

NATIONAL DEBT AND INFLATION

Babson Says Middlemen In Good Position 2

By ROGER W. BABSON

Babson Park, Mass., May 7.—I am receiving many letters from readers who are concerned over the ultimate size of our national debt. They wonder how this huge debt and inflation will affect their business and investments. Hence, I shall devote my column today to a brief analysis of the situation.



BABSON

Our national debt now amounts to \$135,000,000,000. By the end of 1943 it will approach \$160,000,000,000. What happens after that depends largely upon the length of the War. As I expect the German phase of the War to run at least until November, 1944 and that it will take a year or more after that to finish up with the Japs, we may see our national debt reach \$300,000,000,000. At the end of the War, under a proper Administration, government borrowing should drop off sharply. We may then see some reduction in the size of our debt. Ultimately, however, somebody has got to pay it off. Where is the money coming from?

The funds with which to reduce our national debt cannot be pulled out of the air. They must come from something real. The only real property our nation has consists of its land plus its forests, its mines, its oil and other tangible goods embraced in the earth. In the aggregate, this land of ours is worked and made to yield capital largely through the efforts of the farmers. Hence, I believe in the end that the farmers and other land owners, through increased taxes, will have to take care of the bulk of our national debt. The other group which must help pay the debt are the wage earners who process the products of the land. The merchants and other legitimate middlemen will be pretty much exempt.

WHAT ABOUT THE INVESTOR?
The investor—particularly the one who is living upon rents and interest—will surely get stuck. In fact, as inflation rises and long before we make an honest attempt to minimize its evil effect, bondholders will especially feel the pinch. In spite of legislation commodity prices will continue to rise and the investor's so-called "unearned" income will continue to buy less. Furthermore, his taxes upon the dividends and interest which he receives will continue high. Unless the man who is now dependent solely upon such income for support, can get some kind of a job to supplement his unearned income, he will be out of luck.

The average wage earner who has invested in War Bonds at a discount will automatically increase his capital over a ten-year period and hence will be a little better off than the investor who has spent his income. Furthermore, wages are now approaching a peak and either will decline as I pointed out in my article of two weeks ago or else be counterbalanced by higher inflationary prices. All attempts to fix rents, wages or prices by legislation or regulations is the bunk. In the end, both farmers and wage workers get only what they raise and manufacture by their sweat and toil. Too bad, but this is true!

WHO IS IN THE BEST POSITION?

Considering all of our farmers, workers, investors, manufacturers, jobbers, retailers and other types of businessmen, the merchandising group are most favorably situated. This is the group that buys from the manufacturer and sells to the ultimate consumer. They include the chain stores, department stores and the smallest shop-keepers. Those sell-

FARM QUESTION BOX

by ED W. MITCHELL

Farm Advisor
General Electric Station WGY



Q. What should I put on hay in the silo, if I cannot get molasses?

A. You probably cannot get molasses or liquid phosphoric acid, but do not worry. Dry the hay down to 63 to 70 per cent moisture content, chop, it short and pack it well, and mix grass or grain with alfalfa or clover about 50-50; and it will keep all right. If you want to, you can mix corn meal, wheat meal or ground rye or barley with the grass to help provide the starch and sugar to make lactic acid.

Q. How can we keep hog pens dry?

A. Try to locate them on a side hill with the house and feed trough at the upper side. Build the floor on a slight slope and provide adequate ventilation.

Q. How many sap buckets should hang to a large maple tree?

A. Two or three buckets are enough.

Q. Do I need any other tree to cross pollinate Bartlett pear trees?

A. Yes. They should have Seckel, Clapp, Kieffer or Bosc nearby, or else get some bloom and put it in a pall of water in the tree.

Q. How should seed potatoes be treated before planting?

A. Wash them in a solution of household goods, paints, plumbing fixtures and every other article come under this category. Did you ever ask yourself why salesmen have never formed a labor union? The answer is "because they get the cream automatically without a labor union."

In the sight of God, Vice President Wallace is absolutely correct in believing that we should build up the industries of foreign countries and lower our tariffs on goods coming into the United States from these countries. This, however, presents the very serious alternative of shutting off our own people, or the peoples of other nations, from earning a living. Already our wide-awake manufacturers have discovered that by having a plant in one foreign country they can sell the products of this plant to the people of a second foreign nation far cheaper than they can manufacture the same goods in the United States and export them. The next step will be for them to harness this cheap foreign labor to make goods for importing into this country.

