Washington Spotlight

OUR APPROACHING ECONOMIC CRISIS

The United States is heading rapidly toward a real economic crisis. The situation is of such serious magnitude that I am devoting his entire issue of the "Washington Spotlight" to its discussion.

The present fiscal trend in this nation poses a more severe threat to us in the Pacific Northwest than elsewhere in the country because home building and construction will be the first industries to feel the bite of runaway inflation. The wood products industry will be immediately affected.

Instead of the $8.9 billion deficit forcast by the President for the next fiscal year, it now appears that our real deficit gap will be in the neighborhood of an outrageous $29 billion for fiscal 1967-68. Next year's promises to be at least as large. Combined, the two year's deficits spell very real fiscal problems.

When the government enters the money market at the multibillion dollar level to finance the deficit and pay for its operations, interest rates, already at a 40 year high, will skyrocket even higher. Inflaction can run rampant.

THE RESPONSIBILITY

The imprudent fiscal policies of this Administration have created the awful situation we now face. Why the President's economic and financial experts could not anticipate this crisis is hard to understand. President Johnson made the decision that we could have both guns and butter. Since then the rubber-stamp Congress in 1965 and 1966 has passed an overwhelming number and variety of new programs.

Most of these programs were begun with modest appropriations, but with huge, built-in increases. Last January Mr. Johnson proposed 16 new programs alond, in the middle of a war-time economy. In the past seven years 70 new programs have been launched. 46 of these in 1965.

The government payroll has increased by 479,650 persons during this period. Over 149,900 have been added within the past year. Many of us have warned that these hasty actions would create serious fiscal problems and fan the fires of inflation.

The gross miscalculation of costs for the Vietnam War is unbelievable and unpardonable. Gimmicks have been used by the Administration to make past deficits look smaller than they actually are.

These one-shot fiscal manipulations are now used up. The high finance levels of the new programs are unavoidably with us. So, unhappily, are the irresponsible policies which have brought the fiscal chickens home to roost.

APPROPRIATIONS AND EXPENDITURES

The news media have been critical of Congress in its impasse this year with the administration over a tax increase and a reduction of Federal spending. Many people do not understand the mechanics of this spending.

After programs have been authorized by Congress, the Appropriations Committee recommends the amount of money for each program in a separate bill. The Congress then votes separately on the funds for each program.

However, this money that has been appropriated frequently is not spent. It may be held up by the Bureau of the Budget, or because the money, for some special reason, cannot be spent in the fiscal year for which it was approved.

These dollars accumulate, and can be spent on the authority of the President at any time thereafter. He has thus taken over the real "spending" authority of the government.

At present there are nearly $125 billion in this "pipeline", appropirated but unspent. All or part of this money may be spent by the President at any time, through order of the Bureau of the Budget. Thus, reductions in appropriations by the Congress in a given fiscal year do not necessarlity control in any way the actual amount of money spent by the government in that fiscal year.

The amount of actual spending is controlled, therefore, directly by the President. It is this spending which determines if there is a deficit for a fiscal year and, if so, how much of one.

The House of Representatives this year has reduced appropriations below Johnson Administration requests by over $6 billion. This is more than $1 billion less than was allocated by the Congress for the previous fiscal year.

In spite of the Congressional cutbacks, the President has authorized expenditures totalling $11 billion more than the previous fiscal year, thus completely disregarding the general demand for a reduction in government spending.

THE ANSWER

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I agree fully with Congressman Wilbur Mills, Chairman of the House Ways and Means Committee. The Administration must make an absolutely firm commitment to achieve a substantial reduction in expenditures. Only after this is accomplished can we even consider the necessity for and possible effects of a tax increase. Any other course of action would be sheer hypocrisy and folly on the part of the Congress.

What the President has failed to tell anyone is that even with a substantial reduction in spending, and even with a tax increase, under his proposed spending program we will still have a whopping deficit. This can force interest rates higher and spiral inflation upward at a very fast rate. As a result, the deficit and the total national debt will be increasingly difficult to finance and manage.

