

Bond Purchases vs. Higher Taxes

The 1949 spring United States saving bond drive, labeled the "Opportunity Drive" opens Monday. The national quota is one billion forty million dollars. North Carolina's quota is \$12,000,000 and Carteret county's quota is \$46,000.

Beardsley Ruml, a former university professor and dean, a retailer, a director of several companies, and one of the group that organized the Committee for Economic Development, states that investment in United States Savings bonds is the only way to prevent higher taxes and the best means to finance government operation.

His comment, as it appeared recently in Collier's is reprinted here in part:

"The time has come when (government) statements about deficit and surplus, income and expenditure should be made in terms of the consolidated cash budget. The consolidated cash budget differs from the conventional budget in that it includes all the transactions between the government and the people. It is a cash budget. It shows all the intake and all the outgo on a cash basis in the year in which the transaction takes place.

If we examine the federal budget as it has been presented—the consolidated cash budget—we note the extraordinary fact that, even after anticipating heavy expenses ahead, a surplus of \$1,475,000,000 is indicated for the fiscal year 1950. This surplus assumes the increase projected for Social Security benefits, as well as higher rates of Social Security taxes which should be imposed from now on.

If the tax rates should be increased, as has been recommended, to provide an additional \$4,000,000,000, the excess of receipts over expenditures would be some \$5,500,000,000. There is no need at the present time for a surplus of this magnitude. In view of the uncertainty as to the business outlook and the level of employment, such a surplus is positively dangerous. Fortunately, we have an alternative to an increase in taxation. It is effective as a deflationary measure. It is much more flexible and much more appropriate than a tax increase to the present situation.

That alternative is the sale of U. S. government savings bonds to the public. The sale of savings bonds picks up purchasing power that might have to be withdrawn by taxation. It has a great advantage over taxation in that it is selective. It does not impose on those who cannot afford it the nonrecurring costs of government.

During the war we knew that the sale of War Bonds to private individuals was an alternative to taxation. We do not seem to have carried this idea over to the problem of financing present necessities.

In days such as these, when we are uncertain as to whether we are facing inflation or deflation, we need in our fiscal planning the kind of flexibility that a well-organized savings bond program would provide.

To sum up, the budget as presented by the President already projects a surplus in the consolidated cash budget without imposing any increase in the rate of taxation (except for Social Security). If we need to protect ourselves against possible new and unforeseen inflationary pressures we can do so by stepping up the sale of savings bonds to the public; in case of deflation, the sale of savings bonds can be curtailed.

If we make realistic plans to sell \$4,000,000,000 of savings bonds net to the public, we shall have accomplished all that is necessary in the Administration's tax proposals. We shall then have the flexibility that is so essential at the present time when we do not know whether inflation or deflation lies ahead. . . ."

BEARDSLEY RUMML

Love Thy Neighbor

One of the basic tenets of Christianity is brotherhood of man. There are some, we all know who fail to live by any one of the ten commandments, yet they call themselves Christians.

The atheists, agnostics, and plain non church-goers usually make up the vanguard of verbal blasters, who, seeing these back-sliding Christians, therefore feel free to call all church-goers hypocrites. Neither do they confine their name-calling to laymen.

Accepting the pastoral doctrine that has come down through the ages that we are the flock and the pastor is the shepherd, it follows naturally that where he leads, the congregation shall go. In actuality, this never happens, as any pastor well knows.

The ministers of Carteret county, however, are taking a valiant lead in an issue which has repeatedly put this country in travail ever since the middle of the 19th century.

Their county ministerial association is a practical, everyday demonstration of the Christian doctrine of brotherhood. Members of their group are both white and Negro.

They don't profess to be Christians, hang out the "whites only" sign, and then wink at the commandment, "Love thy neighbor." We know for a fact that there are ministerial associations north of the Mason and Dixon line which "tactfully" do just that.

Certain members of their congregations probably frown on the ministers' practice. Yet if these laymen profess to be Christians, what recourse have they?

It takes courage, nevertheless, to do what our ministers are doing. May we point out to the atheists and others of their ilk that our Christian leaders if, perhaps, not their flocks, are doers of the Word and not hearers only?

