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THESE 'ALLIES' ARE WORTH CULTIVATING

THE Administration is, of course, within its rights in denying Democratic demands for a public accounting of its plans regarding equipment and use of China's Nationalist troops in Formosa.

But, that being said, the Democrats have a valid point that President Eisenhower should heed.

JURY LAW NEEDS CLARIFICATION

INTERVENING in the case of McGraw (assault by leer) Ingram, of the N. C. Attorney-General's office has raised a far-reaching legal question.

The old law regarding the selection of jurors is clear, but that county commissioners "shall" select from the tax lists names of persons in their communities who are of good moral character and have sufficient intelligence to serve as members of grand and petit juries.

CULTURE COMES HARD, BUT IT'S TRYING

WE PROFESS an occasional concern over the status of American culture. There was, you'll recall, the hullabaloo about all the girls' books and comic books.

As for TV—well, suffice it to say that when, once in a blue moon, a great show like Ed Murrow's "See It Now" comes on, it pulls a million 15's on the Nielsen rating.

Now that leading members of the new team in Washington have told all about their book, what happened to all that money the New York and Fair Deal threw away.

CONGRESSMEN, with ears ever to the ground back in the district, heard not a rumble but a roar last week.

Dr. George Gallup, the opinion sampler, transmitted the message from the grass roots to Washington. His legmen asked this question: "If the new Congress finds that it cannot balance the budget for this year and at the same time reduce income taxes, which do you think it should try to do first?"

The answer: Give Dr. Gallup a fifteen, instead of the usual five or five per cent margin of error. And the answer is still two to one, "balance budget first."

An Oklahoma school of accountancy instructed its pupils as headed, "Short Course in Accounting for Women." So the president of the school received a note. It said: "There is NO accounting for women."

During this same year, more than 200,000 other individuals received some rehabilitation aid and 50,000 were completely rehabilitated. Their earnings helped swell the national

predecessor consulted with Congressional leaders of both parties regarding U. S. action in Korea, Europe and the U. N. He appointed outstanding Republican to top policy-making posts—namely Secretary of Defense Robert A. Lovett, Secretary of War Robert P. Patterson, ECA Administrator Paul Hoffman, High Commissioner John J. McCloy, Ambassador John Foster Dulles, Warren Austin, Lewis A. Douglas.

And the President should remember that, when the chips are down, it may be Democrats, not Republicans, who push his program through Congress.

If, however, the Democrats are not taken into Administration confidence they may, in frustration, adopt the well-remembered opposition tactics employed by many Republicans during the Truman Administration.

The third choice is to economize where economy is safe, and to keep taxes at the existing high levels—thus working toward (but even so not immediately achieving) an approximately balanced budget.

The first choice is to abandon all but the pretense of a creative foreign policy, and to dismantle the national defense program, while juggling the tremendous pressure for tax reductions—thus insuring budget deficits of truly reckless proportions.

The second choice is to spend what is needed on foreign and defense programs, while juggling the tremendous pressure for tax reductions—thus insuring budget deficits of truly reckless proportions.

It can be said on highest authority that the leaders of the new Administration have already lost the four campaign-time hopes that they could have their cake and eat it too. They know, now, that low taxes, a balanced budget and reasonable security amid the perils of a world half at war, cannot possibly be combined.

Security First. It can further be said on the same high authority that the men who carry the most weight—President Eisenhower himself and the impressive new Secretary of the Treasury, George C. Humphrey—now place national security first, budget balancing second, and tax reductions third in their system of priorities.

This is because the levies which, so to speak, provide the government's tax cake, all expire in the next 14 months. The excess profits tax runs until June 30 of this year. The 11 per cent surtax on personal income tax, voted after Korea, runs until Jan. 1, 1954. Both the special 5 per cent corporate profits tax and the emergency excise taxes expire on April 1, 1954.

If all these taxes are allowed to die when their time comes (which is the fervent, almost universal hope in Congress and in the business community) the cost to the Treasury will be heavy indeed in the 1954 fiscal year, when only part of the impact will be felt, the total loss will be \$2.7 billion. But in the 1955 fiscal year, for which

WESTERN EUROPE. I AM taking this quick trip to Europe for the first time in 10 years. It is a good thing that I am walking again.

That isn't a pleasant thing to say or contemplate, especially when it comes to imperialism. It is here again: anti-Spanish, German, British, anti-French suspicion and American hostility.

They are here and increasing; while the Kremlin looks on and smiles. It seems that what was once a "cold war" is now a "hot war" for Stalinism.

When World War II Started. MOST people will tell you that World War II started in the early dawn of Sept. 1, 1939, when Hitler invaded Poland. Personally, I don't think that's correct. It began 10 years or so before that, with



Will Present Taxes Be Renewed?

WASHINGTON. Planning of course has already been started, the losses will be far more painful.

In round figures, for fiscal 1955, loss of the excess profits tax will cost the Treasury \$1.8 billion; loss of the 11 per cent surtax on personal income will cost \$2.9 billion; loss of the special 5 per cent corporate profits tax will cost \$2 billion; and loss of the emergency excise taxes will cost \$1 billion. The total loss for fiscal 1955 is therefore \$7.7 billion—a gigantic sum, even at present spending levels.

