THE CHARLOTTE NEWS

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SETTING THE RECORD STRAIGHT

WE of the State of Mecklenburg, who argued among ourselves about ABC stores and finally voted them into existence, have no desire to enter into any of the spirited ABC debates now going on in other counties or to advise their citizens who are pondering the same great question. Yet occasionally we are drawn into the controversy through no fault of our own.

Over in Forsyth, the battle is getting warmer. Although both Winston-Salem newspapers, the *Journal* and the *Sentinel*, are committed to supporting the ABC system, the publishers have permitted the editor of the morning paper to take an opposing stand over his own signature. This week the editor reprinted, and editorialized upon, an article by D. W. Charlton in the *North Carolina Christian Advocate*, the official organ of the N. C. and Western N. C. Conferences of the Methodist Church, entitled "Why Wayne County Voted Against ABC Liquor Stores."

The author, pointing out that the young people of Wayne were against the stores, made this rather remarkable statement: "They also knew from good authority that juvenile delinquency has increased 80 per cent in Mecklenburg County since the establishment of ABC stores."

That interested, and intrigued, us. Surely something was amiss somewhere. A little digging through the files uncovered some news stories on the Community Council's Social Breakdown study which did show an increase of 80 per cent in juvenile delinquency in 1948 over 1947. But nowhere in that breakdown was there any inference that ABC stores had contributed to the increase.

As a matter of fact, the main reason for the increase, explicitly stated in the stories, was that in 1946 a competent social work staff was added to the juvenile delinquency court. As time went on, it was used more frequently by other organizations and individuals. It got more referrals, and kept more complete records. For instance, the school system now turns over its truancy cases to the court, whereas before it handled them itself.

Furthermore, the records show a number of case types which County Welfare Superintendent Wallace H. Kuralt does not consider as real delinquency.

There are, it is true, some cases involving juveniles who are the hapless pawns of a home situation in which the alcohol problem exists. But in Mr. Kuralt's words: "We can see no difference whatsoever in the regular alcohol problem in the home before and after ABC stores. As a matter of fact, since a good deal of the racketeering in the community has been eliminated, there is a noticeable decrease in other types of family troubles."

And W. I. Gatling, the new juvenile delinquency and domestic relations jurist who took office late in 1948, says that in the first six months of 1949 he has handled only one juvenile case in which alcohol figured directly. That young offender had been given a drink by a man from Charlarus County and subsequently stole an automobile for a joy ride. "I can't say there has been any increase in juvenile delinquency because of the ABC stores," says the judge.

The author of the *Christian Advocate* article did not actually say that ABC stores caused the increase, but the inference is strong indeed. And we hasten to set the record straight lest the people of Forsyth County, and others who may read the piece, labor under a misapprehension about the state of affairs in Mecklenburg.

BOND MONEY FOR MACHINES

THE decision of the State Highway Commission to use $5 million of the first $50 million in secondary road bonds to purchase road building equipment will be received with mixed reactions by the people of the state.

The explanation of the Highway Commission—that the equipment will be used primarily on stabilizing secondary roads; that private contractors cannot handle the regular State program plus the $200 million secondary road work; that the purchase of the machinery is necessary if the promised work is to get under way with a minimum of delay—makes good sense, even to a layman.

Against that is the lingering suspicion that Governor Scott's road program, from the very first, has been something more than a plan to build roads—specifically, a convenient vehicle for further strengthening what appears to be the most potent personal political machine we have had in many a year. When the Governor creates a lot of new State jobs by vastly expanding his Highway Commission forces, there will always be the inherent danger that those jobs will become a new source of political patronage. Certainly, if one can judge from Governor Scott's yardstick for his appointments so far, loyalty to the Governor and political activity in his behalf might well determine whether a particular candidate gets one of the new jobs or not.

At no time during the recent campaign for the road bonds, led by the Governor and executed by a host of State officials, were the people told that a substantial part of the bond money would be used to build up a Highway Commission establishment. They have thought all along that the money would go for roads—every penny of it.

We will have to wait awhile to see what develops from this turn of events. It may be that the course decided upon by the Commission is in the best interest of the road program, and of the people who voted for it. We certainly hope so.

