



11-1947

## R.O.C. Messenger: November 1947

Republican Organizing Committee

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# R. O. C. MESSENGER

Dedicated to the Cause of Good Government

Bismarck, N. D., November, 1947

Vol. 1, No. 12

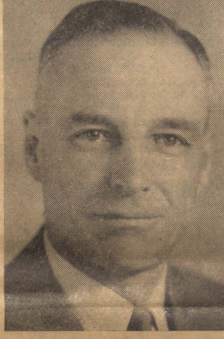
## R.O.C. Has Given North Dakota a Sound, Constructive, Business-like Administration

### Aandahl Tells 120 ROC Leaders What State Has Accomplished

A conference, marked by spontaneity and enthusiasm and attended by 120 R.O.C. chairmen, committeemen and legislators was held at Jamestown on Oct. 12, and the feature of the gathering was an address by Gov. Fred G. Aandahl analyzing the record of the R.O.C. administration during the last three years.

The meeting was an open forum at which a score or more R.O.C. supporters freely gave their ideas regarding the issues of the coming campaign. The consensus of opinion was that the R.O.C. legislative and administrative record, if properly presented to the people, should create confidence and elicit support.

No bones were made of the fact that the opposition which is endeavoring to consolidate several radical groups will fight to get com-



GOV. FRED G. AANDAHL

plete control of the legislature in 1948, to knock the props out from under the R.O.C. and to oust all of the R.O.C. state officials, including Gov. Aandahl.

The conference lasted nearly four hours. Good fellowship and harmony prevailed throughout, and the workers left Jamestown in the best of spirits and with every evidence of an invitation to meet the challenge of the opposition head-on.

Governor Aandahl's speech follows:

"This has been an interesting and profitable meeting. The delegates here, coming generally from all parts of the state, have given valuable reports on political developments and the problems with which we must deal.

From this meeting I draw two definite conclusions:

"First, the R.O.C. has a big job ahead of it."

"Second, I detect here sufficient bedrock enthusiasm and confidence to do that job."

May I repeat a statement that I have made on several previous occasions. The R.O.C. was established not to fight any groups or organizations but rather to support certain fundamental principles of government that are indispensable if the best interest of all of the people is to be protected. Our membership was made up of and still is made up of about 1/2 former members of the Nonpartisan League, 1/4 former members of the old I.V.A. and about 1/4 younger members who did not belong to that old controversy. We have accepted the state as we found it with a relatively broad industrial program and are trying to give the state in all of its aspects a good sound business administration.

### R.O.C. Building No Political Machine

We objected to the political machine which had dominated North Dakota politics and gave our assurance that there would be no such machine if the R.O.C. won. We have not built

(Continued on page 8)

### Women Must Work Says Mrs. Porter

BY MRS. PEARL PORTER  
Chairman, Women's Division

The time is now to insure a Republican victory in 1948. Women will have a definite part in this victory. There are three MUSTS for every Republican woman from now until election.

1. We MUST extend our political influence. Make it count in every sphere of contact: homes, friends, neighbors and clubs.

2. We have the answers. We MUST know them. If we are to extend our influence it is important that we know the Republican view point, aims and accomplishments in State and Nation.

3. We MUST study the Republican record in North Dakota and in Congress. Get a true picture of the accomplishments. We must have the information to counteract adverse propaganda.

Please read the statement in this issue by National Chairman Carroll Reece, regarding women in politics. Our aim is to really have an organization of Republican women in North Dakota as good or better than they have in other states. If you have suggestions please write me.

### County Conventions To Meet Early in May

Republican precinct committees will meet in each county the first Wednesday in May to elect delegates to the G.P. state convention, which will be called by the Republican state central committee.

Each county will be entitled to one delegate for each 300 votes or major fraction thereof cast for presidential electors at the last presidential election. No county will have less than one delegate, and in counties having more than one legislative district the precinct committees of each district shall meet separately and elect their delegates.

The state central committee shall fix the time and place of the state convention. At this convention the delegates will elect a national committeeman, a national committeewoman, the required number of presidential electors and delegates to the national convention.

### State Hail Discount Exceeds Half Million

A new law providing for a 5 per cent cash discount on state hail insurance premiums paid by November 15 is meeting favorable response, Insurance Commissioner Otto Krueger says.

More than \$500,000 has already been collected in premiums, Krueger said, with the likelihood that more than 75 per cent of the total premiums will have been paid by the November 15 discount deadline.

About \$226,000 has been collected in premiums deducted from loss payments, with another \$180,000 collected in cash. In addition, nearly \$100,000 has been collected in special cash policies taken by certain renters.

All premiums not paid by November 15 will be sent to county auditors and collected as a hail tax.

American freedom itself cannot expect to endure unless freedom expands elsewhere and unless productivity begins to rescue the rest of the world from its poverty. The fight against communism and totalitarianism can be won only by offering the world a more attractive commodity. What is more desirable than freedom?

—Fort Dodge Messenger

### Highlights of Governor's Jamestown Address

We have not built up a political machine and do not intend to.

We are not fighting the Farmer's Union, the Farm bureau, organized labor, or the Non-Partisan league.

Our basic aim is to preserve the expanded resources of the government for the benefit of the people.

The State Mill and Elevator at Grand Forks is in excellent condition.

The net revenue from the gas tax in 1947 will be at least \$1,500,000 to \$2,000,000 more than if we had continued the old tax refund system.

This year the highway department has let contracts for about \$6,000,000 of which about \$3,000,000 worth will be completed this year.

The appropriations approved by the 1947 session of the legislature aggregating \$32,000,000 are fully justified.

When we think in terms of the general inflation and increased living costs, it is surprising that the state can get along without larger increases.

The increase in property taxes this year will not be caused by state taxes. They have been increased by the local subdivisions to meet these (governmental) responsibilities.

The state is operating on a cash basis with ample reserves and balances in all funds.

In the coming campaign we can talk about our accomplishments with confidence and enthusiasm.

### We Have Made Real Progress and Should Move On to Higher Levels

Senator E. H. Brandt, new R. O. C. Chairman, outlines some of the accomplishments and objectives of the ROC as follows:

"To mention a few of the accomplishments of the ROC we need only to review the situation that existed but a short time ago. The condition of our roads was a serious problem; underpaid public employees; financing of our school and other sub-divisions of our state; a repair and building program for the institutions; aid for the veteran and many other problems were facing the last session of the legislature. Legislation affecting the road situation has already caused a marked improvement, regardless of all arguments to the contrary. A continuation of the present road building policy will result in large savings and more convenience in traveling upon our highways.

"The additional funds for the Veterans' Service Commissioner has resulted in more and better service for the veteran. We should add and extend this service as much as possible.

"Considering the higher cost of living and the greater cost of governmental services it was necessary that we provide a better salary for all public officials, employees at our state institutions, school teachers and the faculty of our state schools of higher learning, only to mention a few.

"A repair and building program had long been delayed at our state institutions. In 1946 a small building program was inaugurated. This was enlarged and increased during the session of 1947. The crowded condition of some of the institutions and the situation as to buildings at other institutions called for action in the way of a building program.

"Space does not permit a long discussion at this time. However, it should be emphasized that as far as state government is responsible, there has been no large increase in state taxes. You will undoubtedly receive a larger tax bill for the year 1947. Look over your receipt and do some figuring and if there is an increase, try to find out just where it is. The chances are that your local subdivision needed more revenue and consequently had to raise their budget.

### Children Are Our Greatest Asset

"Our greatest asset is the soil and the children of our state. Many of our young people who have received their early training and education in this state have made enviable records for themselves and our community in many fields of human endeavor.

"Care and the conservation of our soil should receive careful study. A large number of our producers realize that we cannot continue to produce at the recent level unless we practice some program which will rebuild and replace in our soil some of the things taken



SENATOR E. H. BRANDT

from it during these large production years. This study should be a No. 1 objective.

"Altho we are spending a large portion of our tax dollar on schools and the education of our children, this expenditure will bring returns in better citizenship and higher standards of living. To do a better job of educating our children, with equal opportunity offered to every child should be another principal objective.

