Herald and News

Editorial Page

Who Has The Answers?

These two businessmen were settling the big issues of the day as they rode to work.

"It's about time," said one, "that these guys in Washington wake up to what's really going on in this country and around the world. Between the White House and Congress, we're getting nowhere fast. The country is really in a mess."

The other man nodded. "Things are rough, all right," he said. "But I'd sure hate to be the ones who have to try to straighten them out."

So would we all. Most any one of us can call the shots when we're sitting on the sidelines and no one is keeping score on us. But how many of us would welcome the responsibility of having a voice of authority in rendering judgment and final decisions in such problems as:

- The railroads' management - labor problem?
- The racial unrest throughout the country?
- The continuous and insistent tug between management and labor, erupting into open breaks around the country from day to day?
- The relation of the nuclear test ban treaty to a nonaggression pact? Who would want to try to guess right on this?
- The controversial federal aid to schools issue?
- Tax cuts and tax reforms?
- The unemployment situation and the national economy?
- The farm problem?
- The population explosion and birth control?

And on and on and on.

We mention those headaches—only a few of the scores to plague the administration and the lawmakers in Washington—not to excuse any errors of judgment or action that may be made, but to emphasize the scope and size of the tremendous task facing our national leaders.

The freedom to second guess and to serve as Monday morning quarterbacks is an inalienable right of every American. But there is also the obligation to help solve those problems by individual effort, sober judgment, calm action, fair play and loyal citizenship.

Contrary to what we may be told or what we may think at times, the voice of the people still prevails in America. Each of us is part of that voice. Each of us is part of America.

Persistent Gold Problem

(Cincinnati Enquirer)

Sometimes if you ignore it long enough, a problem will go away. Sometimes, it can be dispelled by stop-gap measures. But the problem of the gold outflow is not in either category. Temporarily, at any rate, it is worse than it was a year ago. For the first quarter of 1963, the outflow of U.S. capital as a whole was at the annual rate of $3.8 billion, which is higher than the rate of 1962—although not quite as high as the rates for 1960 and 1961. And it rather looks as though the same pattern will prevail when figures for the first six months of the year are available.

Further heavy drains on our gold supply have brought reserves down to $15.7 billion, which is the lowest since April of 1939, nearly a quarter century ago. One consequence is a new flurry of speculation in European capitals about possible dollar devaluation. The President can attempt to offset this by another firm statement flatly ruling out any such action. But while that may head off another epidemic of raids on the dollar by private speculators in London and Amsterdam, it will not solve the basic problem.

Whatever its other effects, the drastic slash in overseas aid for fiscal 1964 that is indicated by the temper of Congress will help to correct the imbalance. So will the expected further increase of foreign visitors to this country.

For the still longer term, there is another set of corrective forces at work. Chief of these is the upward spiral of prices and wages in Europe and also in Japan — in contrast to a leveling off of prices and wages here. Another, unpredictable as to its scope, is a prospective slowdown in the export of private U.S. capital, particularly the movement touched off by formation of the European Common Market.

Until our balance of international payments is really balanced, however, we shall be operating under a considerable handicap, both financial and political, since a weak gold position is a poor hand to hold in international politics.

HOLMES ALEXANDER . . .

The Miserable Ones

By HOLMES ALEXANDER

WASHINGTON, D.C.—Congressman Roman Pucinski, Democrat from Illinois, has an idea which could beam the glare of public enlightenment upon America's grotesque unemployment problem.

Pucinski tells me he intends to ask Labor Secretary Wirtz to add a third category to the reports under which the Bureau of Labor Statistics now lists (a) employed and (b) unemployed figures. The silvering but energetic Congressman, once a reporter and bomber pilot, wants the third category to be those Americans who are unemployable under the mores of the times. He says this third-class citizenry will compose almost 90 per cent of persons out of work. It would break down as follows:

1. About 800,000 draft age youths between the ages of 18 and 26. His studies show that employers do not readily give meaningful jobs to young men classified as 1-A with their draft boards because this would force the employers to keep the job open for two years while a drafted worker is in the military service.

2. About two million Americans who are "functionally illiterate." One of the real contributions of the Kennedy Administration has been to bare the shocking fact that hundreds of thousands of Americans, under our public and compulsory school system, have managed to get through grade school, high school and even into freshman year of college without being able to read.

