

Taft In California Climate

WE DON'T KNOW whether Senator Taft is winning many votes in his campaign swing through the West, but the peculiarity in the Taft campaign thinking are becoming more evident every time he opens his mouth. Yesterday in San Francisco, he told the Commonwealth Club that the fundamental reason for high prices is "the tremendous income of the American people today due to full employment and high wages"; yet practically in the same breath, he called for an increase in the minimum wage rate to 60 cents per hour for a reduction in the cost of living. The latter, Candidate Taft asserted, would tend to prevent the demand for further wage increases, which now offer the greatest danger of further inflation.

The Senator's call for tax reduction was undoubtedly calculated to impress his audience of business men in the Commonwealth Club and to show plain wage earners who might find more take-home pay to be the solution to their individual economic problems. How the suggested raise in the minimum wage slipped into his program is not clear, but it is possible. Perhaps the Senator has concluded that an occasional sop to the laboring class will remove the CIO pickets from his California trail.

If the Senator is correct in blaming the inflationary spiral on high wages, which is a partially adequate analysis of the problem, tax reduction or an increased minimum wage rate now will only accelerate the price boom. These measures, certainly politically appealing but economically fal-

lacious, would have no cure even before Mr. Taft so effectively junked OPA and price controls. The close relationship between Charlotte and San Francisco is to blame for it, but we aren't sure we heard Senator Taft clearly in another phase of his address yesterday. For nestled among his phraseology about "the totalitarian school of thought represented by the New Deal wing of the Democratic Party," was a proposal that the nation act to level off prices and wages at a point 50 to 80 per cent above their 1939 level. This is a radical change of pace in the expected tapering off of abnormal employment.

Isn't there implicit in this recommendation a Taftian acknowledgment that some form of Government intervention is necessary means for effecting such a policy? Has the Senator's faith in completely unrestricted private enterprise been shattered since he so heartily channeled it a year ago? Was he possibly offering a tacit admission that at his mid-Victorian economic is outmoded? If so, the California climate has our vote as the most intellectually invigorating in the world.

No, we thought the Senator had deceived us. Senator Taft hasn't really learned much in California for he also made the utterly ludicrous charge that it was President Truman who "ended price control in 1946." We've always believed the Senator has never applied his keen intellect to a modern economic text, but apparently he hasn't been reading the newspapers either. Not in the last few years, anyway.

Confusion In Morgenthau Diaries

HENRY MORGENTHAU JR. doesn't like Henry Wallace, which is the Communist tactic that is very clear in the first installment of his Diaries, published in Collier's magazine this week. Roosevelt's Secretary of the Treasury didn't approve of Roosevelt's Secretary of Agriculture as either an administrator or a politician. Among the three big members in the New Deal—Hoopes, Ickes and Wallace—found that Wallace had the most costly and top-heavy organization for spending his funds. On the second point, "Wallace's whole theory of spending in order to reduce agricultural production always seemed nonsense to me," he writes. In neither case does Mr. Morgenthau bother to support his position with facts and analyses.

On the question of spending, Mr. Morgenthau says that the one example that in one nine-month period it cost \$130 million to "give away" \$516 million in the Department of Agriculture. That is an impressive figure but it is meaningless unless the money actually went and what we got for it. It is manifestly unfair to use a lump sum in this fashion to unfavorably compare the overhead costs of the necessarily labor-consuming agencies of the Department of Agriculture with the administrative costs of the relatively simple WPA organization.

Oleo, Butter And Legislation

PRECIOUS butter, that lovely golden food we used to smear liberally on hot biscuits, is now arrogantly perched at what surely must be the zenith of its spectacular price rise. Take courage, though. If it stays at the high price of 83¢ per pound, the Government will round it all up and ship it away at Fort Knox. Then nobody will be expected to serve butter at his table.

There are indications, however, that the American public is steadfastly determined to see that cow gold doesn't get over the \$1 a pound mark. It has reached that point of the nation's critics. Purveyors of oleomargarine the country over have reported increases in their sales as a consequence of the high price of butter. "Poor man's butter," as margarine is sometimes called, is now being used by more people and in greater quantities than ever before. Manufacturers have estimated that Americans will stomach 700,000,000 pounds of margarine this year as compared with 540,000,000 pounds last year. This increase is largely due to the fact that a dollar will buy about two and a half times more margarine than butter.

Another Voice

Canada has practiced the kind of planned decontrol of prices which the United States would have followed, which people in and out of government had not been over-eager, over-greedy or over-foolish. Just now Canada has removed ceiling on many things, but retained a ceiling on rent, sugar, meat, wheat, salt, dried fruit, iron, steel and tin. This comes just about a year later than the wave of precipitate decontrol in the United States. As a comparison index to the story. In Canada, the cost of living rose only 36.1 per cent from the 1935-36 base period to Aug. 1, 1947. From the same period base, living cost this side of the border rose 57.1 per cent up to June 30, 1947, an obviously some notches higher by Aug. 1. It was argued in the United States that

People's Platform

Mr. Morgenthau's is even less reason for his blunt dismissal of the New Deal farm program. In some mysterious fashion, he concludes that aid to farmers wasn't as essential or as useful as relief for unemployed industrial workers. To him, Government spending on cultural projects was "giving away" money, while WPA spending was "pump priming." There is no suggestion that he sees that there was equal justification on humanitarian grounds, perhaps perhaps justification on economic grounds, for the funds that were devoted to supporting farm prices, maintaining the balance between supply and demand, soil conservation, rural electrification, recovery of sub-marginal lands, reforestation, etc.