FACTS & FIGURES

THE weekly magazine, *U. S. News & World Report*, with typical brevity and vividness, offers some striking figures in its current issue which largely explain why public concern over Federal spending is mounting so rapidly.

A big double-page spread illustrates with appropriate symbols the astounding fact that the U. S. Government has spent more in four peacetime fiscal years than it spent in the 152 years from Washington's first inauguration to the beginning of World War II preparations in 1940.

In the fiscal years 1946, 1947, 1948, and 1949, the U. S. Government spent $177 billion.

In the 152 years from 1789 to 1940, the U. S. Government spent $167 billion—$10 billion less in a period that included four major wars, several depressions and seven years of the New Deal.

Here are some more comparisons:

"In a single month in 1949, the peacetime U. S. Government spends as much as the $3,350,000,000 total cost of Government in the four years of the Civil War.

"The two-year cost of World War I was $31,000,000,000. The Government now spends more than that in 20 peacetime months.

"In the fiscal year closing June 30, Federal spending exceeded the combined cost of all U. S. wars prior to World War II."

The magazine further points out what we all know—that Government functions and costs never stop growing, and once having grown, they never get back to normal size.

It is easy enough to explain that we are in a new era, that more functions of Government are needed to protect our people in an uncertain period; and it is also easy to point out that much of the spending of the past four fiscal years has been to pay for the past war, to rehabilitate war-torn countries of the world, and to build up our National Defense Establishment as a guarantee against aggressive warfare by Russia.

Even so, it should be reasonably clear to all except the most tearful of our welfare state bleeding-hearts that we have stretched our national resources to the breaking point, and that our governmental expenditures simply must be brought into balance with our ability to pay.

EASY WAY TO LEARN

A LOW-POWERED, non-commercial radio station in Charlotte, devoted entirely to public education in the arts and sciences, is easily one of the most interesting ideas to come down the pike in a long time. At first glance it looks good, good enough to venture the hope that the Public Library board of directors will see it through.

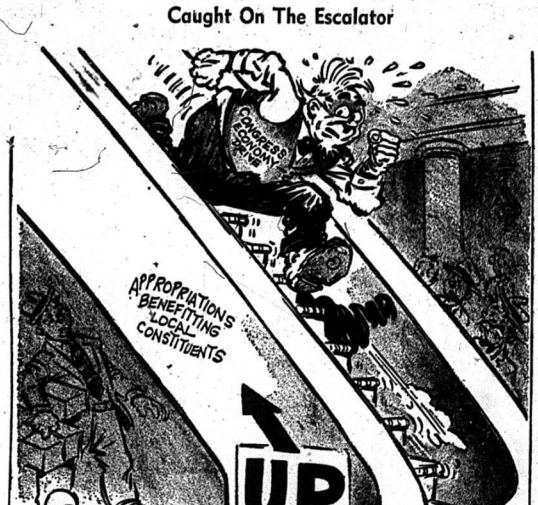
As of today, the proposal is still in a highly tentative stage. Outlined to the directors this week by Director Hoyt Galvin, it brought enthusiastic comment and a decision to study other public educational radio stations in the nation to see how effective they are.

The low-powered library FM station would not seek mass audiences, and would not attempt to compete with commercial radio. Rather it would be run on an entirely sustaining basis, with perhaps half of its broadcasting time devoted to recorded music and the rest divided among story telling, book reading, lectures, discussions and what not.

In Louisville, for example, the library station in co-operation with a Louisville college, actually presents lecture series by radio-television for which scholastic credits are given. Whether a local program would be developed to such a degree in co-operation with Mecklenburg colleges is problematical, but it's an intriguing thought.

One of the greatest deficiencies in our public education system is the absence of any adequate and convenient method for adults to continue learning. We assume that a person learns all he needs to know by the time he's 20 or 21, and then we quit teaching him, leaving it entirely to his own initiative and imagination to continue studying such subjects as may interest him. A public radio station could be a tremendous force in carrying out a program of adult education by which all of us could increase our store of knowledge, and without stirring from our favorite easy chair.