CARTERET COUNTY NEWS-TIMES

Carteret County's Newspaper A Merger Of THE BEAUFORT NEWS (Est. 1912) and THE TWIN CITY TIMES (Est. 1936) Published Tuesdays and Fridays By THE CARTERET PUBLISHING COMPANY, INC.

Lockwood Phillips — Publisher — Eleanor Dear Phillips Ruth Leckey Peeling, Executive Editor

Publishing Offices At 504 Arendell St., Morehead City, N. C. 120 Craven Street, Beaufort, N. C.

Mail rates: In Carteret, Craven, Pamlico, Hyde and Onslow Counties \$5.00 one year; \$3.00 six months; \$1.75 three months; \$1.00 one month. Outside the above named counties \$6.00 one year; \$3.50 six months; \$2.00 three months; \$1.00 one month.

Member Of Associated Press — Greater Weeklies — N. C. Press Association Audit Bureau of Circulations

Entered as Second Class Matter at Morehead City, N. C. under Act of March 3, 1979

The Associated Press is entitled exclusively to use for republication of news items printed in this newspaper, as well as all AP news dispatches. Rights of republication otherwise reserved.

PUZZLE PICTURE



Raleigh Roundup By Eula Nixon Greenwood. Includes an illustration of a bird flying over a building.

GOOD EXAMPLE . . .

Sim A. DeLapp of Lexington, State chairman of the Republican party, probably set a good example for State Democratic Chairman Capus Waynick last week when he said he could not serve as a vice president of Better Schools and Roads, Inc., the agency set up to push the adoption of the \$225,000,000 bond issue for roads and schools.

In refusing the position, DeLapp said it is probable that there is a divided opinion regarding the bond issues and that he, as head of the party, should not take sides. He did not say how he, personally, felt on the matter.

In contrast to this, Democratic Chairman Waynick is subjecting himself to some criticism by being one of the front-line proponents of the bond issues.

AFTER JUNE 4 . . . Waynick has said he will not go to his new position, which will pay him in the neighborhood of \$25,000 per year, until after June 4, the date of the roads-and-schools bond vote. His position as party chairman is expected to go to L. P. McLendon of Greensboro or Everett

SHIN KICK . . .

The current issue of the American Magazine has an interesting and timely article by U. S. Comptroller Lindsay Warren on the wastefulness in our Federal Government. Since all of his tenure has been under Democratic administrations, the article adds up to a rather vigorous shin kick at the Democratic party.

NOT UNTIL FALL? . . .

The committee named to find a successor to Dr. Frank Graham who resigned a few weeks ago from his position as president of the Greater University of North Carolina to become U. S. Senator, is not expected to have a name ready for the Board of Trustees when they meet on May 26. Chances are that the new president will not be chosen until late this summer. Acting Secretary of the Army Gordon Gray says he feels he is not qualified. Comptroller Billy Carmichael says likewise.

The names of former Governor J. C. B. Ehringhaus and L. P. McLendon have been tossed about in the speculation, but since neither is an educator the committee is said to be looking in other directions.

It is just possible that Chapel Hill Chancellor R. B. House, despite his modest disinterest so far, will be drafted for the job.

COMMANDER GODWIN? . . . R. C. Godwin of New Bern and Raleigh, who since 1939 has been State Veterans Employment Rep-

Advertisement for MOPAR Power Punch Piston Rings. Includes an illustration of a piston and a person riding a bicycle. Text: "Never should'a put a MOPAR Piston Ring in his nosel!" "You can say that again, Zeke! There's only one place to put MOPAR Power Punch Piston Rings. That's in the engine of Dodge and Plymouth cars or Dodge Trucks that have reached the 'oil-burning' age. There they restore pep and power . . . save on oil and gas bills. So why waste oil and hard-earned money? Let us examine your car or truck. If needed we can install . . ."

WALKING . . . Patrol Corporal Harold Minges rolled the Governor's big packard up to the north door of the Capitol one afternoon last week and stood for a half-hour lounging about awaiting passenger. Being chauffeur to a Governor requires patience, and Minges has it. Finally, one of Scott's friends came by and said: "You waiting for the Governor? He left here about 40 minutes ago. Said he needed some fresh air and exercise. I saw him hot-footing it down Blount Street like a worn out team trotting to the barn after a hard day in the field." With that, Minges smiled, gave an understanding grunt and eased the Packard back around to the Mansion.

