

Editorial Page

They'll Be Interesting

The word "polticking" isn't in the dictionary. But it's a good, if homely, word just the same. It's as American as apple pie. It describes something that is going on in this country, in which anyone can run for anything, day in and day out the calendar around. All the way from the Presidency down to dog catcher, people, informed and uninformed, are constantly arguing the merits and demerits of one possible candidate versus another.

The next Presidential nominating conventions are a year in the offing. But polticking involving them has reached an unusually tense peak. It may be due to the confusion of the world we live in. Internationally speaking, it is in dreadful shape. The whole Western defense posture is in question. The Common Market is up in the air due to De Gaulle's intransigence. The political situation in Britain, brought to a head by the Profumo-Keeler scandal, has, unless a major miracle occurs, doomed the Macmillan government. Here at home, an interminable Congress has produced practically nothing due to the extremes of differences over a dozen and one major issues—civil rights, the Welfare State in all its ramifications, tax reduction and fiscal reform, deficit financing versus a balanced budget, etc., etc.

So far as candidates are concerned, interest centers on the GOP. Mr. Kennedy will ride the donkey once again. But who will guide the elephant is a very different matter.

It is probable that if the conventions were held tomorrow Senator Goldwater would walk off with the plum. The Goldwater boom has been phenomenal. Indeed, some of the meetings, largely organized by young people, have taken on the aura of actual conventions, complete with state banners and the rest. The Senator hasn't announced his candidacy, but no one doubts that he will come if called. The political arguments on his behalf are unique. His backers freely admit that the great Northeastern industrial states with their huge

blocks of electoral votes, will go for Kennedy, and that some of the Midwestern and far Western states, including California, will be in his ranks too. But, they say, this can be offset and more by a sweep of the South. That would mean Republican victory in states that have always gone Democratic by huge majorities. But times have changed, say the Goldwater people, and past precedent has lost its meaning. The main reason for this theory of Southern defection from the Democratic ranks, of course, is the integration issue.

Then there is another personable figure—Nelson Rockefeller. His standing in the polls plummeted with his remarriage. It was widely stated that, politically, he was all through. But a lot can happen in a year and memories are short. And, some political writers say, the fact that various of his influential political backers ran for the woods when his popularity sagged may be something of a blessing in disguise. They deserted his camp; therefore, he is no longer obligated to them or their views and wishes in any way. He can be his own man, just as Goldwater can, and say and do precisely what he thinks. This is no small asset.

These two men certainly do not exhaust the possibilities. They could eliminate each other, and bring about the nomination of a comparatively dark horse. This could very well open the gates for George Romney, who is Eisenhower's favorite and has a great deal of support in powerful industrial and financial circles which prefer a middle-of-the-roader to an outright liberal or conservative. And if Romney, too, fell by the wayside, a real long shot, such as Governor Scranton, could get the nod.

Differences between political groups—the prime examples being the Rockefeller and Goldwater factions—are hot, increasing, and in some instances downright bitter. The battles that lie ahead may not be enlightening, but they'll be interesting.



WASHINGTON CALLING . . .

Kefauver Tried Hard

By MARQUIS CHILDS

WASHINGTON—The waters of oblivion have a disconcerting way in this capital of rolling over the reputation of a departed officeholder almost before the eulogies have ceased. But Estes Kefauver of Tennessee promises to be an exception to this unhappy rule if only because he stood for certain deeply held beliefs above and beyond the erosion of easy compromise.

Whether his last big drive—to investigate the power of American drug manufacturers to enforce high if not prohibitive prices for wonder drugs in Latin America—will be scuttled is the question of today. With his old opponents closing in, the prospects are not bright.

Kefauver had an old-fashioned belief in competition. He was for free enterprise—free and competitive enterprise. A close friend in the Senate once asked him to join in sponsoring a "price notification" bill requiring firms in basic manufactures to serve advance notice of upcoming price increases along with a justification for the boost. Kefauver declined saying this sounded too much like government regulation to him.