Caught On The Escalator



Survey Of Market Conditions

Upward Trend In Textiles Seen

By J. A. DALY
Charlotte News Staff Writer

TODAY, marking the advent of 1949's third quarter, is a date which most divisions of the textile industry consider doubly significant. The day brought to its peak the most extensive vacation period in the industry's history, which points to managements' determination to balance supply and demand.

The day also brought a two-week lull which is expected rather confidently to be followed by an upward trend toward normal business. Movement of textiles in trade channels has been severely restricted during the past six months. The slump was described as a "flight from inventories" and as a consequence of various other economic factors.

This July vacation season presents a sharp contrast, in at least one economically important respect, to pre-war like seasons. Now most of the workers receive full wages while they rest. But, now as in the past, this cessation of production admittedly is managements' additional effort to avoid what could be ruinous excesses in spinning and weaving. The mills have been curtailing drastically over the past five months, particularly during the new ended second quarter.

Textiles—cotton and synthetic—is the dominating industry of the two Carolinas. The United States has approximately 23,700,000 spindles. The Southern states have about 17,000,000 of these spindles, and 11,350,000 of them are located in plants of the two Carolinas. These two Carolinas have approximately 415,000 men and women employed in the various divisions of textiles.

Immensely important to these employees and the rest of the Carolina populations is this fact: The textile industry is endeavoring to live down its tradition of being a "boom or bust" business. Progress toward this objective already has become economically influenced for the whole nation.

* * *

Traditionally, textiles is the first American industry to go into a slump when the nation's economy is due for a shakedown. Also, this industry traditionally has been the first to signal the approaching stabilization after a shakedown, such as has been in progress many months and lately affected durable goods. Economists of The Associated Press lately pointed to signs of revival of textiles and added that, if this revival develops, it will mark the passing of a most important milestone in the American recession from World War II peaks.

In this connection, Dr. Claudius Murchison of New York, cotton-textile institute president, recently spoke to a small group of textile school graduates at Belmont. His confident words created a ripple throughout American business. He declared in substance that this industry has become master of its own destiny; that it is in the strongest financial position in its history; that it is most favorably situated with respect to management-employee relations.

This industry still is experiencing its traditional travel through economic "hills and valleys". Back at the weaving and spinning levels are reflected the many ramifications of textile business—selling houses, converters, finishers, dressmakers and other cutters, wholesalers and retailers. Currently, the manufacturers are led by numerous still faint signs to think that this newly arrived third quarter will be notable for a movement uphill. The industry has been in a deep, rugged valley during the past quarter—dragging the bottom, as is indicated by many statistical tables. Cotton consumption for the first half of 1949 consequently dropped 20 per cent below the consumption for the same months last year.

Since the peak of the post-war price boom in December, 1947, the average price of seventeen kinds of unfinished textiles has declined more than 36 per cent. The market leading print cloths declined more than 52 per cent to the current level of 18 cents per yard. Lately, buying in the New York market center has been rather brisk for a wide variety of unfinished textiles. Many other types of textiles, mill-finished, also have come in for brisk buying.

An outstanding instance of strength in this market during recent weeks has been fast and steady buying of materials for production of work clothing. Also, everything in the lines of clothing for babies and young children has been in heavy demand—fond parents find the money to provide for the tots while the breadwinners wear work clothing.

Lately, though, demand for textiles in the big market centers spread to lawns, broadcloths, poplins, and other fabrics of primary interest to adults. The booming market for sheetings reflected, at least in part, the continuing great, and prospective greater, need for bags for products of American farms and factories.

* * *

EVEN the sorely depressed market for carded yarns has been showing signs of steadiness over recent weeks. Carded yarns represent the first step in textile manufacture above the raw cotton. These yarns still are under severe price pressures from weavers and knitters—but the demand for knitted cotton goods has spurted up strongly. Also, there are reports from many sources circulating in the knitting industry that current production is far below the burst in belated demand from retailers. Accompanying this uptrend in buying of Summer-weight knitted goods is an encouraging increase in buying of Fall and Winter lines. This knitwear business also is strongly beneficial to the producers of combed yarns, a more expensively spun type of cotton product.

