

EDITORIAL OPINION

Homecoming Parade An Explanation

Due to a situation created by an error on the part of the editor, a harassed night news editor was forced to write a last minute editorial for Monday's paper, the subject of which was the cancellation of the traditional Homecoming parade. Unfortunately, the view expressed was not that of the editor, so to make ourselves clear and avoid contradicting ourselves we would like to present our stand.

Since there has consistently been a growing lack of interest in the parade in recent years, and it has not been the spectacle that it once might have been, we feel it was in the best interests of the campus to cancel the parade rather than have a flop.

Rather than attributing the lack of participation in the parade to apathy and no spirit, we would place the blame, if there need be any blame placed anywhere, on the fact that students don't have the time to work on both a float and a house display. In past, it might have been possible to devote enough time to both of these events. However, in less than 10 years the type of house decoration and the amount of money invested in the displays have changed considerably, in that they are much more elaborate and expensive and, therefore, require considerably more time.

If students want to continue putting the energy into Homecoming that they have in the last few years, they will have to forget the parade and confine their expressions of spirit to house displays. Neither the time nor the money is available for both.

We don't feel the alums will be disappointed with the abolishment of the parade for this year. A poorly presented parade would have caused more criticism about spirit than none at all. If the house displays are the calibre that they have been and if the Huskers play a good game, you won't hear complaints from anybody.

On The Subject Of Economic Growth

We hope the article reprinted today about "economic growth" will clear up some misconceptions in our readers' minds about just what "economic growth" is and how much we should have. This article is as unbiased as any we have read on the subject so far and presents a very clear explanation of the issue which has been raised so often in the campaign.

Nixon and Kennedy have taken quite different stands on the subject. Nixon has said this: "We believe that the way in which government can best promote real growth is by building a sound economic framework in which private economy can operate at maximum levels. We must never forget that growth is only one objective of national policy, though admittedly a vitally important one."

Kennedy has said this: "Last year the United States had the lowest rate of economic growth of any major industrialized society in the world... with a really healthy rate of growth this country can have full employment for all who want a job;... we can pay for all the defenses... we can afford the best schools for our children and the best-paid and the best-trained teachers."

We are not going to take a stand one way or another at this time on the issue. By leaving your mind clear of partisanship, we hope you will be able to come to your own conclusions on the basis of what you believe is best for the economy. This is an important issue in the campaign and it is important that as many voters as possible fully understand "economic growth."

Not Guilty

By Myron Papadakis and Bob Nye

The passage of time may seem to be a never-ending affair to most students. That is, until they look into their past and try to recall events of the previous years. If they try this the events of the past may seem hazy and out of focus, for if not kept accurately they fade into obscurity. Rather than allow this to happen we are going to reminisce with you about our early years.

We both attended P.S. 104 and spent our formative years acquiring a free and liberal public education. The first grade was especially hard on us. During the time when we should have been playing in the woods, and enjoying ourselves generally (for as first graders we weren't ready to accept the responsibilities of the grown world), we were forced into an early maturity by a very cruel and strict teacher. She didn't want us to have any fun that was considered normal for the first graders (even though when we look back it was

some of it was a bit rogue like). She wanted us to be the most mature and orderly first graders in the whole city.

We kind of thought that the pressure of public opinion was affecting her and she was swayed by the principal (a very mean person) who had received some complaints about those naughty first graders at P.S. 104. Sometimes it was the principal that was strict and not our teacher.

On top of the mean teacher and the questionable principal our class was plagued by a hall proctor (a grown man) who walked the tightrope between staff and student, good and evil principle (mean) and practice.

Another thing that was strange: the boys were always the only ones in trouble, but we remember once a naughty girl was caught playing on the wrong side of the recess field (with the boys) and she was punished.

It seemed that we were always the ones who got caught. We were always (Con't on Page 4)

Daily Nebraskan

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-Plain Talk-

About Economic Growth

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By Henry Wallich

If a man set out to discover the oldest, the most enduring characteristic of our free economy, he might well find that this characteristic is growth. Growth, accompanied by constant change, has been continuous.

