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INFLATION BY DEFAULT

THERE is, we fear, more meat for the politicians than for the people in the new controls bill.

President Truman signed the patched-up measure, but did so reluctantly because it failed by far to meet his request for authority. And he immediately set the stage for a future battle in the political arena if, as he predicted, prices soar in the coming months.

The Republicans, who sparked the successful battle against a strong controls measure, have also given the tip-off on their future strategy. The new bill, says Rep. Jesse P. Wolcott of Michigan, gives the President all the authority he needs, and it will hold prices in line "if properly administered."

Thus, the politicians will blame each other if prices go up. President Truman will blame the Republicans for giving him a bad bill. The Republicans will blame President Truman for not administering the bill properly. And the average citizen will be left holding his depleted wallet.

Let us hope that Mr. Truman, Defense Mobilizer Charles Wilson, and Price Stabilizer Michael DiSalle have been over-fearful of inflation, and that the pressure is not quite so great as they believe. There has been, to be sure, a slow decline in prices since late in March. Prospects for peace in Korea have not entirely evaporated. And Federal revenues are exceeding expectation, so much that the Treasury wound up the fiscal year with a surplus of $3.5 billion instead of the anticipated deficit of $2.7 billion.

Yet, warns the Guaranty Trust Co. of New York, the "slight price recession appears to be due to conditions that show no signs of becoming permanent." In a special survey, the banking firm cites these factors:

1. The price recession was a reaction from the "scare buying" that swept the country in late 1950, reinforced by the efforts of distributors to reduce inventories and by the failure of the Government to increase its spending as fast as anticipated.

2. Meanwhile, personal income continues to rise; plans for investment in new plant and equipment have been stepped up; a sharp increase in Government buying is expected in the second half of 1951; a cease-fire in Korea will not greatly alter the defense program.

No control bill will work, the firm continues, unless the Congress is willing to balance the budget to avoid further inflationary borrowing:

"The Administration has submitted a budget calling for the largest non-defense spending in the country's history, challenging Congress either to reduce the spending or provide the revenue. Congress seems unwilling to accept either side of the challenge."

Now that Congress has punched holes in the controls program, it has a double responsibility to take additional and politically-unpopular steps to restrain inflation—taxation of mass consumer income and the slashing of appropriations. If it does neither, we will indeed have "inflation by default."

POSTGRADUATE COURSE IN CRIME

IF you begin with the premise that the purpose of any prison system is to reform and rehabilitate the men and women sent there, then the *Greensboro Daily News* is fully justified in concluding that the State of North Carolina appears to be running a "postgraduate course in crime."

Last year, 14,000 persons were admitted to the State's prison system. Less than 4,000 of them were first offenders. The others—about 70 per cent—had been in prison before.

These statistics, given in a Hickory speech by Paroles Commissioner T. C. Johnson the other day, add up to failure of the State penal system as a corrective device. Somehow, somewhere the State is missing its opportunity and evading its responsibility to rehabilitate wayward citizens into productive and law-abiding members of society. The result of the failure is a terrible and needless waste of human lives and tax dollars.

Dr. Johnson believes that the answer lies in following the recommendations of Dr. Austin McCormick, made after a study of the penal system last year. The Paroles Commissioner urges that the prisons, correctional institutions, parole and probation services all be combined into one new Department of Correction, and that the administration of the department be taken out of politics.

But he fears that the time is not "ripe" now, and doubts that any change can be made until the next Governor takes office.

The Paroles Commissioner is probably right (though Governor Scott could have made an effort to bring about the reform during the 1951 General Assembly). But it won't take place at all unless the people of the state rise up and demand a change by the 1953 General Assembly.

There is a great resistance to this particular change. The Highway Commission now administers the prisons. There are numerous political jobs to be handed out. No Governor and no Highway Commission will willingly give up their authority unless forced to do so by strong public opinion.

If the State prisons are ever to do more than keep men and women in custody, they must be taken out of politics and out from under the supervision of men whose first interest is building roads, and placed under men whose primary job is to rebuild shattered human lives. Until that is done, such reforms as those instituted by the ex-Prison Director, John M. Gold, can never be more than half-measures.

REGULATION IS NOT THE ANSWER

GOVERNOR SCOTT and Attorney-General Harry McMullan both believe that retail gasoline prices are "fixed" in North Carolina, and suggest State regulation as the best answer to what Mr. McMullan calls the "arbitrary and unreasonable" pricing practices of the oil companies.