The Senator from Tennessee with the coonskin cap and the limp handshake has a monument in the greatly strengthened drug bill that followed the thalidomide scandal and in an anti-merger law putting more teeth into the anti-trust statutes. But his real achievement is in the massive record built up beginning in 1957 on his investigation of "administered prices" in bread, autos, steel and other areas in the economy where monopoly or monopoly understandings keep price tags high.

Proposing to investigate the prices of American drugs in the Latin-American market, Kefauver ran into a buzz saw. His associates believe his experience so shocked and saddened him that it contributed to his fatal heart attack.

McKesson and Robbins, the nation's leading drug wholesaler, went into Colombia and began selling antibiotics and other drugs under their generic rather than their brand names. This meant a saving many times over to the consumer. But the big American pharmaceutical houses were outraged and McKesson charged them with shutting off supplies.

When Kefauver proposed to investigate they turned the heat on friendly Senators. Kefauver's anti-monopoly subcommittee was blocked by the full Justice Com-

mittee. This was a matter for the State Department or the Department of Justice. The hot potato bounced from hand to hand as Kefauver looked on with a growing sense of helplessness.

Finally Kefauver was granted a hearing before the Senate Foreign Relations Committee to consider the repercussions in Latin America of the proposed investigation. To the hearing came Thomas G. (Tommy) the Cork of the New Deal era Corcoran, representing his brother, David, president of Sterling Products, a drug company with a large operation in Latin America. Corcoran's law partner, Edward H. Foley, represents the pharmaceutical manufacturers association.

Corcoran made a forceful, not to say fierce, presentation. He told the committee that even the proposal of an investigation had been blown up in sensational newspapers in Brazil and elsewhere to show that American drug firms were guilty of trying to extort criminally high prices. This would be used by political demagogues to justify confiscation of the American drug business and that, Corcoran warned, would be another blow to foreign aid in Congress.

Sen. Wayne Morse, chairman of the Latin-American subcommittee, sided with Corcoran. Kefauver felt

that his allies of the past had deserted him. In the face of Corcoran's warning it was agreed that if anything was done it should be by the Department of Justice inquiring into possible violation of the law in this country. In an administration showing little interest in anti-trust, this seemed to Kefauver a brush-off.

The other day Sen. Phillip Hart of Michigan, who succeeded to the chairmanship of the anti-monopoly committee, got a vote of all eight members approving a resolution keeping in force the subpoenas issued for records of the big drug houses. Hart feels strongly about the Kefauver goals of checkmating monopoly pressure so that business can be free to produce to the fullest. But when the real showdown comes on whether to investigate or not the chances are that he will have only two votes—his own and that of Sen. Thomas J. Dodd of Connecticut.

A melancholy footnote to the Kefauver career is that he left an estate of \$20,000. Friends and admirers are trying to raise a fund to help educate the four Kefauver children. Honestly, as Lincoln said, may be the best policy. But in an era when money values are supreme it can impose heavy penalties.

BERRY'S WORLD



"Now that I'm a world figure, Lady Bird thinks I ought to be a national figure."

"Wipe Your Feet and For Heaven Sakes, Smile!"



IN WASHINGTON . . .

Enlightened Management

By RALPH de TOLEDANO

For most people, labor-management relations mean strikes, charge and counter-charge, and industrial dislocation. For some companies and unions, however, it means finding a means to co-exist peacefully, to pay the maximum wages yet keep industry alive. In the case of General Electric and the International Union of Electrical Workers (AFT-CIO), it is confusion compounded.

On the one hand, the company tries its best to do the right thing by its employees—as it has always done. On the other hand, the union (or to be fair about it, its pugnacious president, James Carey) feels that to get along with management will violate all the rules and perhaps put into office a more reasonable labor leadership. As a result, Mr. Carey has devoted himself less to labor relations and more to violent name-calling. Given another kind of management, the dues payer would have lost substantially.

The proof of the pudding—and it should serve to inform other companies and unions—is in General Electric's brand new increase in pension payments to retired employees. Without any prompting or threats from the IUE, GE has increased its medical and hospitalization insurance coverage to some 25,200 retired employees—making them eligible for non-Kennedy Medicare payments of up to \$6,000 a year for themselves and their wives.

