

Herald and News

Editorial Page

Housing Utopia Not Realistic

We need the stout "advocates of principle" at both ends of the political spectrum. They sharpen public debate on the great issues and serve as a useful check on too precipitate government action.

But it does not follow from this that those who stand for principle are of necessity braver and more useful than those who occupy the compromising political center.

It is not precisely difficult to argue, conservatively, that little or nothing be done. Nor is it really too hard to urge, liberally, that everything be done.

The National Housing Conference, a 32-year-old organization devoted to eliminating slums and blight, perhaps illustrated in its newest Washington meeting how easy it is to talk on the side of the angels.

The NHC notes some largely unattainable facts:

Our total annual output of new housing is insufficient to meet the needs of a growing population, especially those in lower and middle income groups. We are not getting enough urban renewal and we are getting too much urban and suburban sprawl.

To get more and better housing, to arrest deterioration, wipe out slums and check sprawl, the NHC proposes that the federal government quickly approve vast new sums.

Toting up the rough amounts involved in its proposals for expanded urban renewal, low-rent housing, housing for the elderly, im-

proved rural and farm housing, we attain a figure upwards of \$4 billion. A portion would be in loans.

A nonspecialist in housing problems is hardly equipped to question the wisdom of NHC's figures as an ideal proposition.

What the outsider can question, however, is how NHC President Nathaniel Keith and NHC's resolutions committee can discuss these proposals for 21 pages as if not one single other claim on the federal budget existed.

It is recognized that better housing is just part of a broad attack on poverty. But nowhere are housing's demands on the budget put in a scale of priorities with such other needs as job retraining, improved general education, health, welfare, highways.

Nothing is said of the fact that we must spend some \$55 billion for defense and other sums to aid our friends abroad.

Indeed, NHC says plainly that its proposed bigger housing effort has a "first claim on the resources of our economy." Many Americans had thought that defense requirements enjoy that pre-eminence.

NHC's goals are fine. But in stating them flat out in a kind of political and economic vacuum, the group has done just the easiest part of the job.

Left to the political engineers who must deal in realities is the task of scaling such propositions to make them fit somewhere in today's baffling array of competing demands.

Seeking New Fields

(Casper, Wyo. Tribune)

Lower Valley Power and Light of Afton is seeking a \$100,000 loan from the Rural Electrification Administration, not for its own use in expansion or improvement of plant and equipment, but to help finance a potential industrial user of its power.

The loan would be for 10 years at 2 per cent interest. (Incidentally, the federal Treasury pays about 4 per cent on money it borrows to loan to power co-ops at the statutory 2 per cent.)

Lower Valley intends, in turn, to extend the \$100,000 loan to an Afton lumber company for purchase and installation of electrical equipment in a proposed lumber mill, and on the same terms.

Which suggests that it is time to take another look at REA.

The agency was created in 1936 for the purpose of making loans to provide electric power to the nation's farms. But as far back as 1955, the Hoover commission reported that 92 per cent of farms had been electrified.

REA's prime function has vanished. Now five out of six of new co-op customers are industrial and commercial, and the co-ops are making aggressive bids for this business. Moreover, as cities and industries

sprawl out over the adjacent countryside, co-ops are battling relinquishment of these once rural areas to the utilities serving the cities.

So the situation has become one in which the power co-ops are competing with the private power industry for business, and the competition is on unequal terms.

The financing the co-ops get from the federal government at 2 per cent costs the private utilities from 4 to 5 per cent. The private companies pay federal, state and local taxes, which eat up about one-fourth of their income.

The co-ops pay no federal taxes and received preferred tax treatment at lower levels.

So it is pretty evident that as co-op power operations expand, the private power industry is doomed, barring corrective action, which Congress can take since it created the co-op power system.

The logical action would be to do away with the Rural Electrification Administration, since it has fulfilled the purpose for which it was created, and is now reaching out into new fields.

Lacking this, Congress should at least insure that competition is put on an equal basis by withdrawing subsidies and preferred treatment extended the co-ops.