If Mr. McMullan is right in charging that the Esso Standard Oil Co. sets the price for gasoline for all companies—and he has offered no proof to offset Esso's flat denial of this charge—then it would seem that the better remedy lies in regular court procedures to break up the practice.

There are ample laws on the books forbidding the fixing of prices by conspiracy to throttle or eliminate competition. A full grand jury investigation could turn up the facts, if such facts exist, to warrant indictment of the guilty companies. The interests of the public and the ends of justice would be met by such a proceeding.

Regulation by the State would be a dangerous, and perhaps unconstitutional, break with tradition. The State now regulates public utilities and sets the price for their services. But public utilities are monopolies granted in the public interest, and the granting of a monopoly carries with it the inherent right to guarantee that the monopoly power is not abused.

The oil companies are competitive. There are many of them. There is no more reason to regulate the price of their products than to regulate the price of washing machines or automobiles or haircuts or newspapers.

If Mr. McMullan is convinced that there is price-fixing, he should use the legal means available to him to break it up.

CEASE-FIRES TAKE TIME—AND MEN

ALWAYS heart-breaking in war are the casualties immediately preceding an armistice.

For six days now the Kaesong negotiators have been deadlocked on the buffer zone issue. The Communists want to establish it on the 38th parallel. The U.N., remembering the defenseless posture of that arbitrary line, want to halt hostilities along present battle lines, which are good defensive positions—for both sides—extending from a point just south of the parallel on the west coast to a point about 25 miles north on the east coast.

Meanwhile the near-dormant war occasionally flares up. Men get killed.

There is some relief in the fact that when adversaries are talking they aren't shooting—at least not very much. Of course soldiers now on the receiving end of mortar and artillery fire, or on patrol, understandably aren't too concerned with the over-all picture. If they are unlucky they will be just as dead as if they fell in a general offensive.

One thing we can be sure of. If a cease-fire is worked out, it will take a long time. In the Dutch-Indonesian war the cease-fire negotiators worked for two and a half years. Dr. Bunche, when negotiating the Arab-Israeli armistice, told the delegates he was prepared to stay ten years if he could help them reach an agreement. One old Arab smiled up at him and said, "Only ten years? What's your hurry?"

The Communists also take a similar "historical" outlook. If they believe a long period of negotiating will best serve their end, that's what they'll do. If the negotiations break down and the accumulated Communist strength pours South, again, the troops who now suffer occasional casualties—and their families—may be thankful that they have been kept on the alert.

President Syngman Rhee of South Korea has urged his countrymen to resist any effort to establish a truce zone along the 38th Parallel. Let's hope their resistance is more effective than it was last June 25.

Too many cooks may spoil that Ike-for-President platter.

A Soviet scientific expedition says it has discovered life nearly five miles below the sea's surface. Probably some of the Russian people trying to dig their way out.

Experience is wonderful. After it, mistakes come easier.—*Greenwood (Miss.) Commonwealth.*

When a newspaper "clarifies" a statement that usually means it is correcting a mistake. —*Elizabethtown (Ky.) News.*

Hatteras Lighthouse

Photo by N. C. State News Bureau

Hatteras lighthouse's black and white "barber pole" color scheme is a familiar sight to coastwise sailors. It is easily the dominating feature of the otherwise lonely expanse of sand known as "The Graveyard of the Atlantic."

On The Fringe Of Tar Heelia

A Visit To Cape Hatteras

By L. D. T. COX JR.
Charlotte News Staff Writer

"Come straight ahead."
"Now cut left a bit."
"Straighten out."
"Come ahead slow."
"That's it. Hold it."

And with the last auto safely aboard, the last crate of chickens nestled up forward, the last tardy passenger on hand, bow and stern lines are cast off and the good Ferry Hadeco heads out from Engelhard on the second leg of the daily round trip to Hatteras.

* * *

Like the weather, everybody talks about Cape Hatteras, but few people do anything about it. Every schoolboy the nation over has learned from his history and geography books about the stormy "Graveyard of the Atlantic", a dread name during the days of sailing ships.

But there is more to this last bulwark against the neon-juke box civilization than an angry surf.

Broad areas of marsh grass wave in the constant breeze. Flat open stretches of sand are carpeted with the pink of beach flowers. Wind-rounded dunes are topped with ripening grasses. And where the island broadens just below Hatteras light the sand's empire is threatened by swampy jungles of briars, Spanish bayonet, pine, and yaupon, and dead spires of weather-whitened live oaks rise above the undergrowth in a mockery of their name.