"There will develop now and then desirable changes that should be made in some of our present laws. One in particular is the provision, giving to the real estate taxpayer the 5% discount where the tax is paid before the 15th of February. A study of this provision reveals that in the state the discount amounts to more than \$600,000.00 per year. To say that the real estate taxpayer should enjoy this advantage over the personal property taxpayer is unfair and discriminatory. To say that this provision is the cause and the reason for better tax payments is false. To say that it should be continued for the reason that the taxpayer feels that he is getting some consideration is almost an illusion.

"When adopted in 1939 the reason given at that time was that they wanted to do something for the man who had continued to pay his taxes during the terrible years of the 30's. In view of the fact that since 1939 we have enjoyed the best income years that the state has ever experienced could be a very good reason for the better payment of taxes. No one disputes the fact that a part of this discount is shifted over on the personal property taxpayer. The confusion that exists today in trying to arrive at the exact amount of unpaid taxes, due to the fact that a large part of the apparent outstanding tax from which there has been no deduction made of the discount, is another reason for giving this provision some very serious and intelligent consideration.

### One Billion Dollar Farm Income For North Dakota In '47

North Dakota's 1947 farm income will aggregate one billion dollars. This figure was estimated by Ralph Pease of the Greater North Dakota association in Bismarck a few days ago, and will be verified by the U. S. department of agriculture in the near future.

There are about 72,000 farms in North Dakota, and a billion dollar income means that the average farm produced about \$13,800 worth of crops. This is more than double the average for 1942 and over five times the average for 1937. It is doubtful if any state in the union can make a better showing than this.

The total North Dakota agricultural income for each year since 1937 as reckoned by the Greater North Dakota association follows:

1937	\$ 179,184,875.00
1938	165,575,075.00
1939	218,330,652.00
1940	235,759,349.00
1941	363,596,977.00
1942	483,180,151.00
1943	548,755,550.00
1944	514,903,532.00
1945	550,906,580.00
1946	587,694,577.00
1947	1,000,000,000.00

The crops for 1947 as estimated by R. F. Gunkelman of the Northwest Shippers advisory board, based on U. S. department of agriculture reports, exclusive of poultry, livestock, wool and sugar beets, which would bring the totals up to a billion, follow:

	Bushel	Value
Corn	22,449,000	\$ 33,673,500
Wheat	154,063,000	392,258,100
Oats	63,720,000	57,948,000
Barley	56,386,000	112,772,000
Flax	11,584,000	75,296,000
Buckwheat	84,000	168,000
Potatoes	18,765,000	28,147,500
Hay (tons)	5,121,000	51,210,000
Total value		\$731,473,100

### Counties Urged to Hold Meetings

Local R.O.C. committees are urged to hold gatherings and to begin making plans for the 1948 campaign. Field Director Ed Sailer is visiting many counties, assisting the local committees to get started.



EDWIN G. SAILER

R. O. C.'s New Field Director If you plan to hold a political rally and wish to have speakers get in touch with State Headquarters in the Grand Pacific hotel either by letter or phone.

### Plant 55,000 Fish In Lake Darling

Foxholm, N. D.—Over 55,000 black bass and blue gills have been planted in Lake Darling by the state game and fish department. The 10,000 black bass planted were between 2 and 3 1/2 inches long and blue gills included 45,000 fingerlings and 60 full grown.

# U. N. Food and Agriculture Organization Renders Great Help to American Farmers

By SEN. MILTON R. YOUNG

Delegates from 49 member nations revealed many eye-opening and thought provoking facts and theories at the Geneva conference of the Food and Agriculture Organization of the United Nations.

I attended the conference as a Congressional advisor to the U. S. delegation, and came away with the feeling that the organization has a definite place in the international scheme and can benefit both the producers and consumers of America greatly.

Food shortages throughout the world were reported. It may be years before some countries get their food production back to normal. Until the time that the farm export market may remain good. After hearing what was said at Geneva, I am much more optimistic about the future of American farm exports. Fanning and stimulating more food production to meet minimum requirements is the most pressing problem facing the FAO. This planning must also consider the possibility of future surpluses.

Reports given to the Geneva conference by various delegates indicate that the importing countries will need nearly 50 million tons of grain during the next year. Visible exports now only total about 29 million tons. In order to meet even this figure, the United States would have to duplicate its total of last year by exporting nearly 15 million tons—as much as the rest of the world combined exported last year. Many believe this can not be done again.

## Need Allocation System

The fact that such a tremendous shortage of food seems almost certain, despite this year's record production in America, emphasizes the need for continued use of the allocation system. This must be done both to aid nations in dire danger of starvation and to protect American consumers from too great drains upon our own supplies.

While the present problem is one of scarcity, there always exists the possibility that we will again have surpluses some day in the future. Most American farmers, including myself, always have been concerned, perhaps excessively, with the fear of surpluses. This was only natural because of our experiences in past years when burdensome surpluses depressed farm prices to ruinous levels.

Should we have farm surpluses again, the FAO would seem to me to be the organization best equipped to direct these surpluses into the world market in ways which would least depress domestic prices. The FAO can find consumers for surplus food in countries which always have had underfed and improperly fed people.

The result of this flow of American farm products to new consumers would be greater assurance of price stability for the American farmer than he has ever enjoyed in the past.

There should be no separation between the short-term problem of food shortages which we face now and the long-term possibility of surpluses which we may face again some day. It now appears that it should be the responsibility and job of the FAO to handle both of these problems.

From the American point of view, both the consumer and the producer should benefit through the handling of world surpluses by the FAO in a manner which will retain for the United States its fair share of the world market which always has been reasonable for both the producer and the consumer.

In normal times only 5% of the entire world food supply finds its way into international trade, but that small percentage controls the price of the remaining 95%. It might be wise to finance the movement of part of that 5% into the world market so that it does not depress world prices but goes to countries such as China and India which always have underfed people. Such a comparatively small expenditure as would be required would stabilize the price of American farm products and also gain for us the friendship which always is in other parts of the world. It would be a far cheaper good-will program than many costly schemes we are now attempting to carry out. It would be less costly and more effective than

# Truman Tax Cut Veto Cost Taxpayers Billion

Convening of congress on Nov. 17 brings up a hot fight on tax reduction. Congressman Harold Knutson of Minnesota says the Republicans who have been ready to throw in the hopper on the first day. This time the Republicans believe they can pass the bill over the president's veto.

The action of President Truman in vetoing the Republican tax cut measure is costing American tax payers a cool billion dollars is the statement of Carroll Reece, national Republican committee chairman. Mr. Reece says: "As of September 15 the Truman Administration has collected from the American taxpayers slightly more than \$1,000,000,000 in excess of the amount which would have been collected on that date if President Truman had not seen fit to veto the first Republican tax reduction bill passed by the present Congress.

On September 15, 1947 the great majority of the 49 1/2 million taxpayers have to make their 1947 third quarter income tax return and payments. In most cases the withholding tax for wage and salary earners will have taken care of most of the payment and only the amount due and not withheld has to be paid out of the pocket. But one quarter of the 1947 tax is in effect paid on September 15 and it really covers the income for the months of July, August and September. If Mr. Truman had not vetoed the first tax bill, millions of taxpayers would be enjoying the fruits of Republican tax cuts on September 15. They would be receiving the benefits of 3 months of cuts July, August, and September—or 1/4 of the 30 or 20% cuts. Since the total cut for 6 months of 1947 was estimated at \$2,145,000,000 the cut for July, August and September would be approximately one-half or just over \$1 billion dollars.

Continuing foreign markets for American farm products should be the major consideration of the U. S. delegates to the FAO, in order to prevent recurrence of the catastrophe of the early thirties. Then we lost much of our world market, and prices fell so far that farmers found it cheaper to burn corn and other grain than it was to buy fuel. And this at a time when millions of people throughout the world and even right here in our own United States, were underfed or starving.

## Need Foreign Markets

There is no question but that Europe, and the world which must live with Europe, faces a very difficult and dangerous situation. Europe underwent one of the most severe winters in several decades last year. This year there were crop failures in many parts of Europe. The result is that Europe enters this winter with a seriously short food supply. It looks to the United States to supply much of its needs. In order to prevent the spread of communism, it now seems certain that this nation will have to carry a great load—not only in the nature of relief, but in assistance toward economic rehabilitation.