GOOD AND BAD . . . Those 25 counties which have within the past 18 months voted special school bond issues will be in excellent shape if the \$25,000,000 State bond issue is passed. However, this amount and the \$25,000,000 allocated by the Legislature is only a drop in the bucket when compared with the \$250,000,000 which is needed right now for schoolhouse construction in North Carolina.

The 75 counties which have not voted local school bonds are going to find it flatly impossible to get along on the money they get from the State; and the people, having voted on the State's \$25,000,000, will feel they have done enough and will likely defeat any local school bond vote put to them within the next two years.

Money has been set up to reduce the teacher load, but you must have rooms for teachers to work in. Therefore, the teacher load will change very little and the next Legislature will be requested to prepare the way for another bond issue for schoolhouses.

HIT THE TRAIL . . . John Marshall, publicity man for Better Roads and Schools, Inc., and Scott Secretary Charlie Parker are now busily preparing speeches and a tour for the Governor during the next few weeks.

One of Governor Scott's main speeches for the bond issue will be made at the 47th annual convention of the N. C. Merchants Association at Charlotte on May 23.

Thoughts for an open mind. . .

You pride yourself on how much you know. How much are you doing to pass it on to others? In making your living, try and make yourself agreeable to others, and help to make the world go round more harmoniously. Don't let ambition kill your scruples. It doesn't help a great deal to know more than others if you don't put your knowledge to work. The life of this world is a play and a sport; but if you believe and fear God, he will give you your hire, and every soul shall come—with a driver and a witness. - Mohammed -

Whatever that be which thinks, which understands, which acts, it is something celestial and divine, and upon that account must necessarily be eternal. - Cicero - -Jim Morrill

Realizing it would be extremely difficult to keep Governor Scott off his favorite topic, the merchants have reserved sufficient time on the program for him to talk on anything he wishes. He remarked with studied casualness last week that his subject would be "The Importance of Transportation and Education to the Merchant." He said if there had been a network of good roads and telephone lines 50 years ago, the merchants would not be plagued with so much mail order competition today.

WILL PASS . . . Consensus about the State is that the bond issues will pass. Road contractors have been a little cool on the matter, having heard that the highway forces would do most of the work, leaving them out in the cold. Reports are that they have now been assured that they will be given all the work they can handle. Much of the money to publicize the vote and carry it will come from these contractors. Since there is no organized opposition, the bond issues will probably be adopted and all school busses will run on time, for the first time, by 1952. Capus Waynick will not injure his good name and future by supporting them.

Convention Hall where the finals of the Miss America Pageant will be held is the most famous and one of the largest halls of its kind in the world. It seats 39,000 and has a 160-foot runway.

RABIES VACCINATION and DOG TAGS. Morehead City Town Hall May 18th & 25th 9 A.M. to 4 P.M. Dr. C. E. Paden, Veterinarian

Large advertisement for Tide Water Power Company. Features a large speech bubble: "Little More Than a Penny a Day!" and another: "Little More Than a Penny a Day!". Text: "SINCE 1933 FOOD COSTS HAVE RISEN OVER 121.3%". "With great regret and only because of soaring costs, the Tide Water Power Company has made application to the North Carolina Utilities Commission for an increase in electric rates." "That's all the rate increase will mean to the average residential customer of Tide Water!" "What do YOU do when you're spending more money than you're making? There are only two things you can do. Reduce your spending or get more money. Right?" "Tide Water has always provided the best possible service at the lowest possible cost. Since 1933, Tide Water rates have gone down 54.4%. According to the U. S. BUREAU OF LABOR STATISTICS, during the same period food costs have soared 121.3%, with other costs up in proportion." "Everything Tide Water buys today costs more than ever before. Poles, wire, trucks, coal—everything. And Tide Water's rates of pay are at all-time highs. Ends just don't meet anymore." "Tide Water cannot reduce its costs and still provide good electric service. That's why application has been made for an increase in rates. The new rate will still be less than half of the rate you paid in 1933 and less even than you were paying in 1946. Actually the average customer will pay Little More Than a Penny a Day!" "WHILE THE AVERAGE PRICE PER RESIDENTIAL KILOWATT ON THE TIDE WATER SYSTEM HAS GONE DOWN 54.4%". "TIDE WATER POWER COMPANY GOOD NEIGHBORS AT YOUR SERVICE!"