In the old days, people called it progress, and took it pretty much for granted. Recently, growth has become symbolized by the upward movement of the GNP (gross national product), and we have become rather self-conscious about it. It can now be measured from calendar quarter to quarter, and examined not once but four times each year. But by watching it closely, we are in danger of repeating the experience of the housewife and her kettle that wouldn't boil. We are in danger of becoming overly concerned about short-run fluctuations. Actually, the rate of growth in our economy, in spite of substantial ups and downs in the short run, has been remarkably stable over the long run.

Professor Raymond W. Goldsmith, measuring growth in terms of gross national product per capita, found that from 1839 to 1879 this growth was 1.55 percent per year, and from 1919 to 1959, 1.64 percent. The total gross national product, from 1919 to the present has grown at an average of 3 per cent per year, from 1947 to the present at an average 3.5 percent. One approach to economic growth, therefore, might be to take it for granted as our parents did and forget about it.

Nevertheless, we do face urgencies today that put a premium on more rapid growth. Internationally, we are compelled to complete in the production of defense equipment with a power that gives military output top priority. We must provide support to our allies, and we must help the less developed countries grow in freedom. We must by our performance give confidence to those who have chosen our side in the international competition. Else we may see our supporters drift away and try to make their own peace with the other side.

At home, too, growth would have its uses. It has become fashionable, to be sure, to argue that our society has become so rich that we are being tempted into a lot of wasteful and foolish consumption. But one need not endorse very frivolity that sovereign consumers in a democracy have chosen to engage in to see how very narrow a problem this new puritanism is concerned with.

The average family income in the United States was \$6,520 in 1959, the median family income (at the divide between the upper 50 and lower 50 percent; was approximately \$5,300. These are substantial incomes; they support a standard of living that is by far the highest in the world. But their recipients probably would be surprised to be told that they are wallowing in luxury, just as they would be surprised to hear that they are living on the borderline of indigence, as some other critics of our society still seem to believe. What the figures tell us is that we have done well: but even without them, we know that there is always room and need for further growth. We shall have to recognize, furthermore, that a certain amount of luxury consumption - some may call it waste - is one of the characteristics of a free economy dedicated to material progress and individual welfare.

But progress has many dimensions. Some see its essence in more education and more research, others in better health and stronger social security; some think that the rebuilding of our cities is an essential part of a better life, some want more defense. Each point of view can find its justification.

But is a free society going to give up creature comforts in order to pay for all this? Some of it can be done privately, some of it would have to be through government, but all would cost money. This money, if it is to be provided at all, probably will have to come out of a rising income. It is not likely to come out of voluntary cutbacks of other consumption.

The balance of tastes, habits and interests is strong in a free society. Major reallocation of resources is not likely, barring a major emergency. To have more of some things we shall have to have more of all, including luxuries. That will be a large bill which can be footed only out of vigorous growth.

One further function of economic growth should not be overlooked. In American society, growth of everybody's income has largely taken the place of redistribution of income from "rich" to "poor." In European countries, where before the war economic progress had been much slower than ours, bitter class struggles developed. Redistribution - soaking the rich - was thought to be the only form of betterment for those who were not rich. During the 1930's, when America for a while was beset by stagnation, a similar emphasis developed here. Since the war, the rapid advance of European living standards has pushed socialism into the background; and our own growth, too, has once more served to diminish interest in such soak-the-rich solutions to economic problems.

If it can be agreed, then, that vigorous growth is important, what is it that makes for growth? How has the economy grown in the past, and how can we help it grow hereafter?

One aspect of growth is, of course, the rise in the number of people at work, which in turn is related to our growing population. Because of the rather low level of births during the 1930's and early '40's, our labor force has grown rather slowly during the 1950's. The high birth rate of the later '40's and thereafter make it obvious that during the 1960's the labor force will advance more rapidly. From an annual average of about 800,000 during the 1950's, annual additions to the labor force are expected virtually to double by the end of the 1960's. This fact alone promises to increase our rate of growth in the decade ahead.