## What Tax Relief Bill Would Do

Let us recall the benefits which would have accrued to various income groups in 49 years of taxpayers if Mr. Truman had not vetoed the first tax relief bill. These benefits, which would be in effect today, include:

1. An additional \$500 exemption for the year 1947 for each person over 13 years of age. This provision would have benefited 3,700,000 taxpayers and would have removed 1,400,000 from the tax role. In dollars, the tax saving for this group would have been \$189,000,000 for 1947.

2. 30% tax cut to 26,000,000 taxpayers with surtax net incomes of \$1,000 or less. This group comprises 53% of the total number filing returns. It includes single persons with incomes before deductions and exemptions, up to \$1,667 per year; married couples with incomes up to \$2,222 per year; and married couples with two dependents with incomes up to \$3,333 a year. In dollars during the three-month period, July, August and September, the tax saving for this group would have been \$241,000,000.

3. 30 to 20% cuts for the 7,000,000 taxpayers with surtax net incomes between \$1,000 and above \$1,000. In dollars during the three-month period, July, August and September, the tax saving for this group would have been \$107,000,000.

4. 20% cuts to the 16,500,000 taxpayers whose net incomes are between \$1,400 and \$136,700. In dollars during the three-month period, July, August and September, the tax saving for this group would have been \$617,000,000.

5. 15% to 10 1/2% cuts on the few thousand incomes above \$136,700. The 10 1/2% cut applies on that part of the income above \$366,700 and during the three-month period, July, August and September, the tax saving for this group would have been \$35,000,000.

In addition to the specific benefits to the groups mentioned, the Nation as a whole would have benefited from enactment of the tax bill through the release of capital for expansion of business to provide additional jobs. Individual workers would have benefited because the proposed tax reduction amounted, in most instances, to a wage increase in a form which would not increase the cost of production and, therefore, bring about higher prices.

Mr. Truman assumed a heavy responsibility when he vetoed the Republican tax reduction bill. I have no doubt that the voters will call him to account in a decisive and adequate manner next year.

# Vast Missouri Development Going Forward With Speed

By CONGRESSMAN WM. LEMKE

The Missouri River Basin Development project is under construction. It is going forward with speed considering that it is a \$3,000,000,000 project and involves nine states directly, and the Nation indirectly.

The Army Engineers, and the Bureau of Reclamation are working together and cooperating. There is no friction between these agencies, and honest discussion. Because of this co-operation, and the multiple purpose of the project, the public is getting more for its money, and a better project.

We have heard considerable about a "shotgun wedding" of the Army Engineers, the Bureau of Reclamation and the Reclamation. It was a pretty good wedding, as far as the public is concerned. Public Law 534, which perhaps can be considered the marriage certificate for these three Federal agencies, clearly defines the part that each of these agencies are to play in the development of the Missouri River Basin.

Here are the principal provisions of Public Law 534: First, the Army Engineers are to construct the dams on the main stream of the Missouri River. Who is better qualified to do this than the Army Engineers that built Fort Peck, and have had one hundred years experience in building dams. At the head of this project is General Pick, whose ability along this line is recognized not only by us, but by the whole world.

Second, under this law, the Bureau of Reclamation is to build the dams on the tributaries. Who is better qualified than this Bureau to build these dams. It has had some fifty years experience. It has built such dams as Boulder, Grand Coulee, Big Thompson, Bonneville and many others.

## Water For Irrigation Comes First

Then when the dams are completed, under Public Law 534, the Bureau of Reclamation has first claim to all the water in the main stream and tributaries—for irrigation and domestic uses. After that, if there is any left, the army gets it for navigation. Under this law, every drop of water can be taken for irrigation and domestic uses if necessary.

Next, the power that is generated on the main stream and on the tributaries, including Fort Peck, is under the control of the Bureau of Reclamation. However, it never does not distribute the hydroelectric power out wholesale.

Under the law, the Bureau is to build transmission lines. It will build a transmission line from Fort Peck to Williston, Williston to Minot, Minot to Devils Lake, Devils Lake to Grafton, Grafton to Grand Forks, Grand Forks to Fargo, and Fargo to Valley City, Jamestown, Bismarck, Mandan, and Glendive.

Public Law 534 provides that the Federal agencies shall have first claim to the hydroelectric power for distribution. The REA is the only Federal agency in the State that distributes hydroelectric power. It will have first claim to all of the electrical energy of the Missouri River project in this State if it can use it. It gets it from the Bureau of Reclamation at cost.

Next come the State agencies. The State may get it for operating its industrial program such as the Mill and Elevator at Grand Forks. Then it will get it for its educational institutions if it wishes to, and then for the Capitol and penitentiary. Then, if there is any left it goes to the municipally owned plants and non-profit co-ops, and finally what is left goes to private industry. I do not believe that anyone can improve on that program.

## Congress Backs Bill 100 Per Cent

Remember that this law was passed in 1944, and signed by Franklin Delano Roosevelt on December 22. That had the unanimous approval of Congress when it finally passed, and that it is going forward as fast as materials are available, and as Congress appropriates money. If you do not feel it is going fast enough, your complaint is directly to Congress. It is the source of how fast or how slow this project will be built.

Remember also that we have just emerged from a war in which our Nation furnished over half the materials and did over half of the fighting, and that it takes some time to replenish our wasted war material. Also remember that our Nation is trying to feed and rebuild not only our Nation but the whole world. It has become a sort of international WPA Santa Claus.

I am not in accord with this latter policy. I hope that in 1948 this lincity will be stopped by the elec-

tors of the Nation. If we do not stop it, we will soon be a sixth or seventh rate depleted nation. We have already depleted our raw materials from over eleven percent, before the war, to less than nine percent.

In conclusion, we need no wet nurses—no AVA politician—to wreck and interfere with this great project. It is under construction. It will be constructed. When completed, no one can fully understand what terrific changes it will make. It will open up new homes, new industries, new factories, and develop the hidden resources of the Basin. It will add to the wealth, happiness and greatness of our State and Nation.

# John Hjelte Visits North Dakota Friends

John Hjelte, administrative assistant to Senator Milton R. Young, has been shaking hands with his many friends in North Dakota during the last few days.

John is a native of McLean county. He was born in Mercer and graduated from Luther college in Decorah, Iowa, he joined the Bismarck Tribune editorial staff in 1936 and became managing editor in 1939. He went to Washington as Senator Young's state secretary in 1945 and later was promoted to administrative assistant. A member of the Masoric and Elk lodges, vice president of the Senate officers' association and president of the Washington, D.C., State society, John has innumerable duties in addition to his extremely important work for Senator Young.

John is a trained newspaper man, has a fertile mind, knows all the angles of politics and public relations and is considered one of the best political thinkers in the state. He has been rendering a real service to the people of North Dakota.

# 1948 Looks Like Republican Year

The Republican trend that was so apparent in the congressional elections two years ago seems to be continuing with renewed activity.

In Indiana Ralph Harvey, Newcastle farmer and member of the state legislature, easily defeated his Democratic opponent, Frank A. Hanley. Muncie, a town which Hanley had been endorsed by the state OIO.

In Ohio Republican William M. McCullough of Piqua defeated Joseph B. Quayman, Democrat from Lima.

G.O.P. mayor, Bernard Samuel was re-elected mayor of Philadelphia over Democratic Phil Ivan J. McKendrick of Cambria county.

## What Are These U. S. Dollars?

Politicians around the world are bandying the words "U. S. Dollars" around as if they were words of evil. It is those words which a statesman like Winston Churchill telling a British audience just what these dollars represent.

After referring to his Fulton, Mo., speech two years ago when he coined the phrase "Iron Curtain", and stating that "those words were repeated now, they "would be regarded as a stream of tepid platitudes", he said: "It is a source of great satisfaction that Britain is giving full support to the United States in the great effort she is making to preserve freedom and democracy in Europe and to send food to its distressed and distracted countries."