Jim Carey is, of course, furious at this new development. He likes it better when the companies

doing business with the IUE are nasty to workers. Then he can justify his unshakable anti-business policy. This is good labor politics, or so Mr. Carey believes. It reflects a viewpoint perhaps conditioned by the fact that Mr. Carey has not done a day's work in a plant since he was 21 years old. Those of us who have had to work for a living think somewhat differently.

General Electric's unilateral increase in the benefits it gives its employees has only been a continuation of its traditional policy of getting along with unions. This policy has, sadly enough, not paid off in the eyes of Jim Carey and other doctrinaire labor leaders. They hate GE precisely because it has met the union more than halfway.

A look at the record shows that GE established a pioneer pension plan in 1912. Under the New Deal, it agreed voluntarily to collective bargaining, thus sparing its workers the kind of violent strikes which shook other industries. The Harvard Business Review recently pointed out that "by 1932, GE had signed a company-wide agreement with the newly formed (United Electrical Workers)"—precursor of the IUE—"without strike or legal bickering."

The GE story is important today because the company developed a new philosophy of collective bargaining in order to cope with Master Carey's explosive demagoguery. Under Lemuel Boulware, one of its vice presidents, GE embarked on a collec-

tive bargaining course which involved a "communications" program with its employees. The Boulware line: Tell them the truth. The unions immediately tagged this new approach "Boulwarism" and tried to make the term a dirty word.

But "Boulwarism" was simply an application to collective bargaining practices of American business principles. It meant that a company would carefully examine labor's demands, compare them with its capabilities and abilities for increasing wages and fringe benefits, and then make the best possible offer. In the past, to meet labor's onslaught, management's counter-offer was always hypocritically low to permit "bargaining." (Read: Haggle.) GE, moreover, was always ready to revise its offer if the union provided information which justified a bigger settlement—and in a number of instances, it readily increased its offer.

Jim Carey did not like this. For one thing, it deprived him of the chance to proclaim a great (and paper) victory after every contract negotiation. Secondly, it made the company look good to employees. The National Labor Relations Board seems to agree with him that "bargaining in good faith" means making an unreasonable low offer and then backing down—a practice common in the bazaars of the Orient.

An NLRB examiner has cited GE—and, if his decision sticks, all of management—for an "unfair labor practice" because of "Boulwarism." The examiner listed five legal acts by GE, and said that in combination they were illegal. As the Harvard Business Review noted, the examiner constructed a "theory of illegality resulting from a series of legal acts."

Given this kind of reasoning, I am surprised that Jim Carey, the IUE, and the NLRB have not attempted to throw GE into the plan which makes Medicare unnecessary and unwanted. In the upside-down reasoning of the labor moguls, the more management does right, the wronger it is, which may explain why the IUE is losing members.

STRICTLY PERSONAL



By SYDNEY J. HARRIS

The only disturbing aspect of an otherwise fine summer in the country was a new and menacing noise, heard overhead almost daily. This was sonic boom, and both the natives and the city people who had fled from such reminders of "civilization" were grievously upset by it.

Our sonic boom was created by fighter planes from an air base some 200 miles away. This fearsome noise, I suppose, was bearable to those who believe that such maneuvers are a necessary part of America's defense program.

But now the government is promising to give us "SST," which stands for "supersonic transport" in the commercial field. To produce even a prototype of such a plane, with speed up to 2,000 miles an hour, will cost \$1 billion. Nearly all the money, of course, will come from the taxpayers.

Do we want or need such a project—except for the dubious reason of "international prestige"? Noise has already reached a highly objectionable level around airports; and supersonic planes can rattle and break windows for a 50-mile strip across the flight path. Why race into such a program until technology has at least found a way to eliminate or greatly diminish the sonic boom?

