

## THE PILOT

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### MOORE COUNTY'S EMBARRASSMENT

"Is there any way we can change our Representative in the State Legislature in the middle of the session?"

This question was put to The Pilot this week by a prominent citizen of Moore county. He had just read this editorial in the Sunday Charlotte Observer:

"Asinine and Cruel." This is the term applied by the Greensboro Record to a remark made in the House of Representatives a few days ago by Member Clegg of Moore county.

The remark, made incident to a discussion of teachers' salaries, was this:

"Teaching is the easiest thing a man can do. A real honest to God man ought to be ashamed to sign a teacher pay roll."

Neither Representative Clegg nor any other man who has this opinion of teaching and of teachers seems to us to have any particular right to be sitting in the seats of the lawmakers.

And if this Representative's views about other matters are as stupid as those in regard to this issue, he ought to be spending considerable of his time apologizing to his constituents for ever having asked them to send him down to Raleigh to help make the laws of the state.

Moore county was embarrassed earlier in the present session of the General Assembly by its representative's announced position against State advertising. Mr. Clegg made a complete about face on this measure when he heard from the folks at home. This statement of his belittling teaching strikes at the very foundation of the most important thing in life, Education. He could not have said it if he did not mean it. If he means it, he is unfit to represent an intelligent citizenship in a legislative body.

Best News of the Week: "Legislature Expected to Adjourn in Three Weeks."

### A FAIR DEAL IN PUBLIC UTILITIES

An esteemed correspondent last week criticized an opinion in our editorial columns, that the Tennessee Valley Authority had carried on a ruthless policy in forcing private utilities to sell at ruinous, unarbitrated prices.

He pointed out that the Tennessee Valley Authority had now paid what seems to be a fair price for the Tennessee Electric Company, subsidiary to the Commonwealth and Southern. This settlement with the Tennessee Electric was arrived at after our original comment was printed.

However, we still believe that the past policy of the Tennessee Valley Authority has been autocratic, ruthless and ruinous to private enterprise, and that only the fearless exposure of this policy brought public attention to it so forcefully that TVA finally found it necessary to deal with electric companies which it desired to take over, in a fair manner.

If refusing to arbitrate as to the value of a property, and if refusing to bring condemnation proceedings wherein a value could be arrived at by due legal process, instead of leaving the price offered for private property to the mercy and whims of the directors of the TVA, is not ruthless and ruinous, we don't know what is.

If tax-exemption for TVA property, if the franking privilege for its mail and bills and printed matter, if promotional publicity for it printed in government printing plants, if exemption from gasoline taxes and license fees, if giving it special freight reductions allowed on government hauling, is not ruthless and ruinous when used as a government policy to compete with private enterprise whose territory a government bureau like TVA wants to occupy, is not ruthless and ruinous, we would

## THE POCKETBOOK of KNOWLEDGE BY TOPPS



like to know what is. We would certainly not want the government to set up a competing newspaper in our territory on the same basis, or try to buy out our paper at a price fixed by the operators of the government paper.

The next criticism of our editorial was to the effect that the stockholders of the Commonwealth and Southern and the Electric Bond and Share Company had been "rucked." To prove this, a case was cited of a nice old lady who bought Commonwealth and Southern stock at \$13 a share, which in 1932 had dropped to \$1.25 a share and was worth today a little less than \$2 a share. Also, that the critic bought Electric Bond and Share in 1930 at \$118, which by 1932 had dropped to \$3.50, and is around \$12 today.

These are inflammatory statements which are very misleading. It would be well for anyone who is interested to compare the prices of the utility stocks mentioned, with any one of dozens of America's leading industrial concerns during the periods in question. Take U. S. Steel, for example. At the time Commonwealth and Southern and Electric Bond and Share were selling at the prices mentioned, it sold for \$261 a share. At the low period of the utility stocks mentioned, it had dropped to \$20 a share, or 92 per cent. It has recovered to about \$60. Anaconda Copper dropped from 174 3-8 to 3 and has recovered to about 30. Baltimore and Ohio Railroad dropped from 145 to 3 3-4 and has recovered to 65-8. This list could be continued indefinitely.

Whether our correspondent figures that these companies all "rucked" their stockholders, as he figures Commonwealth and Southern did the old lady, we do not know. We are confident, however, that if it had not been for the government's socialistic power policy and its ruinous and ruthless methods of competition with the private power companies in the territories where it was building its plants, which frightened investments into hiding, the value of the old lady's stock in Commonwealth and Southern, and also the value of the Electric Bond and Share stock would have been much higher today and would have shown, probably, a greater percentage increase than the increase shown by the few industries listed above.