ADVANTAGES OF THE MIDDLEMEN

The merchant, however, under the capitalistic system, cares little whether the goods which he sells are made in the United States or in Europe or Asia; he sells them just the same and gets his profit. When he can't make a profit he sells something else. He receives a tax bill and mails a check in payment thereof; but this tax money does not come out of him. He merely adds it to the price of his goods and passes the tax along to the farmers, wage workers and investors. All this means that WITH A HUGE GOVERNMENT DEBT AND A CAPITALISTIC SYSTEM, good merchants and their employes and those who invest in their securities should be the best off during the next 20 years.

Sixty-three Beaufort County farmers recently sold 561 hogs, weighing 129,165 pounds, for \$18,135.32—the largest single sale on record.

A. Buy or use good, disease-free seed; soak it 1 1/2 hours in mercuric chloride 1 to 1000; rotate to new soil and use disease-free soil as far as practical; and spray or dust every week or two with bordeaux or copper-lime. Directions will be on each package.

Q. Where can I get plans for a buck rake to put on my tractor?

A. I will send you a set of plans. However, they are rather complicated and the rake is more cumbersome and expensive than most of us want, so simplify and change them to suit your own conditions.

Q. How much spring wheat should be planted to the acre.

A. Sow two bushels per acre; get it in as early as possible and use the variety Marquis.

Q. What sort of seeds should I get for dry split peas—yellow or green?

A. Whichever you prefer, or dry whatever peas you have left over from the garden or market crop and dry them either alone or mixed. It is a good way to save any surplus peas or beans. There is nothing to it except to let the peas mature, pull and stack to cure, and then thresh with a flail or beater of some sort, and fan out the chaff and dirt. Alaska is probably your best variety to use. I will get you a bulletin on drying foods.

Rationing Changes

Housewives of Franklin County shopping this week under revised point values for both processed foods and meats and fats will find that careful planning will enable them to buy more than ever before with their stamps in War Ration Book Two, A. F. Johnson, chairman of the Franklin County War Price and Rationing Board, said today.

New point values for both blue and red stamp rationing programs were effective Sunday, May 2.

The meats and fats program showed 25 reductions and 16 advances—all of one point—while the processed foods values in a number of cases were reduced as much as one half, while advances, in general were one or two points.

Advances under the red stamp program are confined largely to prime cuts—steaks and roasts—of beef, veal and pork. Reductions, for the most part, are noted in variety meats, canned fish and other special products already having a relatively low point value.

In processed foods, one-half reductions in the point value of fruit and vegetable juices and in some fruits were made. Advances were made in canned or bottled pineapple—the most point-expensive item on the list—and on apricots and mixed fruits; on green peas, asparagus, corn, mixed vegetables and tomato paste, while reductions came in the most popular of all canned foods, tomatoes, and in green beans and leafy greens (with the exception of spinach).

Lower point values established during the April rationing period for quick frozen fruits and vegetables are maintained, as is the temporary removal of dried black-eyed peas.

Dried fruits, likewise, continued ration-free.

North Carolina's menhaden fishermen average catching 410,000 pounds annually for each member of the crews.

SOIL CONSERVATION NEWS

By W. O. Lambeth

A complete soil conservation plan was made last week by Technicians of the Tar River Soil Conservation District for the farm of W. C. Wilder, Spring Hope, N. C. Route 2. Mr. Wilder will plant some kudzu and sericea lespedeza seed a pasture and two meadow strips, and retrace some of his fields.

Mr. C. F. Best, Franklinton, has 35 acres of kudzu already and is digging crowns to set out two more acres this spring.

Terraces were staked last week on the Ollie T. Inscow farm, Louisburg, Route 2, the J. B. Hunt farm at Ingleside, and the C. R. Edwards farm, Louisburg, Route 3.

