were included in the first special message which he sent to Congress. Elsewhere, it is indicated that the cost may be under five billion dollars over the next year and a half.

So the promise is to increase government expenses without unbalancing the budget — another Utopian idea. But the prospect for this is admittedly fading fast.

Some of the Kennedy proposals—like early payment of veterans' insurance dividends—do not call for an extra government outlay. Others, like increased social security benefits, will be paid for by later payroll deduction increases.

Minimum wage increases will be paid for by employers. Placing more defense contracts in depressed areas means that the underemployed areas won't have it so good. In other words, you don't get something for nothing, not even in Utopia.

Back of all these proposals, moreover, is the idea that prosperity can be restored just by increasing government and private spending. It is a theory that has never been proved though it is now widely advocated by some of the new Utopian frontier economists.

Kennedy says many of the measures he proposes are temporary. The need for them will disappear as the economy recovers.

The faster the recovery and the more temporary the measure, the more Utopian will be the country, anyway.

Other Editors' Opinions

Disappointing View

(MINNEAPOLIS MORNING TRIBUNE)

Over the years, the system of free public education that has developed in the United States has come to be regarded as one of the great sources of our national strength.

Today this system is under severe attacks from a number of sources, the most serious being the opposition of those in the south who are willing to abandon the system to avoid integration of their public schools. This factor helps explain why the nation's parochial and private schools grew faster than the public schools in 1960.

In view of this situation, it is disappointing that Francis Cardinal Spellman, in discussing the educational recommendations made to President Kennedy by one of his task forces, has issued a statement which could be viewed as hostile to the American system of free public education.

The cardinal was critical of the recommendations because they did not include aid for students in parochial and private schools.

Federal aid to public schools as well as to non-public schools is a controversial issue, of course. But the cardinal's statement makes it appear that the only "return" any citizen can expect

from his investment (through taxes) in the public schools is the education of his own children. To those who support the present system, of course, this patently is not true.

The "return" that all of us hope for from our system of free public education — whether we have children in the public schools or not — is a better educated and better informed citizenry which is better prepared to cope with the manifold problems of coming generations.

If federal aid is granted to parochial and private schools by the federal government, the use of public funds at the local and state levels to support parochial and private schools presumably would follow. And if public, private and parochial schools were to be supported from public funds, a new divisive influence would be injected into American life with disastrous results for the public schools.

It should be recalled that President Kennedy, in discussing his views before the American Society of Newspaper Editors last spring, made the following comment:

"Federal assistance to parochial schools, for example, is a very legitimate issue actually before the congress. I am opposed to it. I believe it is clearly unconstitutional. . . ."

We agree.

Music Making

- ACROSS
- Singing voice
 - Singing groups
 - Musical measure
 - Continent
 - Sacred image
 - War-minded
 - Educational group (ab.)
 - Drawing room
 - Room in again
 - Wan
 - Prosecute
 - Barrier
 - Row
 - Small amount
 - Lives
 - Motor
 - Wash
 - Austrian city
 - Stalk
 - Let it stand
 - Obtain
 - Legal matters
 - Russian city
 - Elevation
 - Tennis stroke
 - Whitdrawal
 - Total
 - Japanese
 - Salads
 - Mind
 - Born
 - Corded fabrics
 - Female saints (ab.)
- DOWN
- Barbara's nickname
 - On water
 - Door part
 - Shoreline
 - Tons (Latin)
 - Worshiped
 - Smelling organ
 - Singing groups
 - Jostling
 - Toward the sheltered side
 - Raise
 - More senseless
 - Prod
 - Falls
 - Fathers
 - Encouragement
 - Unhappy
 - Cut
 - British princess
 - Fish food
 - Silver coins
 - Saltpeeters
 - Shoe part
 - More certain
 - Fosters
 - Enthusiasm
 - Play part
 - Network
 - Food regime
 - Departed
 - Finishes
 - Worm