From all divisions of textile manufacture as the third quarter begins are coming assertions that prices are "at rock bottom" for fabrics and yarns. Weavers of rayon fabrics and of worsteds and woolens are just as emphatic in these declarations as are the cotton spinners and weavers. All these industry divisions learned again and well during the first half of this year just what it means to profits when prices follow a persistent declining trend.

During all this setback, the North Carolina average hourly wage for textile industry workers has held at $1.12 cents per hour—though average weekly earnings have declined about 15 per cent, reflecting the industry's shortened work-week and elimination of the third shift.

Joseph Alsop

Enter Keynes' Ghost

WASHINGTON

TAXES are likely to be the big news in the semi-annual sport on the state of the nation's business, which the President will send to Congress in a week or so. Mr. Truman's long-standing request for a $4,000,000,000 tax increase will not be almost certainly withdrawn. And although Congress has never had the faintest intention of voting tax increases anyway, this action of the President's will have considerable psychological importance.

Furthermore, it is quite possible that the President will also flash a green light for repeal of part only of the wartime excise taxes, which now yield $1.5 billion of annual revenue to the Treasury. And this is an invitation to which Congress will undoubtedly respond with delighted alacrity, if it is even timidly proffered.

Thus, the President will in effect approve the budgetary unbalance which is already predicted, and may even act to widen the gap between revenue and expenditure. This, in itself, will certainly be significant. Yet there will be even deeper long-range meaning in the other points which the President is also expected to make in the message to Congress. If the document follows the pattern that is now emerging in a series of anxious White House meetings, these points may be condensed under two headings.

First the President will acknowledge the business recession, and will assert that the recession makes it more urgent to enact every one of the measures of his January program, except the tax increases and anti-inflation controls. Housing aid, Federal aid to education, the broader social security base, the minimum wage bill, and the rest, will also be presented as tending to sustain and raise more purchasing power, and thus to halt the downward economic trend.

Second, the President will firmly oppose any present reductions in Government spending for useful purposes, as being deflationary in tendency.

Possibly these tentative forecasts may be falsified by the outcome of the debate at the White House. The chief men now working with Truman on his message are Secretary of the Treasury Snyder, Secretary of Agriculture Brannan, Secretary of Commerce Sawyer, White House Counsel Clark Clifford, and the members of the Economic Advisory Council (who are simultaneously struggling over their own semi-annual report). This is a group with more divergent views.

Cuts in public spending have already been openly advocated by the chairman of the Economic Advisory Council, Dr. Edwin Nourse, in his famous speech at the Defense Depts. There is every reason to believe that Dr. Nourse was encouraged, on that occasion, by Treasury Secretary Snyder. But if the President now prefers the different advice of Dr. Nourse's Economic Advisory Council colleagues, Dr. Leon Keyserling, it will not be the first time. And it will probably not be the last.

What seems to be happening, in fact, is an event of the utmost long-range import. It would be hard to imagine an Englishman whom President Truman would have found more repugnant than the late Lord Keynes, with his high Bloomsbury manner and accent, his dry wit and his cool intellectualism. Yet the President seems to be about to commit himself and his Administration, publicly and positively, to the famous Keynesian economic theory.

THEORY NOT ACCEPTED

By now, any college sophomore can recite the basic, once revolutionary thesis of Keynes, that the state ought to try to control the economic cycle by heavy taxation and deflationary penny-pinching in boom times, and by compensatory, pump-priming spending in bad times. In the New Deal years, the thesis was acted upon. It is about to be acted upon again.

The trouble is that the Keynesian theory is emphatically not accepted, either by the majority of the business community or by the majority of Congress. It is very dangerous business, this split national personality. It produced a grande bad deflation during the recent inflation, when Keynes would have required the opposite. It now seems likely to carry us into heavy deficit spending, because the economic curve has turned down.

The fault is certainly not the President's, who fought the Republican tax bill with great courage. The President's Keynesian record is consistent. But it must be realized that the delicate machinery of the Keynes theory, if used only when convenient, is quite likely to destroy the user. And this is now what is happening.

