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How Should We Lure New Industry?

Dissatisfied with North Carolina's progress in attracting new industry, a small but noisy minority has raised its voice recently in favor of better but sweeping tax exemptions, industrial bond issues and the like.

It has been pointed out that other southern states, including North Carolina in the industrial recruiting sweepstakes, have been making bold use of state and local government aid.

True enough, North Carolina's industrial migration anything new. It has been common practice for years. Even before the 1930s, 16 states offered some sort of exemption from property taxes for limited periods. Today there are seven states (Alabama, Kentucky, Mississippi, Oklahoma, Rhode Island, South Carolina and Vermont) in which localities are permitted to exempt for a period of five years new industries locating within their borders.

Louisiana's new industries may obtain a five-year exemption on property with the state's Board of Commerce and Industry. In certain areas of other states exemptions up to 10 years are allowed.

But how effective is this technique? What are the long-range results of such a program? Is it wise public policy to double tax breaks?

A new Tax Foundation survey covers these points clearly and well, offering reasons for more than a little interest to doubling Tax Breaks.

Take Louisiana's tax exemption program. A thorough study was made of it recently by the Division of Research of the College of Commerce, Louisiana State University. It found that tax exemptions "will, under special circumstances, serve as the deciding influence upon the decisions of management to develop and to locate a new enterprise in Louisiana rather than in another state."

Such cases are very few in number, exemptions cannot be so selectively employed, and the cost in terms of lost revenue entailed in the granting of exemptions to all firms is great in proportion to results.

The Tax Foundation notes that this conclusion is borne out by a number of other studies of tax exemption. For instance, here is what a National Planning Association committee had to say on the question:

"To state and local taxes play a dominant role in the location of most business firms." Our conclusion is that they do not. That they are a factor in many location decisions is not questioned. That they are the determining factor is a proposition we reject.

It should be noted, of course, that somebody has to pay the tax bill if the new industry doesn't. Tax exemptions check the growth of revenue just at the time when additional local services will probably be needed because of new or

expanded industry. Therefore, rates on taxable property are likely to be shoved higher.

Besides, most big business firms seeking new plant sites are interested in many aspects of the local situation besides the cost of taxes. They are interested in whether the community is efficiently managed, whether adequate services are provided, whether the tax system is fair and non-discriminatory, whether the community is, in fact, "a good place in which to live."

What about industrial bond issues to promote new industry? The Tax Foundation agrees that they may be effective but raises serious questions about their constitutionality in some states. Then there is the highly dubious system of tax exemption of interest on the bonds. Of course, it also means that government is taking on part of the risk of private enterprise. The possible consequences, according to the Tax Foundation:

In the event of a depression, municipal credit would be impaired and the ability of the municipality to provide its ordinary public services would be reduced.

Furthermore: A report by the Investment Bankers Association stated that the use of municipal credit in aid of private industry is unwise. Moody's investment rating agency has designated such bonds as "not recommended for investment."

A sounder, more reasonable approach is the quasi-public development corporation which avoids the doubtful use of public funds.

Such an organization is privately owned but its purpose is essentially public—to cooperate with public and other private agencies in attracting new industries and fostering industrial growth.

THIS is clearly the road North Carolina should follow. Important steps have already been taken in this direction. For instance, there is the government's investment plan. It is privately financed and, in Gov. Hodges' own words, "devoted to the widespread promotion of industrial development."

North Carolina is also establishing a credit corporation that can make available long-term loans to eligible industries which commercial banks frequently cannot handle.

Following these safe and sane lines, North Carolina can progress without cutting its own throat or the throat of established industry.

Furthermore, it must be emphasized that there is a fundamental difference between tax incentives merely to lure industry from another state and a favorable tax climate that will encourage the development and utilization of the state's natural resources. North Carolina's best interests lie with the latter technique.

Lament For The Laughable Limerick

THIS is the season to be jolly, you would never guess it from the set, drawn expressions found this week on the faces of diplomats, politicians, labor leaders, welfare workers, policemen, shop girls and bad waiters. Everybody seems to be lamenting something. If it isn't Khrushchev's snarl it's Khrushchev's smile. If it isn't low farm prices it's high price supports. If it isn't Taft-Hartley it's Dixon-Yates.

We might as well join the club. If lament we must we lament the passing of the limerick.

Here now we thank you to stop that snickering in the back of the room. Of course, we know that that kind of limerick is still producing raucous laughter in the men's locker room, the smoker and at meetings of the Wednesday Night Poker, Men's Social and Yacht Clubs. But the ribald version is all shadows and gin when compared to the stately limerick in its original and highly proper form.

We yearn for the appearance of another Edward Lear, who really popularized the limerick in the mid-19th century. His Book of Nonsense, 1846, is still considered a classic by real connoisseurs of the art.