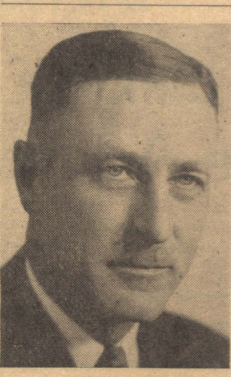
Speaking of dollar shortage he reminded his British audience that "dollars represent the toil and skill and self-denial of scores of millions of American wage-earners which they are contributing of their own free will. In most cases without any hope of repayment, to help their fellowmen in misfortune across the ocean."

## U. S. Farm Income Largest in History

The agriculture department has reported the American farmer is taking in more money than ever before.

Officials said trends so far in 1947 indicate the year may bring the highest annual earnings in history as well, despite mounting production costs.

The department, in a survey prepared by its bureau of agricultural economics, estimated that farm cash receipts during the first eight months of 1947 at \$174,000,000—a 21 per cent gain over the same period of 1946, a record year.



SENATOR MILTON R. YOUNG Who Attended Geneva U. N. food conference

some of the direct relief we are trying to dole out to some war-torn countries of the world now.

The present high consumption of food in America proves that we have never given proper consideration to the minimum food requirements of our own people. Under the FAO, each nation should sponsor programs to see that its own people are properly fed.

## Need Foreign Markets

Continuing foreign markets for American farm products should be the major consideration of the U. S. delegates to the FAO, in order to prevent recurrence of the catastrophe of the early thirties. Then we lost much of our world market, and prices fell so far that farmers found it cheaper to burn corn and other grain than it was to buy fuel. And this at a time when millions of people throughout the world and even right here in our own United States, were underfed or starving.

There is no question but that Europe, and the world which must live with Europe, faces a very difficult and dangerous situation. Europe underwent one of the most severe winters in several decades last year. This year there were crop failures in many parts of Europe. The result is that Europe enters this winter with a seriously short food supply. It looks to the United States to supply much of its needs. In order to prevent the spread of communism, it now seems certain that this nation will have to carry a great load—not only in the nature of relief, but in assistance toward economic rehabilitation.

## Marshall Plan Helps

If the Marshall Plan is approved by congress it will provide almost certain assurance of favorable farm prices for the next four years since a major part of the funds would be spent for food purchases. Moreover, if the plan accomplishes its main objective of rehabilitating the countries of Europe we should be assured of very good future markets for both industrial and agricultural products.

Germany and Italy were among our best purchasers of food products prior to their program of self-sufficiency in preparation for war, and Germany alone purchased more than all of South America combined.

It is doubtful that this Republican controlled Congress will appropriate the funds necessary for the plan without greater assurance that the people of Europe are really going back to work, that the peoples of these countries will appreciate our assistance, and that they will remain friendly in years to come.

Although there can be no certainty as to the success of such a plan, costly as it will be, the alternative may be even worse. Withdrawal of United States influence and assistance from Europe would mean almost immediate Russian domination of practically the entire continent.

## Railroad Attacks

### Higher School Levy

A court action which challenges the right of a North Dakota school district to request a 50 cent increase in its levy has been launched by attorneys for the Great Northern railway, joined by counsel for the Soo Line and the Northern Pacific.

# North Dakota's Highway System Including Better County and Township Roads Has Made Real Progress

State highway contracts for new work in 1947 and 1948 will amount to approximately thirteen million dollars, of which six millions have been awarded this year, according to State Highway Commissioner N. O. Jones.

Over eight hundred thousand dollars have been contracted for this year for maintenance work, oil sealing and replenishment gravel projects. Regarding this work the highway commissioner has given the Messenger the following statement:

There has been considerable incorrect news information released by opposition newspapers relative to the amount of work that is being done by the State Highway Department on highway maintenance; also, considerable inaccuracy relative to the mileage costs and location of new contract construction work within the State. In the interest of fair dealing and honesty, I believe the general public is entitled to know the facts concerning the major construction and maintenance work that has been carried on by the Highway Department this year.

## Maintenance Costs Heavy

Dealing with maintenance first: For the first time in several years the Highway Department this year has had sufficient funds to make it possible for them to perform more work than they had equipment and manpower to handle. In order to take advantage of this available money, the Department has contracted \$800,662.00 in maintenance work, oil resealing, and replenishment gravel projects. Oil reseal projects for a total of 360 miles have been let to contract for the sum of \$431,015.00, and on which the oil was furnished by the State Highway Department through our maintenance oil contracts with the various oil companies for \$130,000.00. One ten mile project was awarded south of Grand Forks involving

tion of the oil and of the chips. Sand can be used to substitute for rock chips, but it is not as satisfactory for wear.

## New Contracts in Twenty-four Counties

Contracts have been awarded this year for new work in the amount of slightly over \$6,000,000. \$2,000,000 of this work has been awarded recently for work to be performed in 1948. The reason for letting in 1947 is to give the contractors an opportunity to stock pile their necessary materials and to move their equipment on the job before road restrictions go on in the spring. This leaves approximately 4 million dollars worth of work to be completed in 1947, and the larger portion of this amount of work can be completed this year with a few additional weeks of good working weather.

The new work contracts have been spread over 24 counties in the State. The largest congregation of work is in the vicinity of Minot. There are two large projects going on on U. S. Highway #52 totaling 73 miles. One of the other large projects is in Bowman County, a distance of 29 miles. Most of the other projects were considerably shorter in length.

Contrary to some press statements, the Department does not intend to build 4 lanes of concrete on U. S. #10, Fargo west. However, right-of-way is being purchased for the addition of 2 lanes at some future date, possibly 1950. The concrete work this year was a 16 mile stretch from Casselton west toward Valley City, and a 4 mile stretch, Hillsboro to Taft on U. S. #81.

The Department is planning a much larger highway construction program for 1948 in the vicinity of \$7,000,000.

Only about 50 per cent of the maintenance equipment which the Department ordered at the equipment letting in January of 1947 has been delivered. This has handicapped the Department to a large extent in getting routine maintenance up into better condition. The one item of which we are particularly short is the motor grader which is used for patrolling graveled highways. The deliveries have been especially poor on this type of equipment and the Department still has 10 of these motor graders coming.

This equipment should certainly be delivered during the winter so that in the summer of 1948 we will have considerable new equipment; and, we should be able to give the motorist a greatly improved maintenance condition on graveled roads in 1948. Additional equipment is being purchased at a letting to be held on October 17th, and it is the intention of the Department to acquire equipment that is necessary for replacing old worn-out machines as rapidly as sound business practices will allow. We are buying everything that we need and can put to work, and are doing all we can to urge delivery.

## Agricultural Research Pays Big Dividends, Says Dean Walster

That over half a billion dollars of new wealth was created in 1947 along as a direct result of agricultural research is the opinion of Dean Walster, director of the North Dakota experiment stations.

The dean has given the Messenger the following statement regarding the tremendous dividends paid by agricultural research: "Agricultural research in North Dakota is paying dividends. In order to extract wealth from the soil of North Dakota, and that is the principal source of our wealth, it is necessary to have efficient varieties. Most crops of high-yielding, disease-resisting varieties now raised in North Dakota, such as hard red spring wheat, durum wheat, barley and flax are the result of the creative work of the plant breeders of the North Dakota Agricultural Experiment Station. The same is true of the agricultural research of similar character is conducted cooperatively with the U. S. Department of Agriculture by this Station; agricultural research in plant breeding conducted by the Minnesota Agricultural Experiment

## Counties' Share of Gas Tax Nearly Double Under New Law

North Dakota counties are receiving nearly twice as much from the apportionment of the gasoline tax under the new tax exempt law as they did under the old system, according to a compilation made by State Treasurer H. W. Swenson.

This means more money for township, county and farm to market roads.

Here are the totals for the first nine months of 1947 as compared to 1946 after deducting 40 per cent which is considered adequate to take care of refunds.