As to the \$3,000,000,000 "empire" which our correspondent says actually had only \$4,000,000 put into it, we have not the figures from which to comment. It looks to us, however, if our correspondent is right, he better accuse every public service commission, every corporation department and every branch of the government that has to do with legislation and regulation affecting the issuance of stocks and bonds and securities, of either being deliberately crooked, incompetent or insane.

He next criticizes the Carolina Power and Light Company for the fact that it seemed able to make sufficient return starting with the "halcyon days of '29' to continue in operation since that date. He points out that it was able to do this in spite of reduction in rates forced by TVA competition, and then says that a considerable amount of the present earnings of that company consist in money saved which it used to pay to the Electric Bond and Share Company "for legal advice, auditors, engineering, office expense, traveling expense, propaganda expense, stationery, telephone calls, golf matches, rum, romance and lobby practices."

This last statement is the usual rabble rousing comment which is the stock in trade of promoters of the program to socialize the power industry. No mention is made of the fact that the power and light rates of the United States have gone steadily down for a generation, as the industry has been able to increase the use of current and thereby cut the cost of production. This was done long before TVA was ever heard of. As to savings from fees paid to the Electric Bond and Share Company, we have no inside information as our correspondent seems to have, but again we say if it charged exorbitant fees, our State public service commissions and other regulatory bodies should be accused by our correspondent of being either crooked, ignorant or insane. As to the propaganda expense, rum, romance and lobbying practices referred to, we have no information, but our correspondent very carefully refrains from mentioning any of the enormous propaganda and publicity expense footed by the federal government, all the way from government printing to government publicity experts and subsidized ballyhoo that was indulged in by TVA with taxpayers' money.

Our correspondent also criticizes the statement made by utility executives that if there was an end to political persecution of the private power industry, it would spend billions of dollars for expansion in the next few years. The record of the money spent in the past, about a billion dollars a year up to the depression, and the government's that the private industry would spend billions of dollars in the next few years at the rate of its normal annual expenditure previous to this socialized power era.

Our critic then asks, why assume that the statements of the utilities are the truth? "Look in the horse's mouth \*\*\* He may not even be a

horse." By the same token, why should the public believe all the flowery statements that are made by the politicians about TVA, who haven't a dime invested in these great government owned properties which bleed the taxpayers white for the funds that build them? How about looking in the mouths of these politicians? You might find that they are not as white and holy as they paint themselves to the people. You might find that behind their drive for government owned power plants is a sinister movement to put government into business and gradually force private enterprise to the wall, as has been done in countries already socialized and communized, such as Russia, Germany, Italy and others.

We hold no brief for any company other than to do our part to see that honestly operated industry in this country gets a square deal, and to oppose inflammatory and socialistic trends that tend to undermine and destroy public confidence in the American system of private enterprise that has given our people more advantage than are enjoyed by any other people on earth. We believe that private operation of business under public regulation, is superior to any form of government ownership, and we believe that any faults or shortcomings that develop in any branch of industry, can be corrected by due process of law without destroying that industry.

We repeat that the policy of the TVA as practiced until its recent settlement with the Tennessee Electric Company, was ruthless and ruinous, and as a policy of government would destroy any private enterprise against which it was directed, if continued without correction.

### STUNT NIGHT MARCH 9 AT VASS-LAKEVIEW SCHOOL

Thursday, March 9, will be stunt night at Vass-Lakeview School and those who attend are promised an evening of delightful entertainment. The program will begin at 8:00 o'clock and the price of admission is 15 cents for children and 25 for adults.

Bibles, Prayer Books and hymnals, and many of the recently published and many of the recently published books suitable for Lenten reading at Hayes.

## BITTER CREEK

By James Boyd

will be published during this month. Chas. Scribners Sons who have published all of Mr. Boyd's books write us that Bitter Creek is the best of all his books to date. Here is a list that is peer of any works of fiction that are historical or have an historical background.

Drums  
Marching On  
Long Hunt  
Roll River

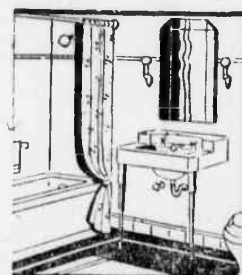
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