An example of a Lear limerick: There was an Old Man with a beard, Who said: "It was just as I feared, Two Ouls and a Hen, Four Larks and a Wren, Have all built their nests in my beard."

The name was not given to the limerick until later. Actually, it came from the chorus, "Well all come up, come up to Limerick," which was interposed after each verse as it was improvised and sung by a literary party.

It was Lear, too, who wrote:

There was a young lady of Wilts, Who walked up to Scotland on stilts; When she said it was shocking To show so much stocking.

She answered, "Then what about kilts?" The one practicing U.S. craftsman who is the least bit nimble with a limerick is Ogden Nash. Perhaps his most famous contribution to the literature is:

There was a young belle of old Natchez Whose garments were always in patchez. When comment arose On the state of her clothes, She drawled, When Ah itchez, Ah scratchez!

Nash, a comic genius of sorts who lectured at Davidson last season, also dashed off this one for his book Venus:

An elderly bride of Port Jervis Was quite understandingly nervous Since her apple-cheeked groom, With three wives in the tomb, Kept insuring her during the service.

But even Nash has occasionally succumbed to the new pressure of capsule culture and invented a predigested form of limerick he calls a "limerick." For instance:

Two vidists of Dover, Being purple all over, Were munching by a cove When mistaken for clover.

While amusing, it just does not have the snap, crackle and pop of the real article.

Unless the country gets down to business and turns up some serviceable limerick writers without delay we fear for our culture. Things are bad enough as it is, what with Chiang Kai-shek, The \$64,000 Question and the stock market's ridiculous behavior. They will be much worse if we run entirely out of something to laugh at.

WASHINGTON CONGRESSIONAL probe of a big timber giveaway in Oregon so panicked regional information officer the Interior Department that they tried secretly to tape-record the testimony of witnesses. How ever, their best friend on the congressional committee upset the applecart.

Secret Tapes He was cantankerous Congressman Clare Hoffman (R-Mich.), who had gone out to Oregon for hearings to protect Secretary of the Interior Doug McKay and Interior Department officials. They had failed to inform their friend of their recording plans and he burst into the hearing room in Portland to announce his discovery that secret radio tapes were being cut.

Target: Tar Heel "I do not like this secrecy business," Hoffman spat, giving his best to rattle the chairman, Sen. Kerr Scott of North Carolina. "Who is taping it and for what purpose?"

"Mr. Chairman," interrupted Rep. Earl Chudoff (D-Pa.), "I just checked and I found that . . . some government agency

bottle of champagne at every meal, and in my amours I have rivaled Casanova." The journalist scented the story of a lifetime. "And would you tell me how old you are, sir?"

"With pleasure," said the old gentleman, "I am 35."

Nothing disturbs the old grad quite as much as seeing a six-foot, 190-pound student playing in the band.—FLORENZA TIMES-DAY

People's Platform Visiting Clansmen Loved The Scots Guards

Cheraw, S. C. Editors, The News: THAT WAS a wonderful experience seeing the Scots Guards and I shall never forget it. The show was wonderful beyond words.

Perhaps my reaction wasn't typical, but from where we were, in the left circle, I couldn't see the Regimental Band coming up to take the floor. My first warning that they were ready was when they struck up "Hielan Laddie." I was so overcome with nostalgia that I wept. When one is so far from the sights and sounds of one's childhood, such an old, familiar sound is truly overwhelming. The Guards Regimental Band is part of my growing up. I remember hearing them over the crystal radio set my father built. I have seen them on parade, I have seen them march with them in concert; they are as good as they ever were, and being heard so far from familiar places, they brought back the taste, the touch, the scent of a world I can never recapture because it only existed in the mind of a child.

My thanks to Clan Donald. Our almost-three-year-old boy was fascinated. For the first half he sat as still as a mouse and hugged me, for the second half he paraded up and down along the aisle with the band. I was afraid he would lose him, he seemed determined to go for a drummer-boy. Our daughter was thrilled and impressed beyond words. "Mummy's world" came to her, just for a little, and she loved it. —MRS. HENRY S. WALKER

Even Non-Scots Experienced Joy

Concord Editors, The News: I THINK a word of appreciation is in order for the delightful evening my friends and I spent at the Coliseum Dec. 1. Even the non-Scottish members of our group were completely thrilled. I'm sure the audience was pleased. All the comments I have heard in Concord have been wonderful. I must thank the band, I must thank the Clan Donald for making a once-in-a-lifetime evening possible. —LILLIAN STEWART

College President Much Impressed

Wilmington Editors, The News: WE WERE all tremendously impressed with the program Dec. 1. It was a wonderful show.



While Bandsmen Watched . . .

rich in pageantry and heart-moving in both its color and harmony. I have never heard a better band anywhere in my life, and I was thrilled with the pipers and also the drummers.