Robert C. Ruark

No Trouble At All

EVANSVILLE, Ind.

THERE is a man outside the hotel room with a pneumatic drill, and he seems to be trying (received this week) to shake surrounding room. Ordinarily I would notice it except (1) this demolition project is occurring at the barbarous hour of 8 A. M. and (2) it happens not everywhere I go. There are spots in this world who have certain distinctive others ordinarily may. For instance, some are automatically recognized by all dogs as tasty bits or waiting luncheons, as are bitten by dogs as pure routine there are those to whom the wait automatically takes the chee and there are others on whom litters unerringly spill soup.

Your correspondent has twe time talents. I can generally guarantee that something awful will happen to any vehicle, plane, train, auto in which I travel, and I can ways guarantee that I will not be able to sleep in hotels.

Mine host may let his enlishment go to rack for year at year, but the second I check in suddenly comes to a refurbishing rit and starts ripping out the wallsin my floor. I have spent more ne in hotel rooms with plumbers an I ever spent with Morpheus. All I have to do is walk into a in and immediately, all the handiest off everything, the tub clogs th the ice-water faucet regurgitats luke-warm rust.

All the wrong numbers tha man is heir to connect with my pha, and generally before 7 A. M. hiefly I get the truculent wrongumber caller, who refuses to belie that I am not Sadie or Spike, at keeps calling back to make sure o joke is being played on him.

I am also the man who tracts strolling crackpots, and the always seem able to get my room umber. One time in San Francisco lady rapped, unannounced, on b door, and lunged into the roo She stated flatly that she had st seen God, wept loudly becausenobody would believe her, and then ried to jump out the window. This was at 4 A. M., and it took two lusty bellmen to curb her.

My latest informal visitor was a female poet with a sheaf of manuscripts and a yen for syndication, but she left quietly and without summoning the house peeper, as is known as a softening up for this female poet that she was much less fierce than some female poets I have known.

In the isolated cases when the hotel is not being rebuilt on floor, I have a curious allergy to chambermaids. Chambermaids spend half their working hours walking in and out of the room, scowling when they see me still abed, and then slamming the door to emphasize their disapproval of my slothfulness.

Then they hold an indignation meeting outside the door, screaming at each other about my transgressions and beating the devil's shivaree on tin pails with cleaning mops. This is known as softening up the customer, to induce the poor bum to abandon the sack and seek peace in a quiet saloon.

My best effort in the chambermaid league recently occurred in Columbus, Ohio, where a rebuilding project was on in force outside my window. The elderly maid yelled continually at herself, as she went about her duties. I say yelled, because she had to yell to make herself heard above the construction din. She then flopped down in a chair, delivered a short harangue on the uselessness of people who stay in hotels, called the house mother, or somebody, on the phone, enjoyed a short quarrel and stalked off, still mumbling.

Oho. The drill has stopped, now, and the man is beating a war chant on a pipe with a hammer. If he thinks I'm going to tate me, Oh, sure, come on in. I always love to have the windows washed at 8:30 in the morning. Just stand on the bed. Mac. The fact that I am in it doesn't matter at all.

Drew Pearson's Merry-Go-Round

Catholic Congressman Defends Barden

WASHINGTON

ONE Congressman who has vigorously defended North Carolina's Graham Barden from the charge of "bigot" hurled at him by Cardinal Spellman is Rep. Andrew Jacobs of Indianapolis, himself a devout Catholic.

Jacobs, a freshman who in six months has made an outstanding record, serves on the same education and labor committee with Barden, where the aid-to-education bill is now bottled up. Citing the late Al Smith on the separation of church and state, Jacobs contends that a great many Catholics disagree with Cardinal Spellman.

"As long as we have the same right to send our children to public school as anyone else we are not discriminated against," Congressman Jacobs says in a special statement to Catholics. "And as Catholics we do not have the right to a separate, publicly supported school system, nor does any other group of people have such right.

"Whatever can be constitutionally done to aid a child will win my support. However, I cannot and will not support any measure that grants public financial aid to private or parochial schools.