Answer to Previous Puzzle

R	E	G	I	N	A	B	E	C	A	M	E
O	R	A	T	O	R	E	V	A	D	E	S
E	I	N	E	R	T	O	B	E	R	N	E
E	N	E	B	L	M	P	I	E			
O	L	E	L	A	A	T	I	S			
D	E	T	E	C	A	R	E	G	S		
A	N	A	W	A	K						
S	T	E	R	E	O	S	E	R	S		
G	A	K	A	T	S	E	P	T			
L	O	L	I	T	E	R	A	L	B	E	R
E	N	E	S	T	P	L	E	A	R	E	
A	S	S	E	S							
S	A	L	T	E	D						



THE DOCTOR SAYS . . .

Irresponsibility Is Alcoholics' Trait

By HAROLD T. HYMAN, M.D.
Written for
Newspaper Enterprise Assn.

I'm turning today's column over to two correspondents who write with greater impact than I could ever achieve.

"I have lived with an alcoholic for 45 years," writes one who signs herself "A Drunkard's Wife." "He seems to me to have been an alcoholic from the first drink. We were married Nov. 22

Pa., Louisville, New York and Chicago.

They divided up the switchgear business:

Company	Percentage
General Electric	39
Westinghouse	35
I-T-E Circuit Breaker	11
Allis-Chalmers	8
Federal Pacific	7

When it was completed, it was the biggest anti-trust case in the 71-year history of the Sherman Act. There had been larger suits involving one or two companies, but none of this magnitude affecting an entire industry.

The case involved only equipment used in the generation, transmission and distribution of electricity. It had nothing to do with consumer sales of radios, TV sets, toasters or refrigerators.

The men convicted were among the most respected citizens of their communities with outstanding records of civic service. Defense lawyers pointed to those circumstances in asking for leniency.

The highest-paid executive was William S. Ginn of General Electric. He was boss of 17,000 men at the turbine division in Schenectady, N.Y., and made \$130,000 a year.

He was — and is — held in highest regard. An officer of the International Electrical Workers Union, which was involved in a bitter, three-week strike against GE last year, said:

"Locally we found him a fellow you could deal with fairly. He's a very much respected man."

Gov. Nelson Rockefeller recently appointed Ginn a member of the New York Commission on Economic Expansion.

But General Electric has been the severest of all on employees involved. GE says the anti-trust conspiracy was in outright violation of company orders and has cut salaries, demoted and transferred men involved.

and the following Christmas he was brought home, completely passed out. He went beyond extremes with everything. He appeared to be unsure of himself unless he was drinking. If we had important business to attend to, he always took a drink first.

"Two years ago," she continues, "he had a very narrow escape from death. He drove his car on the railroad tracks and, instead of crossing, he turned down the track. A man saw him and called the station and trains were held up until they got him off the track.

"I have noticed," she concludes, "that people who drink have no sense of responsibility. They always expect someone else to shoulder their responsibilities for them."

"Please warn the public against X-ray treatments for acne," urges a grandmother. "My whole life was wrecked on account of such treatment when I was 16. My whole face was burned off. I'm the mother now of two grown children and I have seven grandchildren. Inside of two years I have had to have two skin cancers taken off on account of those ancient treatments. And, for the rest of my life, I'm going to have to watch for more troubles."

I'd like to add a final word. Very few of the thousands of sufferers from acne have had the misfortune that was visited on our correspondent. On a percentage basis, perhaps the incidents might be reckoned in the third or fourth decimal place. But, for our grandmother, the incidence is 100 per cent. And, in my view, that's too grave a risk for the symptomatic relief of an eruption that has a 99.99 mortality.

Dear Reader: Dr. Hyman appreciates your comments and questions but regrets that the heavy volume of his mail doesn't permit him to answer each individual letter or post card. However, he will comment in columns like the above upon matters of general or unusual interest.

For a copy of Dr. Hyman's leaflet "What About Cancer?" send 10 cents to Dr. Hyman, care Herald and News, Box 489, Dept. B, Radio City Station, New York 19, N.Y.