	1947	1946
October quarter	\$ 493,180.91	\$ 266,819.02
July quarter	426,112.07	224,715.39
April quarter	205,871.78	163,793.94
	\$1,125,164.76	\$ 645,328.35

Following is a statement of moneys returned to counties for nine months in 1946 and 1947:

	1946	1947
Adams	\$ 6,156.40	\$ 10,734.08
Barnes	19,540.54	33,417.39
Benson	11,654.83	19,442.86
Billings	2,400.62	3,730.56
Botineau	15,145.85	25,777.52
Bowman	5,356.23	9,271.35
Burke	8,950.70	14,852.18
Burlingame	19,398.58	37,524.24
Cass	50,019.40	93,691.21
Cavalier	11,132.57	22,357.02
Dickey	9,647.67	16,843.72
Divide	8,834.54	14,795.91
Dunn	8,124.69	13,411.97
Eddy	5,336.87	9,687.10
Emmons	10,008.04	16,821.22
Faust	5,243.55	10,352.77
Golden Valley	6,059.38	9,776.28
Grand Forks	32,472.92	58,126.02
Grant	8,163.40	13,873.28
Griggs	6,117.72	11,195.40
Hettinger	9,674.47	15,837.33
Kidder	5,824.12	10,351.51
LaMoure	11,957.39	19,520.21
Logan	6,859.85	11,465.42
McHenry	13,487.62	24,292.31
McIntosh	8,615.13	14,289.59
McKenzie	9,086.22	15,392.56
McLean	17,823.97	30,491.97
Mercer	9,073.77	15,257.49
Morton	18,095.01	31,290.84
Mountrail	13,655.15	23,324.66
Nelson	9,292.72	15,729.81
Oliver	3,730.00	6,345.93
Pembina	4,394.59	29,715.60
Pierce	8,314.66	14,964.70
Ramsay	9,131.39	25,968.81
Ransom	14,778.02	16,764.96
Renville	9,557.32	12,140.53
Richland	21,592.69	36,826.64
Rolette	7,987.54	13,783.27
Sargent	8,409.83	14,289.59
Sheridan	5,885.40	10,891.59
Sioux	2,678.07	4,725.69
Slope	3,258.91	5,467.05
Stark	14,555.41	25,563.75
Steele	6,672.70	11,206.64
Stutsman	21,779.94	37,906.94
Towner	9,911.23	13,558.24
Trails	15,158.77	25,755.03
Walsh	21,908.90	37,895.54
Ward	30,691.81	55,898.19
Wells	12,377.40	20,635.53
Williams	19,346.95	33,844.92
TOTALS	\$ 645,328.35	\$1,125,164.76

Station, the Wisconsin and Iowa Agricultural Experiment Stations and the Agricultural Experiment Stations in Canada and Montana have supplemented what the North Dakota Station has done in producing better oats, flax and wheat. More than half of the corn grown in North Dakota in 1947 was hybrid corn and the greatest proportion of the hybrid corn was produced in the first instance by the North Dakota Agricultural Experiment Station.

"Summing it all up, agricultural research on plant breeding alone in North Dakota and for North Dakota can be conservatively estimated to have accounted for over half a billion dollars worth of wealth and perhaps more in 1947 alone.

"Agricultural research in North Dakota is not limited to crop production and plant breeding. It includes the services of an Animal Industry Division pointing the way to better feeding of livestock, to better breeding of livestock and to the protection of that livestock against the diseases which assail it.

## Help Poultry Industry

"The great and growing Poultry Industry of North Dakota is directly built upon agricultural research and its further expansion is going to depend upon a still wider use of agricultural research. As an example, reference is made to the July-August issue of the Bimonthly Bulletin of the North Dakota Agricultural Experiment Station wherein is reported work being conducted by the Department of Veterinary Science on the so-called, 'Mushy chick or poult disease,' 'Navel infection of chicks and poults,' and on 'The

treatment of pullorum disease and paratyphoid infections with sulfamerazine.' A project on, 'Forced-air system for poultry house ventilation,' is reported on by the Department of Agricultural Engineering and the Department of Poultry Husbandry. New research projects in Poultry Husbandry at the North Dakota Station point toward solving such problems as, 'The practicability of artificial insemination in chicken breeding,' or the lack of practicability as the case may be, 'The utilization by chicks of certain of the essential proteins,' and the over-all and tremendous problem of, 'The possibility of reducing leucosis or fowl paralysis through breeding, vaccination, and early detection of the disease.'

"Production of grain, flax, corn, livestock and poultry presupposes the marketing of these products. The expanding research program of the North Dakota Station seeks better methods of marketing, better understanding of the whole marketing procedure. Extensive projects in the marketing field include the following: 'The marketing of North Dakota table-stock potatoes,' 'The marketing of barley,' and 'The marketing of feeder cattle and sheep.' In cooperation with other States, 'The quality price relationship of potatoes at the retail level.' All such marketing projects are aimed at getting for the farmer the true value of the product marketed."

In a move believed without precedent in North Dakota legal history, the state supreme court has ordered a review of the legality of settlement of the Grimson murder case in Grafton, which Atty. Gen. Nels G. Johnson had called a "mis-carriage of justice."

## Women Will Fight In 1948 to Preserve American Way of Life

"The great Republican victory in the Congressional elections of 1946 was made possible, in large part, by the support given to the Party by the women of America. The even greater Republican victory in prospect next year will be assured if the Party retains that degree of support from the women voters, AND THIS IS THE TIME FOR THE PARTY TO DO EVERYTHING WITHIN ITS POWER TO MAKE SURE THAT THAT SUPPORT IS RETAINED.

"The day when women's activities constituted a kind of sideshow in politics is past, and rightly so. According to the Bureau of Statistics, potential women voters in 1946 outnumbered the men by more than 1,100,000. Detailed statistics as to the number of actual women voters are not available, but it seems safe to assume that at least half of the votes cast last November were cast by women. If that is true, then it is obvious that a majority of the women supported Republican candidates.

"The Republican Party is in a particularly advantageous position to enlist and retain the support of women voters. Our Party, from the very beginning of women's suffrage, has accorded them full recognition in the regular Party organization. Today every state has a Republican National Committeewoman. In all but four States the Vice Chairmen of the Party organization are women. The National Committee itself has a woman Assistant Chairman, and its rules provide that women shall have equal representation with men on all sub-committees of the National Committee, as well as upon the Resolutions Committee which draws up the Party Platform.

## GOP Welcomes Women

Since women voters comprise half, or more, of the total potential electorate, at least half of the effort to be expended during the campaign of 1948 should be devoted to presenting the Republican cause from the women's viewpoint. Women's SUBJECTS of interest are almost precisely the same as those of men. But the technique of their children, women is different in many instances.

Women do most of the family business at the consumer level. They feel high taxes. They deal with the prices of commodities needed by their families. They share the burden when labor disputes curtail the family income and they become apprehensive about the future opportunities of their children when alien philosophies of government threaten the security of the American system.

## Not A Pressure Group

"It is noteworthy that women have rarely shown any disposition to vote as a group. Actually, they vote as men do on the basis of preference for individual candidates and on the issues presented by the various parties. Very properly, most women resent being treated as a pressure group. They possess the same kind of citizenship as do the men, and naturally expect the same kind of treatment in the field of politics.

## Increased Activities Planned

The Women's Division of the National Committee is now promoting a program to increase the active participation of women in the campaign of 1948. The assistance of women Party workers is being sought, particularly with respect to the problem of presenting the issues of the campaign to other women generally. Part of this program of the Women's Division consists of a series of regional conferences to be held in various cities during the next few weeks. It is to be hoped that such conferences will receive enthusiastic cooperation from other elements in the Party organization.

"This effort on the part of the Women's division of the National Committee will be pushed with all possible vigor, but to be successful it will need the assistance from State, County, City and Precinct committees. No political organization is really effective unless it reaches into, and permeates, the precincts in which the votes are to be cast and counted."

## N. O. JONES State Highway Commissioner

1 1/2" re-surface of the present oil road which was breaking up badly. This contract amounted to \$49,424.00, or approximately \$5,000 per mile. In addition to this, 221 miles of oil surfaced highways were resealed by State equipment and State employees, bringing its total oil surface work to 591 miles. Gravel replenishment was also let to contract on 285 miles for a sum of \$269,447.00. And, in addition to this, State forces with private equipment have graveled an additional 367 miles, making a total of re-graveled projects 652 miles with a probability that an additional 100 miles will be completed by the various Divisions before the freeze up.