It looked for a while as if I was going to miss the program. I was due to leave Miami on a plane at 3:20 p.m. Due to a change in schedule and also to mechanical troubles, the plane did not leave until after 3 o'clock. I reached Charlotte at 8:15 and by using a taxi I got to the Coliseum in time to see the major part of the program.

My congratulations to Donald MacDonald for a job well done. DR. MARSHALL SCOTT WOODSON, President, Flora Macdonald College

Thrilling Evening? An Understatement

Wilmington Editors, The News: THIS EVENING OF Dec. 1 was one of the most thrilling experiences! To say I enjoyed it would be a price example of understatement. Both music and dancing were superb. And the marching! I wouldn't have missed it for anything.

I want to congratulate Donald MacDonald, too, on the way the event was handled. "The Fighting Scots" and the students from Flora Macdonald added greatly to the occasion. MRS. AGNES MACRAE MORTON

Money No Object Of The Coaches

Charlotte Editors, The News: I REFERRED to the letter from Ira Lee Jones concerning abandonment of competitive athletics in the junior high schools.

Obviously, Mr. Jones is unaware of the basic facts concerning teaching coaches. "Coaches who may lose their jobs," indeed! Frankly, most coaches would not come from Sugar Creek at the standpoint of money. Yes, some coaches are highly paid, but they are few and far between in Charlotte.

As a matter of fact, a few coaches in Mecklenburg County are not paid at all for their work but do it because they enjoy their work and are sincerely interested in the mental and physical development of our children.

This extra work means longer hours than the average "white collar worker." It means going out at night with the teams, worrying about transportation—even using his own car each time with out reimbursement for gas, etc. The only thanks a coach gets is not a big salary but only the smiles and thanks of a few happy kids and the thought that perhaps in some small way he has contributed to the healthy growth of our future citizens. —MRS. TOM LIGON

If Odor Remains Refund Money

Charlotte Editors, The News: I HAVE been reading quite a few write-ups about the stream pollution ordinance to control the odor of Sugar Creek, and the necessity for 30 odd plants to install equipment to treat wastes going into the creek. I wonder why only 30 odd, and who are they?

It would seem to me that the fair thing for the city to do would be to agree, in writing, with all those who have to spend any money I understand this could be quite expensive to set up facilities to treat their waste, that a refund of all expenditures would be made in the event that the odor still remained from the creek after compliance of the 30 odd. If it is certain that this will eliminate the odor, then the city should have no objection to making such an agreement. Personally, I do not believe the odor is coming from industrial waste.

While Europe, including its haute monde, looks on our child, jazz, with respect—even, envy—we still treat this American art form like a stepchild. More like a street urchin who should be hidden away in a back alley. And in its native country:

It is true much progress has been made in the fight to secure for jazz a place in our culture. There are still many obstacles. The power of the press can be instrumental in helping or hindering, depending on the views of the press. It goes without saying The News has been of much help. Many thanks. —LOONIS MCGLOHON

The Ambassador And The 'Jungle'

Monroe Editors, The News: Your catalog of Clare Boothe Luce by Max Lerner, editor of Vogue to the time she "named 'Blackboard Jungle' would make interesting reading, except for one fact Mrs. Luce did not ban any film at the Venice Film Festival.

The truth of the matter is that Ambassador Luce declined to attend the festival, and when asked the reason, stated that she couldn't give the approval suggested by her attendance at the showing of "Blackboard Jungle." Since the festival officials decided they would rather

A Fallacy? The Greatest Good

From THE MIND AND FAITH OF JUSTICE HOLMES Edited by Max Lerner

IT IS NO sufficient condemnation of legislation that it favors one class at the expense of another; for much or all legislation does that, and none the less when the bona fide object is the greatest good of the greatest number. Why should the greatest number be preferred? Why not the greatest good of the most intelligent and most highly developed? The greatest good of a minority of our generation may be



... Bagpipes Skilled And Scotsmen Known

but is definitely a separate order. I have visited several places where industrial waste was dumped into streams, but never have I encountered such an odor as comes from Sugar Creek at times during the summer.

I thoroughly agree that this odor should be eliminated, but I don't think this will be done just by eliminating industrial and laundry waste. —BOYCE B. CUDAHY

Article Gave Jazz A Respectable Coat

Charlotte Editors, The News: CONGRATULATIONS to Charles Kuralt and The News on the recent feature story having to do with jazz as heard at one of our local clubs on weekend nights.

It has been a pleasure to note that The News has from time to time published editorial stories dealing seriously with jazz. This art is more often lambasted if not ridiculed to appear ridiculous in many publications. Your articles, on the other hand, have given jazz a respectable coat of paint.