Of course we were warned long ago in books that were rejected by major publishers and scored by the uptown critics that the "progressive" system of education was leading to ignorance. Finally a book by Rudolf Flesch did break through to show "Why Johnnie Can't Read." The irrepressible Admiral Rickover made himself heard. But the damage upon the present generation was substantially done. As recently as last year, a California state wide election went squarely to the issue of returning to the basic educational principles of the three Rs. Meanwhile, illiteracy of job-seekers who cannot read job manuals and simple instructions has become an albatross around the national neck.

"I'm on two subcommittees," said Pucinski of the House Education and Labor Committee, "which undertake to create jobs. But until we teach people to read and write, it won't do much good to make jobs for them."

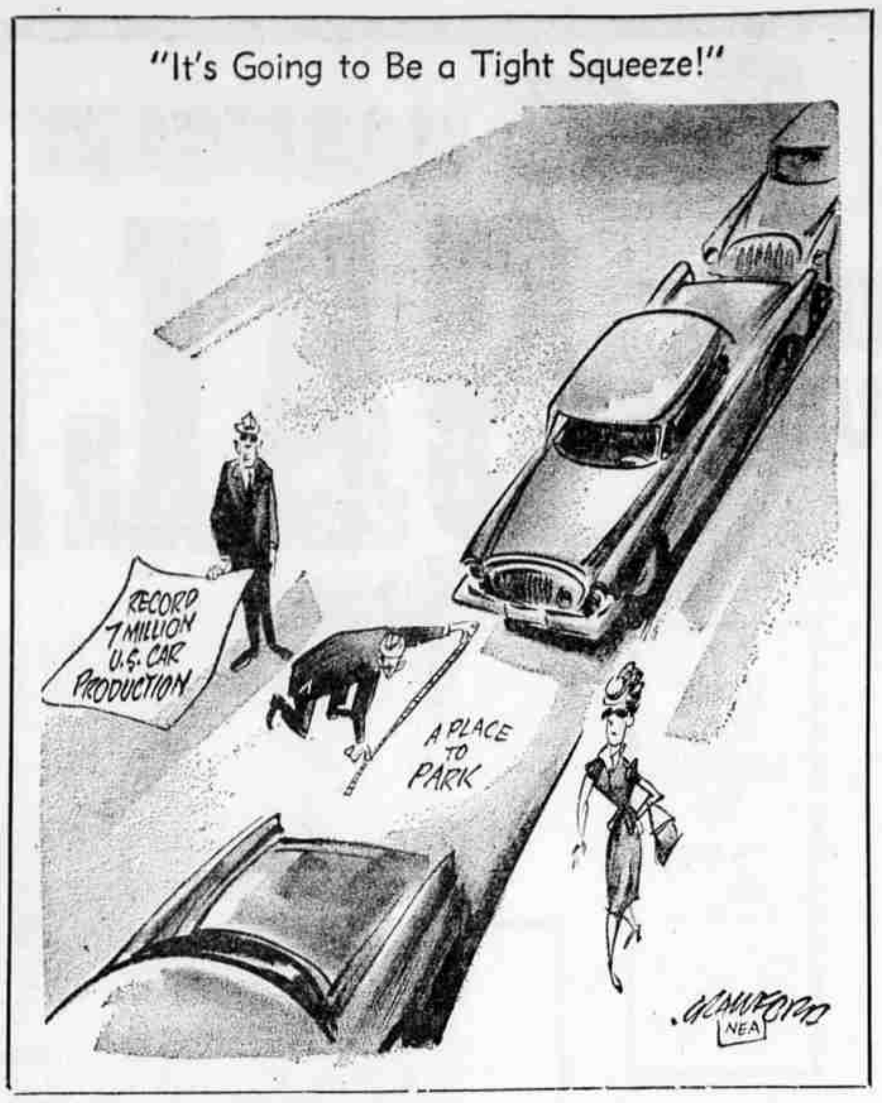
3. About two million workers upward of 40 years old who have been replaced in their jobs by automation and relocation of plants. At this mature age-group, workers might be thought to be at their productive peak. But the introduction of new machinery, at the old sites or in new ones, instantly turns a skilled worker into an unskilled worker.

Even before the federal and state governments began to accelerate retraining, as under the Training Act of 1962, private industry and many of the unions were attempting the same thing. All these efforts, however, are made in the teeth of a population explosion which necessitates more and more jobs each year.