In his way, President Truman based his projected budget for this year on the assumption that all these taxes would be allowed to expire. Unfortunately, the big corporations have taken care of, and now it is the little fellow's turn.

What makes the problem even uglier is the fact that the excess profits tax, a cumbersome economic monstrosity which the Treasury misrepresents, the Above Board Act, and the list of expiring taxes. If the excess profits tax is allowed to die, the cry will at once be raised in Congress that the big corporations have taken care of, and now it is the little fellow's turn.

That means abandoning the most productive of all expiring levies, the 11 per cent special income tax, which is the favorite target of Chairmen McNamara and Humphrey of the Ways and Means Committee. But suppose all the levies are allowed to expire. Other things being equal, President Eisenhower has no excuse, but he must do the pleasant thing about taxes; and accept huge deficits. Or he must be bold in his emergency measures.

If national security is to have first priority, the President Eisenhower has no excuse, but he must do the pleasant thing about taxes; and accept huge deficits. Or he must be bold in his emergency measures.

The hardest thing the Republicans will have to learn is that running the government is to quit muttering about that so-and-so in the White House every time something goes wrong—Greenville (S.C.) Piedmont.

Quote, Unquote. Mr. Dulles on the new investment abroad. He is taking a very long time to get to the point where he is talking about the American public that these loans were next to worthless that caused the sudden turning of the tide in the depression in Europe, with the suspicion, the hickering, and the power politics.

Of late we have been more realistic. We have given money to Europe, not loaned it, and the loan being charged to the entire public, not by the investing public.

But the fact is that whether in the form of loans or Marshall Plan aid or Mutual Security aid, dollars are flowing to Europe. It is the flow of money that counts, not the fact that it is being loaned.

It is of tremendous importance," he said on April 29, 1952, "that nothing ought to be done that would stop the flow of money to Europe. The Coolidge Administration at that time was explicit about these loans, and Parker Gilbert, our Representative Commissioner, made some statements when he represented the bankers, felt otherwise.

There is no reason," he continued, "why we should not continue to support the flow of money to Europe. The Coolidge Administration at that time was explicit about these loans, and Parker Gilbert, our Representative Commissioner, made some statements when he represented the bankers, felt otherwise.

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Statehood May Come Soon To Hawaii, But Not Alaska

By CONGRESSIONAL QUARTERLY WASHINGTON. Only a new star be added to Old Glory this year?

Will Congress can answer this question it may decide in 1953 whether to break the 40-year span since it last admitted a state to the Union, or make long-eager applicants for statehood bludgeoned by Congress. Republicans, in control, are pledged as a party to "immediate statehood" for Hawaii, and to statehood for Alaska under an "equitable enabling act."

In the past, the House has approved bills to admit both territories but the Senate has put the issue off. In the current session, at least three Senate and five House bills have been introduced to give statehood to Hawaii or Alaska.

Sen. William F. Knowland (R-Calif.), chairman of the Senate Republican Policy Committee, has predicted statehood for Hawaii "at an early date." Another key Republican, Sen. Hugh A. Young, chairman of the Senate Interior and Insular Affairs Committee, also favors Hawaiian statehood. He had opposed it in the House.

Butler said prospects appeared bright for quick enactment of the bill and added that in his opinion there was "sufficient support to pass the Hawaiian statehood bill in the Senate."

Support is also seen from some Southern Democrats who are blocked in the House. Sen. George A. Smathers (D-Fla.), predicted early passage, adding that he will not try to prevent the bill from coming to a vote.

Most of these legislators say the case for Hawaiian statehood is "much stronger" than that for admission of Alaska to the Union. Hawaii had a population of 228,945 in 1950, Alaska, with a population of 128,945, became a territory 12 years later.

On the House side, Rep. A. L. Miller (R-Neb.), chairman of the

interview every merchant, railroad, airline, hotel, and private club, and the names of his wife, and their children from 1946 to 1950.

They figured they'd turned up 123 names of people who'd sold stuff to the Measleys in Albany, New York City, and Washington, D. C. They listed every name.

These bulldozers in human form checked Mealey's hotel bills. They searched through newspaper sources showing his whereabouts day by day. With this to work from, they got from the Pennsylvania State Police the names of airlines the stubs of tickets sold to him.

They checked all the conventions of liquor dealers he'd attended in his official capacity in such far-flung places as San Francisco, Boston, and Los Angeles. They discovered that various liquor men had picked up copies of this on many of these expeditions.

Measrs. Webb and Malmesbury they figured that in 1947, '48 and '49, Mealey had been in Albany twice what he reported he earned. That was giving him every break, including the fact that he was backward to be fair. They only put the members of his family down for \$1 per day, even before the war.

"So he probably spent a lot more than you say," suggested Chairman Robert W. Keam (R-N.D.), who said largely that Webb, while partner Malmesbury needed judiciously. You see what I mean. Don't ever let these fellows start interviewing your butcher.

reconciliation. Increased Communism and perhaps eventual war.

FEAR IS POSSIBLE. It is a blunt and disagreeable way of putting it, but we have to look at the facts in the face. We have to remember, also, that the world has been interested inside France, even inside England would like to see this happen. The fact is that the European Army pact would lead and economic aid cut off. To some extent, so would the fact that the European Army pact would lead and economic aid cut off.

And there are left-wingers in the British Labor Party who would like to see this kind of a way that Anglo-American relations.