It may be interesting to readers to have a little explanation of the reason why oil sealing runs to a relatively high figure, and why it is necessary. Any oil surfaced highway should have a seal coat treatment at least once every four or five years. The purpose of this is to seal and fill any and all cracks which appear in the surface, and to add additional wearing surface by the application of rock chips. The quantity of oil required for this type of job is 3 of a gallon per square yard, or approximately 4,000 gallons per mile. The cost of the oil is approximately 9 cents per gallon. Rock chips are small crushed rock passing a #6 screen, and the requirements are 25 pounds per square yard; this amounts to 150 tons per mile. The cost of these rock chips varies from 4 dollars per ton to \$8.50 per ton, the difference being the cost of transportation. The other principal cost in connection with this work is the applica-

**R. O. C. MESSENGER**  
Published by  
Republican Organizing Committee  
Headquarters Grand Pacific Hotel,  
Bismarck, N. D.  
W. M. SMART, Editor

**What ROC Stands For**

A review of the R.O.C. administration of state affairs during the last four years and a fair appraisal of the achievements of the 1947 legislature indicate that the R.O.C. in the main stands for certain governmental ideas and for them are the following:

1. Strong support of our educational system with the view that in the presence of tremendous social, political and economic problems, the best possible education for every boy and girl in the state is absolutely essential. In endeavoring to attain this ideal, the R.O.C. has not been alone. We have had wonderful support from many members of opposing factions. How well we have tried to do this job is attested to by many state educators who in this issue tell of the renewed hope that prevails in North Dakota's educational institutions.

2. The greatest possible aid to agricultural research with the view that the supreme economic problem in North Dakota is to attain the maximum prosperity and security for the man who tills the soil upon whose success every North Dakotan depends. Gov. Aandahl and his co-workers in the state capital have been strong champions of agricultural research as the one enterprise that pays the biggest dividends, and in keeping with his recommendations, the 1947 session of the legislature gave increased aid to this work and to the expansion of the state's experimental farm programs and extension work. An article by Dean Walster on this subject in this issue should be read by everyone.

3. The formation of a state highway system, including a thirteen million dollar federal highway program and adequate provision for county, township and farm to market roads. The governor's recommendation that \$2,900,000 be transferred from the general fund to the state highway fund was promptly enacted by the 1947 legislature and the people followed the thinking of the governor in initiating a new tax exempt gas law that will bring in about two million dollars more each year. Read the article in this issue showing how much more your county will get for road purposes as a result of this new system.

4. A sound financial policy which, while providing for the educational and governmental services required, still leave the state treasury in excellent condition with adequate balances in all funds and state practically free from debt. The appropriations by the 1947 session, as Gov. Aandahl says, were fully justified. Though somewhat larger than in 1945 due to rising costs, the appropriations for normal government operations were not excessive, and after providing for the \$2,900,000 transfer to the state highway fund, the three million to the veterans' rehabilitation fund and the \$4,000,000 building program which was badly needed, the state still has about twelve million in the general fund. State finances are in splendid shape.

5. A new concept of the duties and responsibilities of state employees. Gov. Aandahl has insisted that every state employee put loyalty to the state above loyalty to the political organization he affiliates with. He has retained in office honest and conscientious servants who belonged to other political factions and parties, and whenever an overzealous R.O.C. appointee has appeared, the governor has made it plain that he expects service to the state to come first. That is why in the Jamestown convention of R.O.C. workers, there were only four men who were on the state payroll, and they took no active part in the program.

**The Age Long Struggle**

There is undoubtedly a grand purpose behind the revival of the Russian communitarian. There is nothing that Stalin fears so much as the American idea of freedom. He knows better than anyone else if communism is to win as a world philosophy, freedom must be destroyed. FREEDOM IS THE ONE

**BIG IDEA THAT THE COMMUNISTS ARE AFRAID OF.**

Communism must have an iron curtain. It cannot grow without it. The iron curtain is a monument to their fear. As long as one free man remains alive in the world, as long as there is one free intellect, tyranny will not be safe. Hitler had the same basic idea. He not only murdered his enemies, but he burned the masters of world literature, exiled the poets, scientists and philosophers who believed in freedom and destroyed every vestige of religion, culture and spiritual resource upon which freedom might sprout and grow.

How Stalin fears the American idea of freedom is explained by Russell Porter in the New York Times:

The American food and supplies that go to Europe constitute a visible, tangible symbol of American freedom—a surplus that American free enterprise and free labor, in other words the American people, cooperatively and successfully to achieve the highest productivity, the highest standard of living and the highest degree of national security in the history of the world, have been able to produce under our unique free society. They also constitute a beacon of hope to the people of Europe that if they keep their freedom, they can do some day what we have done."

We must remember that this struggle between freedom and tyranny is not confined to the international scene. It is going on in America and in North Dakota. Whenever a federal bureaucracy endeavors to use the nation's unlimited taxing power to keep millions of henchmen on the payroll and build a political machine that uses the savings of the people to keep themselves in office, then freedom is endangered.

Whenever in North Dakota or any other state a powerful clique endeavors to drive or herd a large group of citizens in the direction of a dictated program, freedom is in danger. That is why the R.O.C. does not endeavor to force its members to abandon their own individual conscience and honest judgment as to what is right and just. Our motto in the coming campaign will be: "Let the truth be known. Decide all issues on their merits. Let every individual be loyal to the inner light."

**The Starry Heights And The Moral Law**

Many years ago Immanuel Kant, the Great German philosopher, took a long stroll on a dark night and was thrilled by the beauty, the majesty and the grandeur of the celestial heavens. On returning, he said to one of his friends, "Two things fill me with majesty and awe, the starry heavens above and the moral law within." If Hitler had been motivated by this philosophy, then he never would have been World War II.

We have a man in the state house among others who is bound by this philosophy, and his name is Nels Johnson. No one will ever know all the secret workings of his mind as he evolved the great principle that would control him as attorney general, but the decision was very similar to the one that Immanuel Kant arrived at: There is a God and there is a moral law, and human beings are endowed with an inner light, which we call conscience.

This man Johnson has been the target of some who have not especially liked his insistence on law enforcement. When a roving reporter asked him a few days ago how he stood up under all of this he replied in words that would do justice to Abraham Lincoln: "I am only concerned about doing the thing that is right

**Good Government Needs To Apologize For Nothing**

Governor Fred G. Aandahl of North Dakota has a way of saying things we definitely like.

Last Sunday, addressing a conference of Republican Organizing Committee members and supporters at Jamestown, he said flatly that the ROC state administration had written a record that required no apologies.

No truer words have been spoken in a long time, and it was appropriate that somebody in a position of authority said them.

Political traducers of Governor Aandahl and the state administration he heads are leaving unturned no stones they figure they can throw in his way. They want to return to power in state government.

Currently they are centering their fire on two points; the condition of North Dakota highways and the 50 or so million dollars of appropriations voted by the last legislature.

As to the highway situation, the answer is being written so clearly and so convincingly that Governor Aandahl is on sound ground when he says no apologies are required.

North Dakota isn't different from any other state. We are far behind in road work, and the war isn't the only reason. Our now repudiated gas tax exempt law, supported by the very forces that are attempting to capitalize on road conditions, was a big factor in breaking down our highway system. You can't maintain highways, you can't build them, without revenue.

In the first six months of this year with an increase of less than four million gallons in sales, the highway department revenue increased approximately a million dollars. Double that for the year and you have two million dollars not available to the department in the war years, and in the years when we were inviting consumers to avoid the gas tax by the simple process of not paying it.

What has happened on the highways this year was aptly portrayed by N. O. Jones, highway commissioner, in an address at the recent meeting of the North Dakota Good Roads association in Fargo. He reported this operation for the year 1947:

Five hundred twenty-one miles of oiled roads have been rescaled this year. This represents 24 per cent of the oiled surface mileage in North Dakota.

Six hundred miles of graveling has been done this year which represents 18 per cent of the gravel mileage in the state system.

Six million dollars of new work has been contracted for in 1947 of which \$4,000,000 will be completed this year.

He estimates the department will let \$7,000,000 of construction work in 1948.

One hundred twenty-four miles of the secondary system was being rebuilt this year.

As to legislative appropriations, the same political forces currently seeking to undermine the state administration were the busiest of all in building those appropriations.

Again, Governor Aandahl says the administration has nothing for which to apologize.