By SYDNEY J. HARRIS

At dinner the other night, someone was telling about a famous artist who, when poor and struggling, had borrowed money from a rich friend. Many years later, he told his friend:

"I have repaid the debt—not by returning the money to you, but by passing it on to a young artist who is now where I was then."

This anecdote reminded me of a true and touching observation on that much-abused word "gratitude" made a long time ago by the French writer, Frederic Paulhan. He said:

"The obligations of gratitude, like all approved obligations, are a low form of morality. Real gratitude does not consist in loving a person who does us a service and in doing him a service in return."

"Gratitude consists in profiting by the service that has been done so that we can act as well as possible toward the whole of humankind, and not only toward the individual to whom we are grateful."

Parents often made the calamitous mistake of expecting their children to be "grateful" for sacrifices or advantages; but a child's gratitude does not have to go back to his parents—it should be passed down to his own children.

If we do things for the child in the hope of winning his gratitude, we are really engaging in what Paulhan properly calls "a low form of morality." The higher form consists in wanting the child to behave as decently, as fairly, as kindly, to all people as we do to him.

STRICTLY PERSONAL

LETTERS TO THE EDITOR

Campaign

I would like to take this opportunity to thank everyone for all of their wonderful help during the Christmas Seal Campaign conducted by the Klamath County Tuberculosis and Health Association. Special thanks go to the Herald and News for their excellent coverage, to the postmaster and his personnel, to the banks, the chamber of commerce, to members of the VFW and the 40 et 8 auxiliaries for the many hours spent stuffing envelopes, and to all of the friends who gave so much of their time to typing. It was all deeply appreciated.

Last, but by no means least, I want to thank the many contributors. Your Christmas Seal dimes and dollars make it possible to continue our fight to eradicate tuberculosis and control other respiratory diseases, also to offer an educational program to the public.

From May 1 to June 15, the tuberculosis associations across the nation are conducting the 1963 RD Campaign, an educational campaign to alert the public to the two symptoms of respiratory disease (sickness of breathing), and to encourage all persons who have the symptoms to see their doctors.

"Cough too much? Short of breath? You may have a respiratory disease. Don't take chances. See your doctor."

A healthful 1963 to all! Mrs. George Meade, Executive Secretary, Klamath County Tuberculosis and Health Association.

QUESTIONS AND ANSWERS

Q—Who was the first printer of the English colonies?

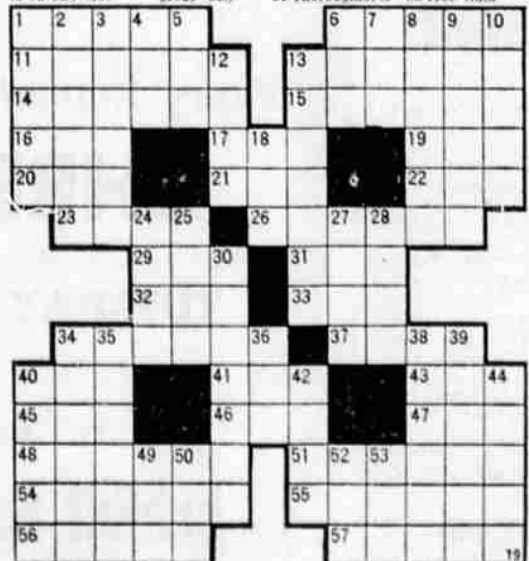
A—Stephen Daye, printer of the Bay Psalm Book.

Actress

- ACROSS
1 Actress, —
6 She appears on —
11 Retreat
13 Acting is her —
14 Spat
15 Standards of perfection
16 Exist
17 Offspring
18 Laid
19 Names (ab.)
20 Final
21 Sea bird
22 Kind of party
23 Singing voices
24 Dance step
25 Raton for instance
26 Altitude (ab.)
27 Marine's direction
28 Peckers
29 Cavalry (ab.)
41 Dine
43 Goddess of the dawn
45 Native metal
46 Dutch uncle
47 Make lace edging
48 Dispatched anew
51 Cooet
54 Penetrates
55 Fixed looker
56 She is one of the — of television
57 Mimickers
DOWN
1 Musical instrument
2 Acquires knowledge
3 Most tried instance
4 Animal medic (coll.)
5 City in the Netherlands
6 British air group (ab.)
7 Anger
8 Tradesman
9 Conquer
10 Mr. Welles
12 Gaelic
13 Scoria
14 Canadian province (ab.)
15 Three-banded armadillo
16 Outburst (coll.)
17 Proboscis
18 Czech river
19 Thoroughfares
34 Father or mother
35 Zoroastrian sacred book
36 Lad's nickname
38 Withdraw
39 Flair of a sort
40 Apple centers
42 Scatter, as hay
44 Those who (suffix)
45 Always (poet.)
46 Years (ab.)
47 Greek letter
52 Tree fluid