Besides, nobody in the public

sector needs to go that fast. At present jet speeds of 600 m.p.h., our bodies already arrive before our minds and spirits have caught up with them. Time spent in the air, in fact, is only a portion of the vexing travel schedule that faces most airplane passengers. The great transport need today is for a reduction in terminal delays, in faster access to airports, in simplifying the cumbersome process of parking, checking in, walking to gates, transferring from one line to another, expediting baggage pickup, and, most of all, spending appropriate sums for research in how to beat the weather.

Everyone has remarked that we can now cross the continent in four hours, but it takes longer to drive or taxi across midtown Manhattan than it did by horse in 1910. There seems little point in doubling or tripling our air speed—especially if accompanied by sonic boom—as long as ground traffic becomes increasingly chaotic.

The majority of Americans, it may surprise us, have never flown in an airplane. They cannot afford it, or they are afraid of it, or they prefer to make trips by auto. "Supersonic transport" would benefit only a few, and would not necessarily attract new passengers. Our national prestige, and our morale, would be far better served if we learned to cope on the ground, with safety, comfort, and speed.

Almanac

By United Press International
Today is Tuesday, Oct. 1, the 274th day of 1963 with 91 to follow.

The moon is approaching its full phase.

The morning stars are Mercury and Jupiter.

The evening stars are Jupiter and Saturn.

On this day in history:

In 1903, the first baseball World Series got under way at Boston as the Boston American League team played the National League team from Pittsburgh.

In 1908, Henry Ford introduced the model-T Ford automobile.

In 1938, German troops crossed into the Sudeten area of Czechoslovakia and enslaved one-million Czechs.

In 1962, James Meredith registered at the University of Mississippi and became the first Negro ever to attend classes there.

A thought for the day — Automaker Henry Ford said, "History is bunk."



EDSON IN WASHINGTON . . .

Overseas Trade Lags Behind Country Needs

By PETER EDSON
Washington Correspondent
Newspaper Enterprise Assn.

WASHINGTON (NEA) — President Kennedy's goal for a \$2 billion or 10 per cent increase in U.S. exports to wipe out America's balance of payments deficit in 1964 was not equaled in 1962 and will not be achieved this year.

This is the opinion of Fred C. Foy of Pittsburgh, board chairman of Koppers Company and vice chairman of the two-day White House Conference on Export Expansion.

So the going for next year will be tough.

But the drive to increase America's foreign trade now moves out of Washington and into the country with 39 Little White House Conferences on Export Expansion.

These conferences will be held within the next month by the 39 U.S. Department of Commerce field offices in cooperation with regional Export Expansion Councils.

The 800 members of the Export Expansion Councils are private businessmen.

This program, which has been dubbed "Operation Ten Thousand," is intended to interest 10,000 more American manufacturers, who are now selling only on the domestic market, to get into foreign trade.

If each one of these 10,000 could do \$200,000 worth of export business next year, the \$2 billion goal would be reached.

At the present time between 15,000 and 20,000 U.S. manufacturers sell abroad. Nobody knows the exact number. But the 500 biggest exporters do 75 per cent of the business.

The final report of the big White House Export Conference of 200 private business leaders has now been submitted to President Kennedy by Secretary of Commerce Luther Hodges. It contains detailed recommendations from 11 subcommittees of businessmen on what should be done to build up U.S. exports 10 per cent.

The conference itself got off slightly on the wrong foot by holding a press briefing immediately after adjournment. The 11 committee reports hadn't been fully analyzed or properly summarized.

The result was an impression that the principal recommendations were to give U.S. industry

an incentive tax benefit, to get them into the export business and to resume trade with Soviet Russia and other Communist bloc countries.

Those two subjects were recommended for resurvey by the government in view of changed world conditions. But both would require changes in existing laws. And Congress in its present mood on taxes and Russia won't grant either this year.

Only last June, Congress unanimously approved a three-year extension of the Export Control Act.

Other recommendations of the 11 subcommittees, as summarized by Eugene M. Brademan, director of the Bureau of International Commerce, include these main points:

—Revise ocean freight rates, which now make shipments from Europe to America cheaper than from America to Europe.