The President did not submit a specific tax proposal to the Congress until August of this year. It was November 20 before he showed any interest at all in even considering reduced expenditures. In the meantime, the Johnson Administration has all year fought vigorously against a determined Congressional effort to reduce appropriations and to force a reduction in expenditures.

Major spending cutbacks are called for. Efforts must be made immediately to work towards a balanced budget and sound fiscal policy. Our eventual goal must be to hold our annual expenditures within our annual income.

With our nation now involved in a major armed conflict in Southeast Asia, we cannot have "guns and butter." We certainly cannot have them to the extent proposed by the Administration. To continue on this course leaves the country wide open for financial disaster.

To fully fund scores of new programs at home and abroad while carrying on a vast war effort, all through borrowing and increasing the annual deficit, can only have the most dire effects on our economy and the soundness of the United States dollar. The Administration must take steps to cut expenditures now if we are to avoid the terrible fiscal crisis now facing this country.

Pesticide Applicator Program Remains Unchanged For Farmer

The new Oregon pesticide applicator program makes no changes in the operations of farmers who do their own crop dusting and spraying, according to an official of the State Department of Agriculture.

"On their own crops, farmers will continue to use the same chemicals they have in the past and, of course, do not have to take out a license," says George Moose, plant division chief.

Moreover, without having to take out a license, farmers may now do limited spraying for neighbors, provided they do not advertise and provided the neighbor supplies the pesticides to be used on his crops.

But, if a farmer should engage in a sideline business of taking care of residential lawns, gardens and plantings he would be subject to the same requirements as landscape gardeners. That is, he would have to obtain a license from the State Department of Agriculture only if he uses power equipment and any of the chemicals on the state's restricted list.

Also the department says that asphalt pavers, although they are not specifically mentioned in the law, will be required to apply for a license if they use power driven equipment to apply pesticides.

The department says that since the purpose of the law is the protection of the public from indiscriminate application of pesticides pavers should be treated the same as landscape gardeners. Landscape gardeners using hand equipment do not have to be licensed; those using power equipment do.

PERSONALS

Mr. and Mrs. Raymond Sager left March 4 on a honey run to Portland. They returned March 9. Mr. and Mrs. W. W. Foster were March 11 evening dinner guests of the Sagers. The occasion was Mrs. Sager's birthday anniversary. The Sagers left March 13 on their northern Idaho honey run. Enroute home they will pick up their daughter, Bonnie who is in nurses training at Deaconess hospital in Spokane. She will be home with her parents during spring vacation period, returning to the hospital March 25.

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Mrs. Taylor Phillips of Parma, granddaughter of Mrs. George Cleaver, was a March 7 visitor. She brought her two weeks old son, Boyd Cleaver Phillips to visit his great-grandmother.

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Mr. and Mrs. Leslie Perrigo of Fruitland were March 10 guests of Mr. and Mrs. Maurice Corey. Leslie is recovering from a broken arm. Mr. and Mrs. Ralph Johnston of Portland arrived March 12 for a few days visit with his aunt, Mr. and Mrs. Maurice Corey.

KINGMAN KOLONY NEWS

By Dale Witt

KINGMAN KOLONY - Mrs. Rex Walters and Mildred Vaughn of Boise, Mr. and Mrs. Al Thompson, Mrs. Marie Earp, Mr. and Mrs. Gary Thompson and Jeffery of Heppner were March 10 dinner guests in the Herschel Thompson home. The Gary Thompsons arrived on the previous day to spend spring vacation here.

Mr. and Mrs. Robert Long were March 10 afternoon visitors in the Al Thompson home.

Eight Pollyanna club women met March 7 in the home of Mrs. Don Fox. Roll call was answered by the women telling of their favorite TV commercial.

Mr. and Mrs. Dale Ashcraft visited from March 5 until the following Friday with their son, Mr. and Mrs. Dick Ashcraft at Paul, Idaho.

Mrs. Ethel Lane of Ontario called on the afternoon of March 9 at the Virgil Viers home.