- Answer to Previous Puzzle
PORTER
BEEF
CANE
KAT
NAT
LOST
SEAS
TUNA
ESTER
SPA
DOSSER
ASAP
ICE
ESS
LEADER
LICE
RATON
DON
NANT
OUCH
COST
SKIL
TREE
SEA



Follow Up

Last summer, a large group of citizens held a convention. Their purpose was to make a study of crime in Klamath County. In the fall, a complete report of this study was published.

It is not enough, however, to merely study crime. A study should only be the beginning, and so it is with this.

The newly organized Klamath County Council on Crime Prevention was instituted to do something about this crime.

However, if an organization is to function properly it must have active members.

This council offers citizens the opportunity to learn about their community and to aid it.

The next meeting will be held in the grand jury room of the county courthouse at 7:30 p.m. on May 2.

Teen-agers as well as adults who are really interested in the community are welcome to attend.

A study which is not followed by some action becomes worthless.

Carmelle Hartin

Closing

I am writing concerning Bill No. 1256.

Our family has always used Sunday as a day of worship of Our Lord. A day of family fun and a day to relax from the week of work. My husband and I both work for employment where we can have our day of family worship, fun and rest. If we are not concerned about this bill passing we can lose this freedom.

Please help us to bring this to the minds of Klamath County voters.

Mrs. Virgil Koehn, Rte. 1, Box 938.



EDSON IN WASHINGTON . . .

Kennedy Tax Program In 'Simple' Rundown

By PETER EDSON

Washington Correspondent
Newspaper Enterprise Assn.
WASHINGTON (NEA)—Principal difficulty confronting President Kennedy's new tax program seems to be that it's so complex few people can understand it.

To offset this, Treasury Department is issuing a series of "fact sheets" to explain the details.

Each of these fact sheets, however, runs a half-dozen type-written pages or more and covers a number of points. It still comes out complicated, no matter how simple they slice it.

So even if it is old news, here are some simplifications of the Treasury's simplifications. They are presented because so many people are writing Congress and the Treasury, asking for clarification of points they don't get.

The President's plan calls for individual income tax rate reductions to go into effect in three stages over a three-year period. The purpose of gradual change is to cause minimum dislocation to government financing and the whole economy. If one meat-ax cut were to be made, as many people propose, it is claimed the effects might be harmful.

Individual income tax rates now range from 20 per cent on low incomes to 91 per cent on top-bracket incomes.

Under the President's plan the first-year cut, no matter when the bill is passed, would reduce income tax rates to between 18.5 and 84.5 per cent. This would cut revenues \$2.8 billion.

The second cut in 1964 would bring tax rates down to between 15.5 and 71.5 per cent. The two cuts would cut revenues a total of \$8.3 billion.

The third cut in 1965 would bring tax rates down to between 14 and 63 per cent. The three cuts would cut revenues a total of \$11.5 billion.

In addition to these three cuts, two groups of seven reforms each are proposed. The first group is intended to relieve hardship on some taxpayers and encourage economic growth. Five of these reforms would reduce tax receipts by \$740 million. The other two would have little effect. The seven reforms in the first group are:

1. Allow a minimum standard deduction of \$300 for an individual, \$400 for a couple and \$100 for each dependent. The present standard deduction of 10 per cent of adjusted gross income up to a

maximum of \$1,000 would remain intact.