To make the promise come true, however, it will be necessary, of course, for all these additional people to find jobs. While some fluctuations in the economy are no doubt inevitable, we have learned a good bit about what can be done to minimize them. Here is an important function the government can perform: to help create a climate of stability, through its fiscal and credit policies, in which business can provide the jobs for a rapidly growing labor force.

But mere numbers are not everything. The quality of the labor force counts heavily today, and in the years ahead, the clearest demand is for skilled labor and for increasingly higher skills. The unskilled are less sure of finding jobs than the skilled, as an analysis of the unemployment figures demonstrates. Education is the key, of course, to a more highly skilled labor force. In the last decade, we have made great strides in improving our educational system. Ten years ago, we were spending \$9.3 billion annually on education. Today, these outlays have advanced to an estimated \$23 billion, a rate of increase about twice as fast to the growth of GNP. The number of elementary and secondary school teachers has increased by about 50 percent, their average compensation by about 70 percent, an increase more rapid than that of most groups of industrial workers.

But because there are now so many more young people, further increases will be needed, particularly at the high school and college levels. Business can

share in providing more and better educational opportunities by expanding its job training programs. The upgrading of our labor force that should result from such efforts will be a second step in attaining higher growth.

Large research and development expenditures are a third step toward accelerated growth. The history of our past growth has been not so much doing more of the same, but doing something new, or doing the same by new and better means. Funds for research and development, public and private, have expanded enormously in recent years, from \$5.2 billion in 1953-54 to \$12.4 billion in 1959-60, an increase of about 140 percent. More advanced techniques and a more highly skilled labor force will thus go hand in hand.

One further ingredient needs to be added to this growth formula: more capital investment in business plant and equipment, in inventories, in residential construction, in highways and other public construction. It is through investments like these that we can add to the tools that are needed to produce a larger GNP. New investment provides the opportunity for applying the fruits of research. It supplies the jobs that the growing labor force needs. It ties together and brings to fruition, in effect, all the other factors that contribute to growth.

Total expenditures for private investment, including replacement of worn-out machinery and structures, have been running at an annual rate of \$70-80 out of a GNP of over \$500 billion. It is not easy to increase substantially a total that is already very large. But a good deal can nevertheless be done. The tax system is important. It should encourage saving and investment and facilitate the timely replacement of outmoded machinery. Credit policies also have a role to play. They must be designed to avoid the disruptive effect of inflation and also to facilitate the free flow of funds into productive uses. A wise choice among public expenditures is essential. We must hold down expenditures that contribute little to productivity but do take away funds from more constructive public or private use. We must emphasize those that improve our physical plant, our technology and the quality of our labor force. Finally, over-all fiscal and monetary management designed to avoid unsustainable booms and wasteful recessions is, of course, an essential condition of stable and rapid growth.

Policies of these kinds hold out the promise of a higher growth rate than we have had in the past. They promise no miracles. The rate of growth of the American economy, as I said earlier, has been very steady over long periods of time. We can improve it, but we have no reason for thinking that we can change it fundamentally within the existing framework of a free economy. If we have to take stronger measures. We would have to do as we did in two world wars. We would restrict consumption, reorient the flow of production and, under government control, devote the resources thus set free to enlarging productive capacity. That is the method, in effect, that Soviet Russia is using to build up her economy at the expense of current consumption. It is a system that requires strong government compulsions not compatible with a free society except in wartime. It would mean to buy growth at the expense of freedom. If we value freedom, we shall be well advised to avoid extreme measures not demanded by our situation, and to forego the extra margin of growth they might yield as the cost of this freedom.

Henry C. Wallich is a member of the President's Council of Economic Advisers and a professor of economics, Yale University, on leave. He is also author of the recently published "The Cost of Freedom"

Straws in the Winds Sting American Cheeks

By Eric Sevareid

London - As the British Labor Party conference ended after voting for the Neutralized Britain, the London columnist, "Cassandra," wrote that "One of the uglier by-products was the continuous rumble of anti-Americanism. When speakers were short of a jibe, they were fairly certain of a growl of approval if they sneered at the United States as a grossly materialist society with a taste for total war."