But this last wilderness of the state is giving way slowly before man's ingenuity. Paving has come to the island in the past several years, and with the completion of the road to the northern end as a connection to Nags Head and Manteo, it seems inevitable that the strand will be swarming with Summer dwellers.

* * *

At present, the tourist is confronted with an uncertain, twisting, twelve miles of sand driving after leaving Nags Head before reaching the pavement, or a three-hour ferry trip across 28 miles of Pamlico. So far, the majority prefer the comforts and certainties of concrete rather than the uncertainties and slowness of the beach driving or ferry.

The Hadeco (for Hatteras Development Co.) ferry has been making the Engelhard-Hatteras run since 1936, and the trip, despite the paving and the small increase in travelers, has remained essentially the same: from April until November the Hadeco leaves Hatteras at 9 A. M. and starts the return trip at 2 P. M. The only disruption to the even tenor of the trip is an occasional storm which kicks up the water in the sound and forces postponement.

Otherwise the routine seldom varies: the Hadeco has as passengers surf fishermen in the Spring and Fall, deep-sea fishermen in the Summer, Hatteras natives going from island to mainland on matters of business, tourists "passing through", and an occasional vacationer who is seeking quiet and solitude instead of noise and crowds.

* * *

For the vacationer there are miles and miles of deserted beach to call his own, with never a pop bottle or an orange peel to mar the scenery and with only scuttling crabs for company; endless photographic possibilities with an unexpected variety of subjects; fishing in sound and surf during three seasons of the year; duck and goose hunting in the fourth; visits to the different villages on the island; conversations with natives speaking in the delightful Outer Banks accent; and real quiet and rest.

If you have a hankering for a bit of the bucolic you'll not go wrong in paying a visit to Hatteras. But you'd better do it soon.

For the natives have a feeling that with the completion of the road over the length of the island the cry of seabirds will give way to the wail of the juke box, the putt-putt of the fisherman's craft to the roar of the hot-rod. Then Hatteras no longer will be Hatteras.

Turpentine Drippings

Tombstones

(High Point Enterprise)

The League of Women voters is having trouble over in Greensboro. Vigorous objections have been raised to their display of tombstones on the Guilford County Courthouse lawn—stones bearing such legends as this:

"Here lies the remains of poor Mame, she thought our town was a shame,
"She'd cry and she'd shout, 'til she wore herself out
"And was too tired to vote, so they claim."

We don't know how effective will be the display of tombstones in getting out the Greensboro vote—which is its purpose—but the gals can go further than that for all we care. In fact, we'll suggest a couple to them.

"Here lies Democracy
"Killed by apathy
"And by bureaucracy
"And by Lethargy."

Or perhaps one like this:

"Here lies American freedom
"Which died of neglect
"By those it had freed."

* * *

That Horrible Thought

(Mrs. Theo Davis, Zebulon Record)

Many persons add much to my happiness by kindness and special favors. It makes me feel appreciated and a good companion. But once in a while there comes the withering fear that a part of the friendliness may not be due to my charms, but that the ones concerned are conscientiously Being Kind to the Aged. Anyway, it's a great work.

Evidence Indicates Discord Between Red China, Russia

By JOSEPH ALSOP

WASHINGTON

THERE IS, for the first time, solid evidence of serious trouble between the Soviet Union and Communist China. The most recent sign of trouble occurred when the eighteen slogans approved by the Chinese Politburo for the Chinese Army Day on Aug. 1 omitted all mention of Joseph Stalin.

This omission is universally interpreted by the experts as an open snub by the Chinese Communists to the Soviet dictator and thus to the Soviet Union. Its significance is pointed up by the fact that Marshal Tito had his first warning of the impending storm when his name was omitted from slogans in the Moscow May Day celebrations. But even before this matter of the slogans, there was extraordinarily significant evidence of possible discord between the Russian and Chinese Communists.

This took the form of seven long articles by leading Chinese Communist Party functionaries, published in July on the occasion of the party's 30th anniversary, and forwarded very recently to the State Department by the American Consulate General in Hong Kong. These documents point directly to a number of conclusions, of which the most important may be summed up as follows:

INDEPENDENT ALLY

Mao Tse-tung, Chinese Communist leader, considers Communist China an ally of the Soviet Union, but an independent and co-equal ally. Moreover, far from contenting himself with the role of a mere satellite leader, Mao Tse-tung considers himself the equal, and in an ideological sense the superior of Joseph Stalin. The possibilities of trouble with the Soviet Union in this independent stand of the Chinese Communist leader are very obvious.