—Set up a commission to review American anti-trust laws as they affect export business and to speed up handling of applications for exemptions by Department of Justice.

—Provide for better financing of export operations with liberalized credit and guarantees by Export-Import Bank and the Foreign Credit Insurance Association of 70 private companies.

—Push tariff negotiations under Foreign Trade Expansion Act of 1962, with hard bargaining to give U.S. firms equality in competition and to include American agricultural products.

—Ask labor unions to conduct educational campaigns with members on idea that foreign investments do not necessarily deprive American workers of jobs, but actually create employment, since branch plants are set up primarily to preserve markets in compliance with foreign protective tariff laws.

—Simplify foreign aid procurement policies which now have so many regulations small business can't handle them.

—Improve foreign commerce attaches in American embassies away from State Department control and return them to Department of Commerce, where they were prior to 1939.

—Improve Department of Commerce market surveys and information services for benefit of American exporters.

—Continue and expand existing Department of Commerce programs for U.S. trade missions, fairs and centers overseas.



WASHINGTON REPORT . . .

Federal Agencies Enter News Field

By FULTON LEWIS JR.

WASHINGTON—A combat veteran of World War II, crewcut Paul Findley runs two small weeklies in downstate Illinois.

Voters in that state's 20th Congressional District have twice sent publisher Findley to Washington and he is one of the few members of either house whose background is that of a working newsman.

Findley, to a greater extent than most Congressmen, sees the threat of managed news. He predicts a federal news service if current trends continue. He bases that opinion on the words and deeds of Administration officials.

Lee Loewinger, a Kennedy-appointed member of the Federal Communications Commission, recently suggested a "broadcast news association" be set up to compete with AP and UPI in the dissemination of news for radio and television. He claimed that present wire services are oriented toward the printed, not the spoken word. He implied they should be replaced with a specific radio news service.

Loewinger made his observations at the same time that an administration colleague was setting up his own news agency. Secretary of Agriculture Orville Freeman was creating the Market News Service to provide cost-free reports and data on farm market activities for publications across the country.

The Agriculture Department has 19,000 miles of teletypewriter circuits to carry news to "clients" in every corner of the country. Its spanking new service now threatens with extinction a privately-owned news agency, the P.A.M. News Corporation, which serves some 300 customers.

The American Newspaper Publishers Association has issued a statement protesting against "the highly improper nature of the (Freeman) news service." It pointed out that the department can cancel service to any client for any reason when "in its sole judgment, such cancellation is desirable."

The publishers association declared: "This provision would permit U.S. Government censorship in one of its most odious forms. The publishers envisaged possible

cancellation of the service to a newspaper whose editorials happened to be critical of the administration.

"Thus," the publishers observed, "this news service has a transcendent importance. If it is not halted now it could lead to further ambitious attempts by this and any other U.S. government agencies to expand and enter into competition with private news agencies."

"An expansion of this concept would result in a government-controlled news service such as presently exists in some other countries, including the Soviet Union, where the so-called news service Tass is government-owned and operated."

Congressman Findley insists the government is not always a reliable source of information. He notes the philosophy of Arthur Sylvester, Undersecretary of Defense, who insists government has "the inherent right to lie."

Freeman especially has utilized the half-truth in plugging for passage of pet projects such as the Administration wheat program.

There are now too many government press agents. More than 3,000 separate press releases have rolled off the Department of Agriculture mimeo machines so far this year. We need more good reporters, says Rep. Findley, and fewer propagandists. He adds:

"Spoon-feeding Washington's press corps from a mountain of press releases is bad for reporters and bad for freedom. Like farmers who get dependent on government checks, reporters get dependent on press releases. Farmers forget how to farm and reporters forget how to dig for news."

"Government domination of news gathering and distribution the discipline that makes for quality, accuracy and integrity."

Governments do not rise and fall on the integrity of their press releases, the Congressman says, but newspapers do. If a reporter is inaccurate, warped or slanted in his writing, he will lose his job. If a wire service goes astray its customers will buy elsewhere. If newspapers and magazines are not reliable they will lose their readers.