2. The present deduction for child care would be increased from a maximum of \$600 to a maximum of \$1,000.

3. Taxpayers older than 65 would be given a \$300 credit. This would replace the present complicated retirement credit.

4. Moving costs could be made deductible when taxpayers change residences for purposes of employment.

5. Taxpayers whose income fluctuates widely, such as farmers or authors, would be allowed to average their income over several years to escape high taxes in big income years.

6. All medical care and drug costs over 4 per cent of adjusted gross income would be made deductible and the ceiling on medical expense deductions would be wiped out.

7. Donations to public-supported charities would be made deductible up to 30 per cent of income.

The second group of seven tax reforms are intended to broaden the tax base and increase receipts by \$3 billion. They are:

1. A new floor of 5 per cent of adjusted gross income would be imposed on taxpayers who itemize their deductions. Only expenses above this floor would be deductible. In spite of this floor, itemizers would still receive an average tax cut of 14 per cent.

2. A 4 per cent floor would be imposed on casualty expenses, such as auto damage, fire or storm losses.

3. Present law, which allows wealthy individuals to escape all taxation when their charitable contributions and income taxes exceed 90 per cent of taxable income for eight out of 10 years, would be repealed.

5. Companies that buy group term life insurance for employees would be required to pay taxes on premiums for coverage in excess of \$5,000 on each employee.

6. The present law which allows the first \$50 of dividend receipts to be tax free and gives a further 4 per cent credit on all dividends received would be repealed.

7. In computing depletion allowances on mineral resources, taxation of income received by individuals from natural resource industries would be changed. Taxpayers would be required to take into account prior exploration and development costs previously deducted as expenses.



WASHINGTON REPORT . . .

Contracts Become Political Weapons

By FULTON LEWIS JR.

When Ted Kennedy told voters last fall that he could "do more for Massachusetts," he wasn't kidding.

A U.S. Senator for only three months, the President's youngest brother has more than lived up to the now-famous campaign slogan that helped bring him victory by 225,000 votes.

He has done so much, in fact, that Congressional colleagues are boiling mad. Soon after his election, Ted paid a visit to the Grumman Aircraft and Engineering plant at Bethpage, Long Island, in an attempt to secure sub-contract work for Massachusetts. Sen. Ken Keating, New York Republican, said the purpose of Kennedy's trip was nothing less than piracy. New York congressmen, Republicans and Democrats alike, agreed.

Last month, Kennedy flew to Bethlehem, Pa., in an effort to persuade Navy officials to transfer work to Bay State shipyards. Reaction on the part of Pennsylvania lawmakers has been violent.

On March 5, the Commissioner of Internal Revenue, Mortimer Caplin, announced that the IRS regional office in New York would be closed and its functions transferred to Boston.

Rep. John Lindsay, in whose district the old IRS office was located, is bitter: "I am all for streamlining the federal bureaucracy, but why Boston over New York? If there is to be one regional office it should be in New York City. The tax collections in New York are two to three times those in all New England."

"It becomes increasingly clear that an offensive political slogan, 'I can do more for Massachusetts,' is being translated into United States government policy."

Weeks before Ted Kennedy was to take his oath of office, Sen. Ben Smith—whose term would not expire until Jan. 9—had left Washington. Into his office moved Kennedy, lock, stock and barrel.

On Jan. 2, Kennedy's office announced that two contracts worth

\$55 million had been awarded to a Massachusetts firm, the Raytheon Company. They covered work on the Sparrow III guided missile.

One week after Kennedy officially became a U.S. Senator, it was announced that location of a \$2 million water research laboratory had been given to Massachusetts. New Hampshire Sen. Norris Cotton, a Republican, lashed out at the contract, maintaining that communities in his state deserved it. He charged the administration was "making a mockery of its own announced policies to locate federal facilities in areas of economic distress."

Kennedy's office cranks out regular press releases that list the goodies he has garnered for Massachusetts. The releases, however, are sent only to Bay State papers.

Following are a few contracts, in addition to those mentioned above, announced by Senator Kennedy's office:

The Western Electric Company, \$19 million for "additional research and development work on the Nike Zeus radar," part of the work to be performed at Waltham, Mass.