Mr. and Mrs. Clifford Mefford and family of Boise were March 10 dinner guests of Mr. and Mrs. Tracy Mefford.

Mr. and Mrs. L. C. McDowell, Mr. and Mrs. Tom McDowell and baby of Culver, Ore., were March 7 evening visitors in the Charles Bowers home. March 10 afternoon visitors were Mr. and Mrs. Jim Phifer and Jan, Mr. and Mrs. Marvin Bowers.

Mrs. Bill Toomb was a March 7 afternoon visitor in the Edythe Prosser home.

Mrs. Marlene Jenkins and baby, Mrs. Emma Hite and Mrs. Earl Kygar visited March 7 with Mrs. Henry Slippy in Nyssa. They also saw the Byrd Walters' new home in Nyssa.

March 9 overnight and March 10 dinner guests in the Willis Conant home were Mr. and Mrs. Mitch Anderson of La Grande, Rod and Doug Conant of Nampa, Teresa and Sherryl Stacy of Parma. Mr. and Mrs. Bill Conant were also March 10 dinner guests in the Conant home.

Dean and Loretta Pettet were March 10 afternoon visitors in the Myron Osborn home. The Osborns spent a recent weekend at Pasco, Wash., where they visited his sisters, Mrs. Janice Herring and Mrs. J. T. Cox.

PERSONAL

Mrs. Orma Cleaver was a March 10 dinner guest of her daughter, Mr. and Mrs. Delbert Cleaver. Her grandsons, Kent Cleaver and Scott Goodell started their spring vacation with a Sunday overnight and all-day Monday stay with Mrs. Cleaver.

Nu Acres News

By Barbara Howard

NU ACRES - Mrs. Ralph Baxter traveled to Bend, Ore., March 6 with her son, Ralph Walker, who was enroute to Klamath Falls. Mrs. Baxter visited her grandson, Mr. and Mrs. Dennis Heap at Bend, and then went on to Madras to visit her daughter, Mrs. Bert Schmidt and family. She spent March 8 visiting the Gary Heap family.

Mr. and Mrs. Roy Howard and family spent March 9 with her sister, Mr. and Mrs. Ralph Barker, Linda and Janet on Oregon Slope.

Mr. and Mrs. Alden Bryan went to Boise March 10 to attend the Free Methodist church services, a Lenten fellowship luncheon and songfest.

Mr. and Mrs. Dan Gould and daughter of Boise visited recently with her grandparetns, Mr. and Mrs. W. O. Unwin. The Gould's helped Mrs. Unwin celebrate a birthday anniversary.

Mr. and Mrs. Charles Autry of Blackfoot visited March 9 with Mr. and Mrs. O. L. Betts.

Mrs. Ralph Baxter attended a recent potluck dinner at the Ralph Walker home in Payette.

Mrs. Alden Bryan recently went to Caldwell to spend the afternoon with her daughter, Mrs. Bert Cole.

Ivan Fritts and daughter of Ontario were recent Sunday visitors in the W. O. Unwin home. Mr. and Mrs. Art Jones were March 10 afternoon visitors.

Eighth-grade students of this community accompanied other members of the class of Fruitland junior high school to Boise March 8 to tour the state house and the museum.

Mr. and Mrs. Roy Howard and family went to Parma on the afternoon of March 10 to visit her sister, the Irvin Rider family.

Mr. and Mrs. Ralph Baxter visited on the evening of March 5 with Mr. and Mrs. Alden Bryan.

Mr. and Mrs. Alden Bryan spent the afternoon of March 10 visiting Mr. and Mrs. Charles Robertson at Caldwell.

PERSONAL

Mr. and Mrs. Brig Olsen left Feb. 27 to visit their son, Mr. and Mrs. Vard Olsen in South Dakota. Vard had just arrived home from the Far East and will be returning this month. Enroute home the Olsens stopped at Rexburg, Idaho, to visit their son and new daughter-in-law, Mr. and Mrs. Garth Olsen. They returned home March 5.