Here is some, but by no means all, of the items of evidence which lead to this conclusion:

First, of these seven official articles, four make no mention of Stalin's name whatsoever. This in itself is enough to prove that Mao Tse-tung's China is no wholly-controlled satellite on the Eastern European pattern.

Second, the deification of Mao Tse-tung has been substituted in China for the deification of Joseph Stalin. In an article by the Vice-Chairman of the Political Department, in which Stalin's name is never used, Mao's name is used forty-seven times, always with the same breathless adulation that surrounds Stalin's name in the Soviet Union or the European satellites. The usual Communist exhortations appear at the end of a number of these articles, but with a significant change. The punch line is not "Long Live the Glorious Stalin!" but "Long Live Comrade Mao Tse-tung, organizer and leader of the Chinese peoples' revolution!"

Third, all credit for the Chinese revolution is given to Mao and the Chinese Communist party—throughout the thousands of words of text, there is just one formal and wholly parenthetical bow to the contribution of the Stalinist regime. For example, Chu Teh, army commander-in-chief and one of the original Big Three of Chinese Communism, writes a history of the victorious Chinese revolution in which Stalin's name is never mentioned. The Soviet Union is referred to by Chu Teh only once, as having participated in the Moscow Conference in 1945 — at which time, significantly, the Kremlin had agreed to support Chiang Kai-shek.

Fourth, through every paragraph runs a strong note of fierce Chinese nationalism — precisely the kind of nationalism for which hundreds of European Communists have lost their lives. Again and again this note of "the great new China," a China at last free of foreign domination, crops up. "The Communist party of China," writes Politburo Member P'eng Chen, "is also most thoroughly and resolutely patriotic."

All this can be misinterpreted. It does not mean — necessarily — an authentic Titoist-China is in prospect, nor even that a Titoist China, acting on "Mao Tse-tung's theory of revolution" should give grounds for complacency about the future of Asia. But it does mean that Communist China's rulers have served clear notice on the Kremlin that Communist China will not be reduced to the submissive status of a European satellite without a fierce struggle. For reasons which will be examined in a subsequent report in this space, this is a development of very great historical importance.

Some Days It Doesn't Pay To Get Out Of Bed — Hapana Faro

By ROBERT C. RUARK

TANGANYIKA

CONSIDERING the somewhat ridiculous ease with which we amassed the bagatelle bag, the rhino seemed a cinch. Also the oryx, a beautiful big antelope with long, needle-sharp horns. The vicinity of Lake Manyara, here in Tanganyika was supposedly boiling with both Faro, which is rhino, and Choroa, which is oryx.

I expect I was sort of smug. I had accumulated two lions and a leopard in three days. The leopard was very special, because there is an Austrian count who has been coming out here for fourteen years to get a leopard and has never bagged one. All the other game—impalla, Tommy, Grant gazelle, waterbuck, eland, even wart hog, were candidates for the record book. Only the buffalo was short of official specification, and by not much.

I just spent a week around the Manyara area, and haven't fired a shot at either rhino or oryx. Hapana Faro. Hapana Choroa. Hapana is a very expressive Swahili word which means No, none, ain't got more, don't, stop. It is the classic negative.

SWAMP OOZE AND DUST

Harry Selby, my professional hunter, and I were up and out of camp every day at daybreak. We got home at 6 P. M., because we never stopped working until the shooting light was gone. Jessica the jeep averaged a hundred miles a day over acridly dusty plain and nearly impassable swamp. We got stuck in rivers. We climbed minor mountains. We struggled through swamp ooze and high cane and crawled on bellies. Hapana.

I think we spotted and stalked about sixteen rhino, altogether. They were either cows with calves or young bulls with negligible horns. The two shootable animals we found outsmarted us twice. All we reaped was charges from angry females who resented our presence and reveled in immunity.

The oryx was nearly nix, fled to God knows where from the long grasses. The two little bands we found spooked and took off from a thousand yards. The lone bull we stalked on foot was never under 300 yards from us, and in thick cover. Hapana.

CHARLIE HORSE STABLES

You could feel the tension mount. Adam and Kidogo, the gunbearers, and Chabani, the car boy, were up until one or two every night, after hunting hard all day, cleaning guns and repairing the ravages of rock and swamp on the jeep. Selby's eyes turned blood-red from dust and sun and incessant chaff from the grasses he whipped Jessica through. My face peeled twice, and permanent Charlie horses stabled in the leg muscles.