The appropriations cover vast operations, such as veteran rehabilitation, institutional rehabilitation, restoration of funds to the highway department and the state hail department, welfare, education, and so on.

The critics would do well if they would concentrate on one or two or three appropriations—if they were subject to just criticism, which they are not—instead of operating on a shotgun basis.

As to the forthcoming 1948 elections, when North Dakota will decide what sort of administration it is going to have during the two years beginning in January, 1949, we feel that the cause of the ROC, and the cause of good government is in mighty good hands with Governor Aandahl as their forthright champion.—Editorial in Fargo Forum.

and honest. I am not concerned with public reaction. After all I didn't make the laws. I was elected to enforce them. If the laws do not suit the people, then they have the right to change them." We need more public servants of the type of Nels Johnson.

North Dakota for the first time in a decade showed an uptrend in population during 1946.

The census bureau in Washington has estimated the state's population on July 1, 1946, at 537,065. That figure does not include residents of the state who were still in the armed forces.

**Chain Reaction and the Human Spirit**

When scientists discovered the secret of atomic energy, they unleashed a power that may destroy all the accumulated treasures of civilization, or may become a perennial fountain of happiness and prosperity.

In a certain sense the soul of man is like a pile of uranium, says Henry Ford II. This is what he said in a recent address:

"Long before America found out how to achieve the terrific release of power which results from splitting the uranium atom and effecting a chain reaction, America discovered the even greater power to be derived by freeing the individual from the monopolistic restraints of kings, dictators, privileged classes, governments or any other institution. The wealth and strength of America today is the product of a tremendous chain reaction in the field of the human spirit.

"If the rest of the world could build a climate in which this growth of the human spirit could flourish, the task of building and producing for peace would be immeasurably more simple. It is part of our job to help build that climate.

"The nations of the world have been jammed together into a small area by the great technological advances of our times. This has led us to think in terms of One World. Perhaps it would be more accurate to say that we are strangers in one room, for, although the people of the world are crowded into a small physical area, there is great diversity in our beliefs on every important topic—politics, religion, government, economics, race, trade, etc."

**Individual Liberty Pays Big Dividends**

Sometime ago a film was shown in Russia, intended to exhibit the severity of race prejudice in America. A negro attacked by a mob was thrown into a gutter. The Russian audience, however, noticed to their great amazement that the negro wore a good pair of shoes and a good suit of clothes. How could it happen that a member of a down-trodden race could afford to wear good clothes. The impression left by the film on the mind of the Russian was "surely in America they must have a higher standard of living than we do."

The contrast between America's system of free enterprise and the Russian communistic system has recently been forcibly explained by young Henry Ford in these words:

"The average Russian can earn enough in a week to buy 8 pounds of beef. If he wanted to spend his weekly earnings on beef, the average American could buy 10 times as much—even at present prices."

"The Russian's weekly wage will get him 15.2 quarts of milk. The American's will get him 276 quarts. The Russian's pay will procure 22.5 pounds of bread. The American's pay will procure 294 pounds. If a Russian wants a bottle of beer, he has to work 8 hours to get it. An American works 10 minutes. The Russian works 160 hours for a pair of shoes. The American works three. A new coat for Mrs. Average American can cost 75 hours of labor. In Russia it costs 1,000 hours of labor. A cheap cotton shirt costs \$80 in Moscow. And even at these fantastic prices, many of these things are unobtainable."

**Churchill on Socialism**

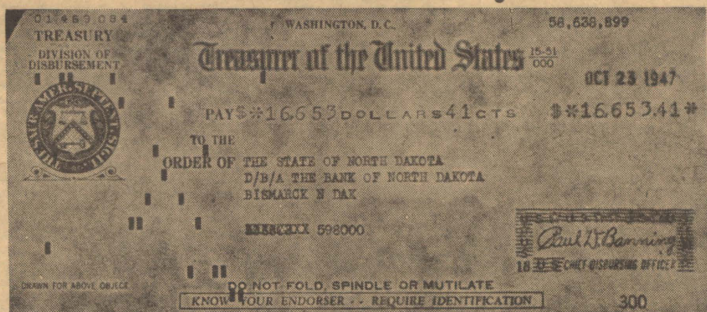
Socialism in Britain is doing more damage than did the German U-boats, according to Winston Churchill. In a recent address the war-time British prime minister said:

"There is not a single aspect or sphere of British national life that has not undergone marked deterioration. "What German U-boats could never do to us has been achieved by the mismanagement of our misguided fellow countrymen—now our rulers—through their hordes of additional officials, through thousands and tens of thousands of forms, and through their gross misdirection of our affairs large and small."

Mr. Churchill said that Britain was living worse than under the full stress of the war "but what has happened so far is only a foretaste of what is to come."

"Under socialism, with all its crippling of enterprise and all its interference in daily life, it will not be possible, I should imagine, for more than two-thirds of our present population to live in this island." Evidently the voters of Great Britain are paying some heed to Churchill's words as the recent elections indicate a spectacular trend away from socialism.

**Bank of North Dakota Gets Big Check**



THIS CHECK FOR \$16,653.41 marked the end of a long argument between the State of North Dakota and the Federal government over taxation of the Bank of North Dakota. The decision is considered a victory for Attorney General Nels Johnson.

# Due to Good Times and Wise Management, North Dakota Now Practically Free from All Debt

## North Dakota's Net Assets Up From 17 to 74 Millions Since 1941

The State of North Dakota is probably the largest of our state's business institutions. Due to good times and wise financial management its net assets have been increasing tremendously.

Figures released by State Treasurer H. W. Swenson show that the state's net worth has increased from \$17,249,026.59 on June 30, 1941, to \$74,861,890.20 on June 30, 1947.

These assets include only the cash on hand in the various funds and all moneys invested in bonds and securities. They do not include any physical property owned by the state such as the state capitol, the state mill and elevator, the educational and penal institutions, the Bank of North Dakota or any plant, furnishings, supplies or equipment owned by the state. The state capitol which cost about two millions and is now worth many times that amount, the state mill and elevator and all other buildings and equipment are entirely paid for. These physical properties would run into scores of millions.

The net assets are reckoned as follows: On June 30, 1947, the state owned in securities and investments \$50,801,287.74 and had cash balance in all funds \$4,110,962.76, or total assets of \$52,212,140.20. Deducting from the state's bonded indebtedness of \$17,350,250, the net worth of over seventy-four millions is arrived at. Against the bonded debt

there was over thirteen millions on hand in the sinking fund, and approximately \$4,000,000 in the Bank of North Dakota from partial payments on real estate sold, so that the state is practically free from debt.

After transferring approximately \$2,900,000 to the state highway department and three millions to the veterans rehabilitation fund on July 1, 1947, the state still had on Sept. 30 \$12,165,915.52 in the general fund and \$39,491,840.57 in all funds.

This seventy four million dollar figure of total assets includes all of the state's trust funds, including the reserve in the hail insurance, the state bonding, the fire and tornado, workmen's compensation, teachers insurance and retirement fund, and the veterans rehabilitation fund, and only the balance in the general fund of approximately twelve million dollars is available for the ordinary expenses of government.

In addition to the twelve million dollar balance in the general fund there are somewhat corresponding balances in special funds that are available to those departments of state that function on ear-marked funds.

This is the way the total state net assets, including all trust funds, have increased since 1941.

1941	.....	\$17,249,026.59
1943	.....	34,936,450.82
1945	.....	54,286,359.86
1947	.....	74,861,890.20

## Otto Krueger Announces Lowest Hail Rates in 8 Year Period



OTTO KRUEGER  
Insurance Commissioner

The lowest hail rates in eight years have been announced by Otto Krueger, Commissioner of Insurance. Below is given a tabular statement of State Hail Insurance Department rates for the last eight years of operation:

Year	Premium on \$5.00 per acre insurance for the five districts:				
	1st Dist.	2nd Dist.	3rd Dist.	4th Dist.	5th Dist.
1940	18c	30c	36c	42c	48c
1941	17c	29c	35c	40c	46c
1942	18c	31c	37c	43c	50c
1943	18c	31c	37c	43c	50c
1944	18c	30c	36c	42c	48c
1945	17c	28c	34c	39c	45c
1946	15c	25c	30c	35c	40c

Year	Premium on \$8.00 per acre insurance for the five districts:				
	1st Dist.	2nd Dist.	3rd Dist.	4th Dist.	5th Dist.
1940	29c	48c	58c	68c	77c
1941	29c	48c	58c	68c	77c
1942	30c	50c	60c	70c	80c
1943	30c	50c	60c	70c	80c
1944	29c	48c	57c	67c	76c
1945	27c	45c	54c	63c	72c
1946	24c	40c	48c	56c	64c

Nineteen counties receiving the benefit of the lowest rate and placed in district number 1 are: Adams, Barnes, Burleigh, Cass, Eddy, Grand Forks, Griggs, Logan, McKenzie, Oliver, Ransom, Renville, Richland, Sargent, Steele, Stutsman, Traill, Ward, Wells.