Selling a few bales of kudzu hay this spring has convinced Henry Mitchell, prominent farmer of the Rocky Ford community, that kudzu is one of the best hay crops for this section as well as one of the best land improvers. Mr. Mitchell reports that everyone who has bought any of the hay is well pleased with the way stock eat it. So in order to meet the increased demand for kudzu hay, Mr. Mitchell plowed out crowns from a four year old stand last Friday with a two-horse turning plow and reset them on two acres of eroded hillside on his home farm.

T. T. Kemp has a six acre tobacco field that has been giving him trouble for several years. The tobacco rows have been breaking over and carrying silt into the terrace flow line, gradually causing the terraces to break and creating gullies down across the field. This year Mr. Kemp will lay off his rows by a master guide row, which was staked off between each terrace. This master row was staked so that it has sufficient drainage into the terrace channel below to prevent drowning of the tobacco plants and at the same time does not have fall enough to silt up the

War Garden Vic



"Squash the Aids!" says Vic, as he grows rows of vitamins. Rumford has taken on a war job too—supplying necessary minerals to the diet. In baked foods, 1 level teaspoon of Rumford Baking Powder applies 1/2 the individual minimum daily requirement of phosphorus, 1/2 the requirement of calcium. FREE: Rumford's new folder, Quick Breads. Write today. Rumford Baking Powder, Box 4, Rumford, Rhode Island.

P. H. Edwards, Louisburg, Route 3, is planting a row of kudzu on a steep road bank this spring. Mr. Edwards says that the field is so located that the rows drain to the road bank and a lot of the best topsoil has been washed down this bank and into the roadside ditch. When the kudzu is well established on the bank the soil will be held in the field where it belongs.

H. B. Ashley of Robeson County has sold four purebred bulls recently, has a fine Hereford breeding herd, and twelve steers on feed.

EXECUTOR'S NOTICE

Having qualified as Executors of the estate of William H. Layton, deceased, late of Franklin County, North Carolina, this is to notify all persons having claims against the estate of said deceased to exhibit them to the undersigned on or before the 7th day of May, 1944, or this notice will be pleaded in bar of their recovery. All persons indebted to said estate will please make immediate payment. This 6th day of May, 1943.

E. C. LAYTON,
R. H. LAYTON,
Executors.

PENDER

QUALITY FOOD STORES

- Florida Juicy Grapefruit, 4 for 21c
- Fancy Sweet Oranges, 10 lbs. 65c
- Large Juicy Lemons, doz. 23c
- Fresh Lettuce, head 10c
- Fancy Home-Grown Strawberries
- CREAMY CHEESE, 33c
Pound
- RITZ CRACKERS, 23c
1 lb. Box
- PREPARED MUSTARD, 10c
Quart Jar

- POINT FREE Blackeye Peas, 9c
1 lb.
- POINT FREE MOTT'S Apple Juice, 13c
20 oz. Glass
- VIRGINIA MAID Peanut Butter, 28c
1 lb. Jar
- KELLOG'S Corn Flakes, 19c
11 oz. Pkg. 2 for
- NABISCO SHREDDED Wheat, 25c
2 pkgs.
- SALAD Dressing, 19c
Pint Jar
- SWEET MIXED Pickle, 23c
Qt. Jar
- COLONIAL Grape Juice, 31c
Quart Bottle
- PENDER'S BEST PLAIN Flour, 12 lb. bag. 71c
Flour, 24 lb. bag. \$1.37
- HEALTH CLUB Baking Powder, 10c
10 oz. can

Buy While The Supply Lasts!

FRUIT JARS

- PINTS, Dozen 63c
- QUARTS, Dozen 75c
- HALF GALLON, Dozen \$1.00
- KERR MASON JAR CAPS, Dozen 23c
- BALL MASON JAR CAPS, Dozen 25c
- JAR RUBBERS, Dozen 5c

This Store will be Closed each Wednesday at 12:00 o'clock.

U. S. officials expect enough insecticides and fungicides to take care of commercial crops and victory gardens, but urge growers to conserve supplies of sprays and dusts.

Poultrymen who plan to raise chicks for meat production next year, can improve their stock by selecting breeders for fast feathering, efficient rapid growth, and superior meat production.

A GOOD RULE TO FOLLOW

Insure all your crops Against Hail and Wind Damage.

Insure early and insure for full limits allowed per Acre.

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