Pucinski is on the trail of a useful idea. Merely to add the dreary category of "unemployables" to our already-dreary encyclopedia of statistical data will not solve our employment problems—but it will spotlight what our problems are.

BERRY'S WORLD

"You mean we're payin' that fancy school to learn her how to be a TREE?"



NEWS COMMENTARY . . .

Civil Aviation Changed

By ROBERT J. SERLING
UPI Aviation Editor

WASHINGTON (UPI) — The airlines, their pilots and the Federal Aviation Agency (FAA), who do not always see eye to eye, have one thing in common these days.

Namely anger.

It is directed at a recent report by a House subcommittee headed by Rep. Jack Brooks (D-Texas). Last fall the subcommittee heard testimony concerning shennanigans in airliner cockpits—pilots sleeping or reading while on duty, donkeys running around in cabins, and stewardesses being allowed to take the controls on scheduled trips.

The subcommittee report repeated the testimony and included pictures taken secretly by flight engineers. What angered virtually everyone in commercial aviation was the implication it drew—that the cockpit discipline situation still existed. It urged, for example, that the FAA start making unannounced flight inspection to determine whether "aircrew members are applying themselves to their duties and responsibilities."

Demanded Najeeb Resign

A national magazine (The Saturday Evening Post) used the hearings as justification for demanding the resignation of Federal Aviation Administrator Najeeb E. Halaby, who wasn't in office when most of the incidents occurred. An editorial in the Aug. 3 issue declared:

"The House government activities subcommittee report is further proof . . . that Mr. Halaby should either apply himself more fervently to the cause of greater air safety or else he should resign."

The aviation community said it would like to get a few points across on the subject of cockpit cut-ups:

—No responsible airline pilots' union or government official condones the events of the past. But the word "past" should be capitalized. All airlines and their crews have been warned that recurrences will not be tolerated. There have been no further incidents reported. And in all the furor generated by the hearings and the subsequent report, it was easy to forget that the cockpit discipline incidents cited all occurred between 1957 and 1961. The subcommittee and the magazine, as far as responsible civil aviation leaders are concerned, are beating a dead horse.

Corrective Action Taken

The report went into great details on the testimony from various witnesses, but went into no detail on the fact that FAA and the airlines, even before the hearings were held, already had taken corrective action.

—Aviation officials believe that in citing the cockpit incidents in such great length, the report created a distorted picture of widespread, frequent and even current laxity which could well prompt fearful citizens to stay away from air travel. The magazine also gave the impression that the FAA and the airlines still are indifferent to the necessity for cockpit discipline.

The report's recommendation for unannounced flight inspection warrants some comment. This is why the FAA doesn't think much of it:

—FAA inspectors want to watch the entire operation of a flight, not just what goes on in the cockpit. This involves observation of flight plan and dispatch duties, pre-flight mechanical inspections, etc.

—The FAA is getting ready to issue a proposed regulation requiring all cockpit doors be locked as a precaution against sabotage or hijacking. Cockpit security appears to be a far greater air safety problem than cockpit discipline.

—FAA officials already perform a certain amount of unannounced inspections. They ride incognito in airliner cabins to observe the performance of cabin attendants and the frequency with which pilots leave the flight deck.

One fact stands out which was not mentioned either in the subcommittee report of the magazine: Civil aviation has changed since the cockpit incidents occurred. Any layman privileged to observe the flight deck of today's jets or any other airliner would be surprised — as well as reassured. There is noticeable tension, total alertness and an atmosphere of no-nonsense.

It might be said that this happy situation is due in part to the revelations of the Brooks subcommittee. There undoubtedly are a handful of pilots who might misbehave if they were not afraid someone—like a flight engineer—would report them. But the main deterrent for cockpit laxity is a jet age fact of life—there no longer is time for cutting up.

STRICTLY PERSONAL

By SYDNEY J. HARRIS

My old and dear friend, Milton Mayer, has filed suit in the Federal Court in Washington, D.C., to force the State Department to issue him a passport.

Milton Mayer, is, in my opinion, the most brilliant journalist in our country and our time. He would be an adornment in any country and any time. He writes powerfully, thinks clearly, and has the courage to live as he writes and thinks.

He has been an anti-communist during the 25 years I have known him—and for years before that. But he refuses to sign the non-communist oath which became a part of U.S. passport applications last year. For this reason, the State Department is refusing to reissue his passport, which expired last spring.

He will not take an oath under duress. "My views on communism are widely known," he has said, "but I express them because I wish to. I will not do so under duress."