The whole camp became infected with what is known as Faroitis. We would be met in the black dark by the whole gang, whose faces dropped a foot when no double horns were visible in Jessica's vestibule. Even Juma, the factotum, would speed us off in the chill dawn with some crack about "Tonight, Faro soup." Hapana. We ate mulligatawny, courtesy of Mr. Campbell or Heinz.

Finally we quit. Even the beasts we had been seeing disappeared. The eighteen-mile, two-hour-plus drive along Manyara's shores and the searing wastes of high plains became unbearable, because we knew every bump and pighole, every thorn tree and donga by intimate, painful name. Hapana Faro. But just wait 'til tomorrow.

Drew Pearson's Merry-Go-Round

News Of Troop Movements Burns Bradley

WASHINGTON

GEN. OMAR BRADLEY, who doesn't get riled easily, was pretty sore when he heard how one of his own Army spokesmen had blurted out to a press conference the name of an airborne division which had been transferred from Korea to Japan.

The incident took place in a press conference at which the Army was explaining how Chinese Communists had built up their strength in North Korea while we had weakened ours.

What happened was that General Ridgway had cabled Washington for permission to transfer the airborne division in question to Northern Japan because of the fact that the Russians had two airborne divisions poised on the island of Sakhalin, threatening Northern Japan. While the two Russian divisions have only enough airplanes between them to move one division at a time, Ridgway wanted to be on guard against a surprise airborne attack on Japan in case the truce talks broke down, and the Communists launched an all-out offensive.

Washington accordingly gave permission to transfer the American airborne division back to Japan. Such a troop movement is highly secret. But the Pentagon briefing officer, anxious to prove that the Chinese have used the truce talks to build up their strength, blurted out the movement of this particular division at a press conference to which foreign correspondents are admitted.

When General Bradley heard of this, he tried to call Army Chief of Staff, General Joe Collins, but couldn't reach him. So he summoned Assistant Chief of Staff Maj. Gen. C. L. Bolte and ordered a full investigation of who pulled the boner.

Note—Bradley was also irked at the Army spokesman's statement that the U.N. deliberately halted its offensive, though we could have continued on to the Yalu River. This was why the Defense Department later officially disavowed the Army spokesman.

Fleecing Uncle Sam

THE automotive industry is now fleecing the taxpayers out of "billions of dollars" by charging the armed services "four to five times the manufacturer's price" for spare parts.

This is the conclusion of investigators for a House "watchdog" committee, headed by Congressman Porter Hardy Jr., of Virginia.

"The inflated profits and unnecessary costs will amount to several billions of dollars during the stepped-up purchasing program in the present emergency," the investigators charge in a confidential report on the spare-parts scandal. "Due in part to the splitting of the profits, these amounts will not be substantially recovered by either taxation or renegotiation."

The report describes a "gentleman's agreement or informal understanding" inside the automotive industry "to bid on Government business with the price to the distributor as a minimum."

"From there out there appears to be no limit," declares the report.

As a result, the Government is forced to pay "four to five times" the actual cost, and the profits are split between all the middlemen—the manufacturer, assembler, distributors, retailer and repairman—who each receive "substantially the complete value of the part."

"Where the part is expensive, the price may be shaved down to three or four times its original value; and where the value of the part is relatively small, ten or even more times its value may be charged," the report explains.

Military Also To Blame

THE blame is placed not only upon the automotive industry, but also on the military procurement officers.

"This system of overpricing," the report charges, "apparently is not unknown to the highest supervisory echelon of the military spending agencies."

The report also blasts "the unnecessary continuance of actual or theoretical middlemen" as "war profiteering of the rankest sort."

"There can be little question that the needs of the sovereign for defense are paramount, and that where some citizens are called on to die, the others may be called on to accept only reasonable profits," the report states.

One typical example, described by the investigators, is the case of a windshield assembly. The Troy Sunshade Co., the manufacturer, sold the windshield to the Army for $28.64. This apparently was too cheap to suit the Federal Motor Truck Co., which designed the windshield and owned the dies.

So Federal Motor Truck either withdrew its dies or pressured Troy so it discontinued bidding. Federal then got a monopoly of the Government business, and thereafter sold the same windshield to the Government for $52.50 and $57.50 instead of $28.64.