Sevareid

One of the ablest British correspondents in the United States informs his readers that "The United States is just another country." An English novelist, popular in New York and Washington saloons, exclaims at London dinner parties, "America is finished."

These are the straws in the European winds that repeatedly sting the cheeks of those Americans abroad who dwell deeply enough in European thought and society to feel the currents of change. Week after week the attitudes reflected by such remarks as these are projected in the press as broadcasting of Britain and France, from sociological studies to the snide pinpricks of the quick-trip writers who incessantly portray America in terms of New York's juvenile thugs, Las Vegas stripteasers, race riots and Hollywood scandal.

There is nothing new in all this. What is new is that this saturation has finally produced a sea of change in the minds of millions of Europeans, who no longer think of America as one with them, as an integral part of the Western mosaic of life, the chief protector of their liberty. They now think of America as a third party, almost as alien in spirit as Russia, almost as reckless a threat to their lives.

It is little wonder that Prime Minister Macmillan acts like an intermediary between East and West as often as he acts like ICA's partner - indeed he wins more home applause in the former than in the latter role. It is little wonder that Charles de Gaulle can drive American bombers off French soil and threaten the American-dominated NATO command structure while experiencing only murmurs of specialized criticism on his home grounds.

And it is little wonder that Khrushchev does all in his power to make the world believe that his quarrel is with America, and America alone. It is in this sense that his barbaric propaganda onslaughts are serving his purpose, far more than is understood by those now pleased by his rebuffs at the United Nations. He is not concerned with the waves, but with the current. When high-minded Englishmen tell their people that "America is finished" or that "America is just another coun-

try," they mean that the American dream has died, that the vision and promise of the new world have withered away, that America is no longer the haven of the poor, the strong and simple defender of the oppressed abroad or even at home, that we have run our course and are no longer the last, best hope of man.

This is what they truly believe, and so one constantly buffeted by this current is astounded to hear Vice President Nixon proclaim that American prestige in the world "has never stood so high." An affronted American can tell himself that "gross materialism" has taken full possession of nearly every European society, that the beginning and the end of British foreign and domestic policy often seems to be the preservation of its present affluence, that the French are profoundly materialistic in spirit, that the Germans are in full lust for the fleshpots of affluence, that every contemporary American curse from juvenile thuggery to sex magazines afflicts Europe, too, from Athens to Oslo.

One can tell himself all this, but it is not enough. An American must believe that new springs are coiling within his country, that strong voices are at hand to declare again the eternal meaning of the freest, best-hearted and most exciting human experience on this earth and to make the message convince those who were once convinced. He must believe with one rare and lonely British writer, Peregrine Wrothorne, that an American cycle, not of smug complacency but of incubation, is now ending and that history will see President Eisenhower "as the model broody hen, sitting patiently, vacantly, but nevertheless indispensably on the eggs which are now about to be hatched."

An American wants to be able to remind European critics that the time Walpole said, "Europe is finished! When Voltaire dies, we may say goodnight" - that, at the time he said that, Europe was about to enter upon its greatest flowering in power, in the arts, in the humanitarian concerns of man to man.

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Seacrest Fund Receives Gift

The Seacrest Loan Fund has received a second gift of \$8,000 from the J. C. Seacrest Trust, according to Perry W. Branch, director-secretary of the University Foundation.

The loan fund was established through the foundation last year by Joe W. and Fred S. Seacrest, trustees of their late father's trust.

The student loan fund will be used to supply loans for juniors, seniors and graduate students who are residents of Nebraska, have good moral character, have proven ability in their fields and are worthy of financial assistance.

The loans will not exceed \$400 in any single year or \$800 to any one individual. The selection of the recipients will be approved by the General Student Loan Committee of the University.

Advertisement for Cliff's Cigarettes. Text: 'investigating pipes? TRY CLIFF'S SMOKE SHOP 13TH & M LINDELL HOTEL'. Includes a graphic of a pipe.