It would be simple for him to take the oath, as must of us would. He is contractually obligated to three publishers and two church organizations for assignments in Europe this year. But as a matter of principle, he refuses to deny a crime with which he has not been charged.

Such a test oath, he believes, "is the historic instrument of tyrannies for the reduction of free men to servility. It is unworthy of my country and my government, and I must make my protest against it."

I know scores of upstanding, high-principled conservatives, who inveigh daily against government authority and restrictions — but only when these directly affect their earning capacity, their schedule, and their business procedures. Most of them would be heartily in favor of the non-communist oath for passports.

Likewise, most of the liberals I know concentrate only on one aspect of "freedom"—that part which coincides with their political and economic beliefs. They are not unduly concerned about government infringement of the business area, even if it is unjust.

But "freedom," if it means anything, is indivisible. We cannot be for it in one sector, and indifferent to its abuse in another sector. We cannot ask the government to move in when it serves our interest, and to stay out when our interest is threatened. But this is exactly what most of us want.

Milton Mayer stands to gain nothing personally, and to lose a lot, by refusing to take the passport oath. He is fighting our battle more than his. For, as he says, "Liberty goes down the drain, little by little, while nobody is looking."

He was opposing the communists long before most of us knew what was going on. Now he is opposing the government. In both fights, he is right, and the rest of us are put to shame.

LETTERS TO THE EDITOR

Inhumane

I have always enjoyed my frequent trips through Moore Park, but only recently have I visited a part which I consider a disgrace to this beautiful park as well as our whole community.

I refer to the zoo, or rather an imitation of one.

Here I observed wild life confined to "two by four" pens, pacing ceaselessly back and forth in view of their natural environment but with no hope of ever gaining their freedom.

Do unto others as you would have them do unto you.

Have you good citizens of this city ever considered this to apply as well to our friends, the animals? If you will put yourselves in their place and have a spark of compassion in your hearts, you will agree with me that it is high time to put an end to this form of petty cruelty.

Truly man's inhumanity to man can only be comparable to man's inhumanity to these dumb and helpless creatures.

Alice B. Wilson,
Lakeshore Drive.

EDSON IN WASHINGTON . . .

Balance Of Payments Is Confusing Subject

By PETER EDSON
Washington Correspondent
Newspaper Enterprise Assn.

WASHINGTON (NEA)—All the pieces in the papers about the deficit in the U.S. balance of payments and the declining U.S. stocks of gold have a bad psychological effect on most American citizens, even though many of them haven't much notion what it's all about.

This is a pretty sophisticated subject.

A short time ago it was said that the only man in the world who really understood international payments was Per Jacobsen of Sweden, managing director of International Monetary Fund. He died in May.

Bankers, economists, government fiscal experts and some congressmen discuss balance of payments very emotionally. Even so, their language is almost completely unintelligible to laymen.

Back one of these authorities into a corner and ask him for a simple explanation. You'll get something like this:

"The balance of payments is an international accounting in summary form for all U.S. international financial transactions.

"It includes exports and imports of goods and services, foreign loans and investments, foreign aid, the cost of keeping American military forces overseas, their spending and tourist spending abroad, dividend, interest and loan repayments and the movements of gold to balance international accounts."

An average citizen may then ask, "What has all this got to do with me?"

One solid answer is that it affects U.S. jobs and taxes, due to its influence on the value and purchasing power of the dollar.

It can influence your mortgage interest rates or time payments on a new car.

This last is an intricate daisy chain, but it can be followed.

On the day President Kennedy sent his long message to Congress with recommendations to improve the U.S. balance of payments position, the Federal Reserve Board raised the interest rate on its loans to banks from 3 to 3.5 per cent.

It also authorized U.S. banks to raise to 4 per cent the interest rates they charged on short term loans — from 90 days to a year.

The aims were to attract foreign money to the United States and to encourage U.S. corporations and others with surplus funds for investment to keep this money in this country.

This action was not intended to affect long-term interest rates on mortgages or corporate and municipal bonds. There is no agreement among all government or private industry economists, however, that long-term interest rates will not be pushed up by the authorized increases in short-term rates.

One overriding concern is that if a federal tax cut doesn't come soon to release new funds for saving and investment, a tight money supply might develop.

Higher interest rates would result and might slow up new business investment.

This would hold back economic growth and employment — a prime Kennedy objective.