Describing an exchange with Wallace over his spending, Morgenthau quotes the other Henry as saying: "You don't understand. I am giving away money." "O yes, yes," Morgenthau replied. "I understand it more every day." The impression left by the first installment of his Diaries is that he still doesn't understand the broad picture of what he will clear up this point as he goes along. A certain amount of incoherence and confusion naturally is to be expected from a man who spent so many years trying to get the machinery of the Government agencies of the Department of Agriculture with the administrative costs of the relatively simple WPA organization.

Webster On Brains

bus and mixes in the coloring. Ever since 1886 Federal laws have hammered away at yellow margarine with telling effect. There is a tax of 10 cents a pound on the yellow stuff, but only one-fourth of a cent tax on the higher priced \$48 a year for a year to sell yellow margarine, but only \$6 a year to sell the white. Wholesalers pay \$480 a year for the right to sell the yellow, but only \$200 for the white. Eight states charge a tax on yellow margarine; nine states charge an additional retailer's fee; twelve states charge an additional wholesaler's fee; North Carolina, the South's most progressive state, doesn't stop at any of these subtle prohibitions. It just outlawed yellow margarine altogether.

If 75 per cent of margarine users this year work ten minutes on each pound to keep it from looking like lard, something like \$7,500,000 woman hours will be dedicated to the creamery interests who have insisted upon legislation which restrains the oleo manufacturers. The creamery people argue that margarine makers shouldn't be allowed to imitate the color of butter. Yet orange orange juice; grape sodas are colored to look like grape juice; jams and jellies are colored to make them look like jam. Why not color margarine if it looks prettier that way?

Both as a sensible voter, and as our friendly close neighbors, we are glad to see them prosper. We only wonder how our too-eager Americans feel about throwing them the finest advantage an industrialist could give, by allowing them to produce a profitable industrial neighbor—St. Louis Post-Dispatch.



Hunger In Germany

BONN, RHINE, Aug. 30, 1947 (AP)—The British Government has announced that it will supply food to the British zone, Germany, for the next few months. The British Government has announced that it will supply food to the British zone, Germany, for the next few months. The British Government has announced that it will supply food to the British zone, Germany, for the next few months.

Final Authority Quoted

CHARLOTTE, Sept. 19.—A. W. Black closes his mind on the subject of the final authority in the United States. He writes that the final authority is the Constitution of the United States, which is the supreme law of the land. He also mentions the role of the courts and the executive branch in interpreting and enforcing the law.

Webster On Brains

CHARLOTTE, Sept. 19.—A footnote to an article entitled "Who's A Liberal?" and in which a question is raised regarding the liberalism of the late Henry Wallace. The article discusses Wallace's political views and his relationship to the New Deal movement.

Drew Pearson's Merry-Go-Round

WASHINGTON, Sept. 19.—The full Truman Cabinet is converging on Washington for the first time in many weeks to be on hand when the President steps off the USS Missouri. The cabinet members are expected to discuss various issues, including the economy and foreign relations. The article mentions the presence of several key cabinet members and the importance of their meeting.



Stewart Also

WASHINGTON, Sept. 19.—Stewart also is mentioned in the article, discussing his role in the government and his views on various issues. The article highlights his contributions and the challenges he has faced in his position.

Washington Puzzle

A SORT of Chinese puzzle now occupies the attention of Washington leadership. Somehow, the puzzle must be solved within the next few days. The puzzle involves the complex relationships between various political groups and the government, and how they will all fit together in the future.

Taxes And School Buses

BALTIMORE, Sept. 19.—In reply to Mr. Ferguson, pastor of Thomaboro Baptist Church, whose letter appeared in your paper Sept. 9 regarding transportation of Catholic children to their Catholic school, I would like to make a few comments which Mr. Ferguson evidently did not take into consideration.

The People's Platform is Available to Any Reader

WASHINGTON, Sept. 19.—The People's Platform is available to any reader who cares to mount it. Communications should be sent to the appropriate address. The platform outlines the political and economic views of the author and is intended to provide a clear and concise statement of these views to the public.

The contrasting personalities of two American leaders in the field of international relations in the way of any "solution" in the Greek-Riddle. One is a conservative, the other a liberal. MacVeagh, who for fourteen years, with the exception of a brief interval during the war, has been Ambassador to Greece. The other is former Gov. Dwight Griswold of Nebraska, who has been Ambassador to Greece for three months as head of the American aid program.

MacVeagh & Griswold

MacVeagh is a scholar and a gentleman. He had the same top-drawer, broken glass and his close friend, the late President Roosevelt. He is steeped in classical lore, and the speeches he makes in Greek are very moving.

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