General Electric Company, \$42 million for gear assemblies for late-model helicopters and T-58 and J-45 engines, work to be performed at West Lynn, Mass.

Raytheon Company, \$34 million for the Hawk missile guidance and control system, part of the work to be performed at Andover, Mass.

General Electric Company, \$5.4 million for "Polaris fire control systems," work to be performed at Pittsfield, Mass.

Raytheon Company, \$11.2 million for "Hawk missile system radar," work to be performed at Andover, Mass.

Perhaps the above contracts would have gone to Massachusetts if Senator Ted were not in Washington. There is the lingering feeling, expressed by Sen. Clifford Case, however, that defense contracts have become political weapons in the administration arsenal.



IN WASHINGTON . . .

Communists After Brazil

By RALPH de TOLEDANO

Latin American Intelligence agencies believe that the Communists will strike in Brazil during the first week of April. Careful plans for a coup d'etat have been intercepted. The one possible hitch is a veto from the Kremlin. At present, top Brazilian Communist leaders are in Moscow being briefed. At the same time, other Communists, led by Francisco Juliao, who runs the Castroite Peasants League but takes his orders from the Chinese Reds, is prepared to move ahead no matter what the Kremlin says. In this temporary division of power, Brazil's future may lie.

Arms for the Communist revolution have been arriving from Cuba by the boatload for many months, according to Brazilian police. Some shipments have been intercepted, but counter-intelligence experts say that for every rifle seized, four get through. And the shipments are not limited to rifles and hand guns. Grenades, mortars, and machine guns are also being sent in a steady stream from Communist Cuba to the northeastern section of Brazil.

With these weapons, the Communist training camps of Cuba—commanded by General Alberto Bayo, a Moscow-trained guerrilla specialist—have also been exporting fighters and technicians who know how to turn a "revolutionary incident" into a full-scale uprising. These guerrilla troops have already begun to assemble

in the Brazilian countryside. However, the main body will arrive in Rio de Janeiro just before March 23 as "delegates" to the Continental Congress of Solidarity with Cuba, an organization set up by the Soviet and Chinese Reds several years ago. The Congress held its first meeting in Mexico City in 1961 and was used as the plotting center for violence in Venezuela and Peru.

Kremlin-oriented and Peking-directed Reds share in the direction of the Congress and it is today the most important revolutionary weapon in the Communist arsenal. Differences between Red China and the Soviet Union may immobilize the planned April uprising, but this will mean only a change in the timetable. The tip-off on whether or not an uprising will take place will be in the leadership of the Rio congress. If Juliao, a force and violence man, emerges as the real leader of the Congress, then Brazil is in for a bloodbath. If Luis Carlos Prestes, veteran Moscow stooge, takes the helm, then there may be temporary peace.

Whether an uprising can succeed depends on a variety of factors. A steady stream of reinforcements and continuous logistical support will be needed. This must come from Cuba. If the United States shows its determination to block this aid by interposing naval forces, the revolt will be dealt a serious blow. On the other hand, there is a possibility that

President Joao Goulart, a left-winger, may immediately offer a deal to the Castroite Communist revolutionaries—a post in his Cabinet or some kind of coalition.

In that case, only open military intervention by the U.S. on Brazilian soil will prevent seizure of the country by the Communists. And it is highly doubtful that the Kennedy Administration, which has tolerated a Communist base 90 miles off the American coast, will have the stomach for a real fight in the Brazilian heartland.

A Communist Brazil will, of course, be the first and probably decisive step toward Red control of all Latin America. The importance of the attempt is such that the Communists (whether in Moscow or Peking) will reject it unless they feel that they have a moderately good chance of success. But the very fact that they are seriously contemplating an assault on the largest and potentially richest country south of the border is cause for very deep concern.

Reports of Castro-Communist activity in Brazil may be exaggerated. The planned uprising may only be a dream. But it is certain that whatever happens or does not happen in April, Brazil is next on the Communist agenda. The debaters' rift between Moscow and Peking may delay the attempt, but Latin American experts here are sure that it is in the works.