We come to the interest which consumers must pay on their homes and autos.

The rates now average between 6 and 7 per cent. In a tight money market though, when interest rates are going up, the terms may be changed to make up the difference.

Down payment requirements could be increased.

Auto loans could be cut from 36 to 30 or even 24 months. Mortgages might be granted for only 25 years instead of 30. The result is larger monthly payments, which hit consumers hard.

The alternative to the complicated balance of payments adjustments could be even worse.

Say the United States doesn't raise its short-term interest rates. Then foreign depositors could demand payment in gold — which U.S. depositors can't do — and the drain on U.S. gold stocks could continue. Then confidence in the dollar at home and abroad may be further impaired.

WASHINGTON REPORT . . .

Counterfeiting One Of Principal Rackets

By FULTON LEWIS JR.

The departure from Washington of Elizabeth Rudel Smith, a pert California divorcee, has killed one of the most bizarre schemes under high-level consideration in recent years.

An ardent Kennedy-for-President Democrat, Mrs. Smith was named Treasurer of the United States during the first days of the new Administration.

In that position, she plugged hard for multi-color currency, for dollar bills tinted ochre, for five-spots colored pink, for lavender tens and scarlet twenties.

The experts could not convince Mrs. Smith the plan was wildly impractical. They told her that multi-color currency would confuse the public.

There are more than five trillion pieces of currency — with a total value of $31 billion — currently in circulation. To introduce a new type of currency into the economy, Mrs. Smith was told, would be a great hazard in that it would encourage counterfeiting and could deceive the public.

Mrs. Smith stepped down from her post last year and was succeeded by Kathryn Granahan, a Philadelphia Congresswoman who had lost her seat through redistricting.

Mrs. Granahan huddled with Treasury officials including H. J. Holtzclaw, Director of the Bureau of Printing and Engraving, and asked about the feasibility of multicolor currency. After a personal investigation Mrs. Granahan turned thumbs down on her predecessor's scheme.

In a recent report to Treasury Secretary Douglas Dillon, the Chief of the United States Secret Service reviewed his war on the nation's counterfeiters.

James J. Rowley revealed that his agents last year picked up almost $3.4 million in counterfeit currency. Of this more than $2.8 million was seized before it was put in circulation. The other half million was turned in by banks and individuals who had been stuck.

In June of this year, agents of Chief Rowley's Secret Service seized more than a million dollars in phony twenties from five North Carolina residents. Run off the presses of a legitimate print shop by an unscrupulous businessman, the bills were less than 48 hours old when Secret Service agents swooped down. They were tipped off by an undercover agent who had two days earlier purchased $30,000 of the phony bills.

In June, 1962, a counterfeit $50 showed up in Fort Lauderdale, Fla. During the next fortnight, identical bills were passed in Miami. Investigation disclosed the identity of the passer as an employe of a Fort Lauderdale printing firm.

On July 5, 1962 he was arrested and $99,000 in counterfeit bills were seized along with the plates and negatives used in their manufacture.

The passer, who had manufactured the bills without the knowledge of his boss, is now serving a five-year sentence in Federal prison.

One year ago fake tens and twenties began to appear in the Chicago area. Crudely - etched, they were thought to be the work of rank amateurs.

Within a short time, new bills appeared. Similar to the first issues, they were, however, much improved. It was obvious the counterfeiters were making progress. By January, 1963, more than $17,000 in twelve different issues had been passed inside Chicago. Each bill was shown to be the work of the same group.

Secret Service men determined that the notes were distributed by a small group of Cook County crooks. Simultaneous raids were conducted in April, 1963 on a restaurant and residence, resulting in the arrest of the five manufacturers, and the seizure of the press, plates, negatives and several thousand dollars in uncut counterfeit bills.

Almanac

By United Press International

Today is Wednesday, Aug. 14, the 226th day of 1963 with 139 to follow.

The moon is approaching its new phase.

The morning stars are Jupiter and Saturn.

The evening stars are Mars and Saturn.

On this day in history:

In 1900, 2,000 U. S. Marines helped in the capture of Peking, China, which ended the Boxer Rebellion.

In 1929, the dirigible Graf Zeppelin left Germany with 20 passengers on a round-the-world trip.

In 1945, President Harry Truman announced that Japan had unconditionally surrendered.

A thought for the day — American essayist Henry Thoreau said: "The mass of men lead lives of quiet desperation."