"We have the right to build and maintain our churches," continued the Indiana Democrat, "but not to build or maintain them with public funds. Our parochial schools are an adjunct of our religion, established for educational use instead of using public schools, solely for the sake of the child's religious training.

"This issue is clear. Either you keep parochial schools and maintain them or take public funds and convert them into public schools, and they will then no longer serve the religious purpose for which they were established."

Gentleman From North Carolina

CONGRESSMAN BARDEN of North Carolina, whom Cardinal Spellman has attacked, is a quiet, hard-working, middle-of-the-roader who is viewed in Congress as anything but a bigot. Actually, he agrees with Cardinal Spellman on many things, especially on the point that the Federal Government should not control education.

Barden is a man of deep, fighting convictions, and one of these is that we must raise our public-school standards.

"I happen to be a Presbyterian," says Barden. "But I don't believe it's the duty of the Government to provide money for Presbyterian schools any more than for the private schools of Methodists, Catholics, Quakers, Episcopalians or any other faith."

Barden was a battler for better education long before he came to Congress in 1934. As a member of the North Carolina Legislature he led the fight for the improvement of both white and colored schools. The fact that Negro school teachers are now paid the same as white, and that money is divided impartially between Negro and white school buildings and transportation is due in part to Barden's untiring efforts.

"I am wrong about as often as the next fellow," says the North Carolina Congressman. "But I try to be always sincere. My constituents don't blame me if I make a mistake once in awhile. However, they ever find me wrong and insincere at the same time, I expect them to get after me plenty—and rightly so."

British Business Crisis

PAUL HOFFMAN, the Marshall-Plan administrator, held a secret conference with top Government officials last week to report on the British financial crisis.

Britain, according to Hoffman, had bungled its way into a first-class recession that may lead all Europe into a depression and wreck the Marshall Plan. Hoffman was especially bitter about Britain's trade deal with Argentina, and it is typical of the way Britain has refused to practice what it preaches.

He intimated that if Britain doesn't show more sign of co-operation he may cut off Marshall Plan aid—if Congress doesn't beat him to it.

Tom Pinletter, head of the ECA mission to Britain, was present at this briefing, and agreed that Britain would have to take drastic action in a hurry to keep from going bankrupt and dragging all Europe under with it. This is something the Russians have been praying for ever since the cold war started.

Capital News Capsules

DEFENDING The Pacific—The joint chiefs of staff have developed an important plan for the defense of the Pacific. They are writing off large sections of this vast ten as impossible to defend and will concentrate on holding Japan, India, Burma, Java, the Hawaiian Islands and the Philippines. The plan was approved after a number of meetings with top British and French military men who agreed there was no use in West Pacific powers spreading their forces too thin in case of war with Russia.

Real Estate

Real Estate Lobby Advice—The real estate lobby is now instructing lobbyists how to beat the law if investigated for housing fraud. A set of legal moves has been doped out by Herbert Colin, lawyer for the National Association of Home Builders, and published in a confidential memorandum. His advice, if said else fails, is to appeal over the head of the housing exploiter to the local district attorney. He also urges members of a committee of builders to the DA in advance to offer "advisory service."

Revolt Pans in Austria—U. S. diplomats in Vienna report that the Communists and former Nazis are combining to overthrow the Austrian government—just as soon as a peace treaty is signed. That these two usually bitter opponents—Nazis and Communists—had made a secret deal to merge was the first tipoff the United States got that Russia is not willing to write a peace treaty for Austria. What Vishinsky doesn't know, however, is that the USA will send American guns and ammunition to Austria to make sure it doesn't suffer the same fate as Czechoslovakia.

Navy Lobby

ONE top Navy man has finally seen fit to take on the arrogant Navy League. He is Undersecretary of the Navy Dan Kimball, who has written a strong letter to Frank Hecht, the Navy League's high-pressure president, urging him to pipe down.

Kimball pointed out that Secretary Johnson's actions in ordering two battleships converted into flattops made a great deal of sense to the Navy. For it will now have two more flattops in a year and a half rather than for the supercarrier which might take over five years.

Kimball has asked Hecht to apologize to Secretary Johnson for his criticism. It will be interesting to see if Hecht follows this advice.