STEFCHILD While Europe, including its haute monde, looks on our child, jazz, with respect—even, envy—we still treat this American art form like a stepchild. More like a street urchin who should be hidden away in a back alley. And in its native country:

Basketball Schedule 'Devoid Of Interest'

Charlotte Editors, The News: I AM thoroughly disgusted with the television basketball coverage announced for the current season, and I am certain there are thousands more who feel the same way.

The schedule, as reported in The News, will bring to our screens Kansas, Washington U., Purdue, Michigan, Minnesota, Ohio State, Wisconsin, Michigan State, Iowa, Iowa State, Northwestern, Iowa State, and Illinois and Indiana both three times.

Not only are these teams practicing devoid of interest for local fans except as to where they stand in national ratings, but only four of the teams to be seen are even in the Associated Press top 20 last week.

Of course letters such as this would have no effect whatsoever since there is no competition for TV viewers here yet. But it does seem that if the local television stations have to give local viewers what they want, an effort to do better than this poor excuse for sports fare could be made. —BARRY SHUFORD

Drew Pearson's Merry-Go-Round

WASHINGTON CONGRESSIONAL probe of a big timber giveaway in Oregon so panicked regional information officer the Interior Department that they tried secretly to tape-record the testimony of witnesses. How ever, their best friend on the congressional committee upset the applecart.

Secret Tapes He was cantankerous Congressman Clare Hoffman (R-Mich.), who had gone out to Oregon for hearings to protect Secretary of the Interior Doug McKay and Interior Department officials. They had failed to inform their friend of their recording plans and he burst into the hearing room in Portland to announce his discovery that secret radio tapes were being cut.

Target: Tar Heel "I do not like this secrecy business," Hoffman spat, giving his best to rattle the chairman, Sen. Kerr Scott of North Carolina. "Who is taping it and for what purpose?"

"Mr. Chairman," interrupted Rep. Earl Chudoff (D-Pa.), "I just checked and I found that . . . some government agency

Hoffman Tried To Rattle Kerr Scott

is taping it, without permission and without a request." It was then revealed that Paul Ewing, regional information officer the Interior Department, was doing the taping. "It is being taped for checkback if we need it," Ewing piped up from the audience.

Confused, Rep. Hoffman changed his tune. He began defending the Interior Department's right to record the hearings. "I am in favor of recording, but I want to know about it," declared Hoffman. "Don't you want the department to take an accurate record of what happens?"

Bargain Basement Price Eventually the hearings got under way again, and gradually details emerged regarding the sale of 300 acres of valuable Rogue River forest land to the Macdonald family of Mobile, Ala. after the sale had been consistently opposed by the U. S. Forest Service, by the Interior Department's Bureau of Land Management, and by Oscar Chapman

when secretary of the interior. Secretary McKay, however, reversed this and sold the timber rights to the national forest for only \$600,000 as originally reported in the Washington Merry-Go-Round Oct. 29, 1954.

New Witch Hunt An investigation of the New York Times that has all the earmarks of the greatest good of the greatest number is being staged behind closed doors by the Senate Internal Security Committee in New York. In some respects it goes further than any McCarthy witch-hunt against a newspaper.

A total of 22 members of the New York Times staff were subpoenaed at the instigation of Senate Committee Counsel Julian G. Sourwine, who has been chief security prober both under Democrats and Republicans.

The 22 witnesses were questioned not only as to whether they were Communists, but about matters that appear to go far beyond the scope of a Senate committee — such as which headlines certain copy desk readers wrote, and

about the general organization of the New York Times. The investigation seemed chiefly aimed at some of the original members of the Newspaper Guild, which in its early days was troubled with pro-Communist and left-wing leanings. Many of these members have now gone over to the conservative side, at least in the case of the New York Times.

It is so happens that Sen. Eastland, chairman of the Security Committee, is from Mississippi, while the guiding genius of the Times, Managing Editor Turner Catledge, is also from Mississippi and once edited the Tupelo, Miss. Journal. Eastland did not appear at the hearings.

'Still Standing' When Editor Catledge was asked about the probe he said it reminded him of what Calvin Coolidge said when Rupert Murdoch wrote a book critical of George Washington.

"Cal looked out the White House window," said Catledge, "and remarked, 'Well, I see the Washington Monument is still standing.'"

Alicius In The London Sunday Times

THE SECRET

AN EAGER journalist on a train found himself opposite a doddering old gentleman whose ravaged countenance set retained a certain youthfulness. Impetuously the journalist leaned forward. "Excuse me, sir, but I am a reporter and I wonder if you would care to give my readers the secret of your youthful appearance?"

"Certainly," quavered the old man. "Riotous living. Since leaving school I have smoked like a chimney, drunk a

bottle of champagne at every meal, and in my amours I have rivaled Casanova." The journalist scented the story of a lifetime. "And would you tell me how old you are, sir?"

"With pleasure," said the old gentleman, "I am 35."

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