Sixteen counties come in district number 2 which carries the next lowest rate: Benson, LaMoure, Mountrail, Sioux, Bottineau, McHenry, Nelson, Towner, Dickey, McLean, Pierce, Walsh, Foster, Mercer, Rolette, Williams.

Six counties fall in district number 3: Burke, Durn, Emmons, Hettinger, Ramsey, Sheridan.

Five counties fall in district number 4: Cavalier, Divide, Kidder, McIntosh, Stark.

Seven counties fall in district number 5 which is the highest rate: Billings, Bowman, Golden Valley, Grant, Morton, Pembina, Slope.

During the last three years the tendency has been for a lower rate. In the year 1945 the \$8.00 per acre insurance rate was lowered four cents per acre from the top rate that had ensued the previous three years, and in 1946 it was reduced eight cents per acre from the top rate and now, in 1947, it is being reduced sixteen cents per acre from the top rate, that is to show that the rate for the years 1942, 1943 and 1944 was 80 cents per acre for \$8.00 insurance and it was reduced to 64 cents per acre in 1947.

On the \$5.00 per acre protection the rate was 50 cents per acre for the years 1942, 1943 and 1944, which has been reduced to 48 cents in 1945, to 45 cents in 1946 and now, in 1947, it has been reduced to 40 cents per acre.

A further reduction of premiums can be had if the policy holder wishes to avail himself of Chapter 224, Session Laws of 1947, which provides a 5% discount if the hail tax or premium is paid on or before November 15th each year.

Cost of Production: Hail insurance carried by the department on a statewide basis. Premium per \$1000 insurance for the eight years of operation was as follows:

1940	per \$1000 insurance	\$80.30 Premium
1941	per \$1000 insurance	67.86 Premium
1942	per \$1000 insurance	86.70 Premium
1943	per \$1000 insurance	91.43 Premium
1944	per \$1000 insurance	79.87 Premium
1945	per \$1000 insurance	68.39 Premium
1946	per \$1000 insurance	67.94 Premium
1947	per \$1000 insurance	54.31 Premium

The department, due to favorable crop conditions and perhaps other factors, wrote a total of \$25,350,653.00 of insurance this year, as compared with \$14,287,363.38 in 1946. In other words, the department's business was increased 77% over last year.

On the \$25,350,653.00 risk carried, \$1,059,502.46 was paid to policy holders in hail losses as compared with last year when the department carried \$14,287,363.38 and paid a loss of \$840,817.95.

The pro rata overhead expenses in comparison with the business written in the past three years have been gradually going down.

Mr. Krueger is especially pleased to be able to announce lower premium rates and the reduction in the pro rata expenses in operating the department during these times of higher and higher prices in material and personal wages. It is a reversal of the present trend of increased costs that seems to be in vogue these days.

credit system set up in the 1944 initiated act providing for issuance of \$12,260,000 in revenue anticipation certificates.

Thus far, Highway Commissioner N. O. Jones said the department has issued \$2,750,000 of these certificates, but there has been money on hand to retire each certificate as fast as it was issued.

Money to retire the certificates comes from a special one-cent gas tax which can be used for no other purpose. Thus the certificates must be issued and retired technically, even though the cash is on hand.

## Harry Polk New Reclamation Head

Supporters of Missouri river development are greatly elated over the election of Harry Polk as reclamation as president of the National Reclamation association.

Harry Polk is publisher of the Williston Herald and since 1940 has been state director of the national association. He has lived in North Dakota since 1916 and was active in forming the North Dakota Reclamation association in 1939. In 1944 he was elevated to the position of second vice president and in 1946 to first vice president of the national association. He is a veteran of World War I and served as commander of the American Legion in North Dakota in 1946-47.

At the convention in Phoenix N. D., which was attended by a large North Dakota delegation including Congressman William Lemke, the convention favored the following program:

State control over non-navigational uses of rivers for domestic, irrigation, municipal, stock-watering, and industrial purposes.

State ownership of tidelands and the beds of navigable streams within their boundaries.

Appointment of a committee to study legislation to extend the time of repayment of water users under the reclamation act.

Passage of the Reclamation bill, now in congress to establish a new formula for payment of principal and interest on reclamation project power unit costs.

Establishment of a long-range program of reclamation construction, with adequate yearly appropriations.

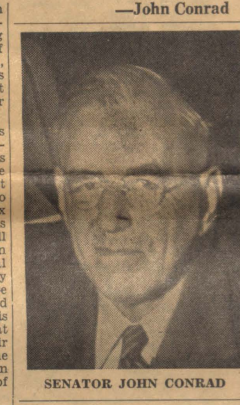
Opposing regional authorities and continuation of the southwestern power authority.

## We Should Work for Better Tax Laws and Better Tax Administration

—John Conrad

One of the subjects the North Dakota legislative research committee is studying is that of improving the assessing and equalization of property. Senator John Conrad, member of the committee, who has made a special study of this subject has written the following article for the Messenger:

"No tax system ever devised has been perfect. However, the tax system that North Dakota now has compares very favorably with the best. It is far out in front of most any of our adjoining states. To start with, we have a broader tax base, broader than most states. This is as it should be. Practically all citizens make some contribution in support of our State and local government and the services they render. Our tax and expenditure laws can be improved to the end that each taxpayer shall carry his full share of the tax burden so that no one will escape any part of their tax responsibility, and that no one will be required to pay more than his share or to pay the taxes of another.



SENATOR JOHN CONRAD

"To accomplish this we must work for better tax laws and better administration of the tax laws. Commented with the property tax, both real and personal, we can improve the assessment, equalization, budgeting, levying and collection. As to the Special taxes such as Income Tax, Sales Tax, Motor Vehicle, Registration tax, Gasoline tax, Cigarette tax, Beer tax, Liquor tax, Use tax, Insurance tax, Estate tax and the many fees collected by State and Local government for permits and services. Much of these taxes and collections go to the State. Some are shared by the State and Counties for roads, schools, relief, and institutional care. There are also such other special taxes as fish and game, driver's license, social security, teacher's retirement which are collected by State Departments and largely used for special purposes, which, added together with the real and personal property tax, constitutes the tax base for North Dakota. This constitutes the revenue sources from which the State of North Dakota and its political subdivisions will collect the \$40,000,000 plus of taxes and fees for 1947.

citizen and business institution shall contribute each their fair share and to distribute this sum equitably and fairly between the State, its boards, bureaus and institutions; among the 53 counties, the 2290 schools, the 1400 townships and approximately 500 Cities within North Dakota.

"By the process of years of trial and error, we are now doing in tax matters, a fairly good job when comparison is made with what is being done in adjoining states. However, this does not justify us not making the best effort we can to improve what has been accomplished. Our aim should be to do a better job, not to increase this present tax burden, but rather to lighten it. Good crops sold at war prices bring our people the revenue necessary to support State and Local governments at its present cost level. We can hardly expect this to continue. It is safe to predict that taxes and spending on the part of all Government will of necessity be reduced.

"Better assessment, equalization, budgeting and collection of the real and personal property tax and a more equitable distribution of the special taxes collected by the state should be our goal as we move forward in the field of taxation.

## N. D. Highway Program Stays On Cash Basis

The state highway department is still on a cash basis in financing its multi-million dollar highway construction program.

Next summer, however, it probably will have to fall back on the

## We Need Better Job Of Assessment

"The question has been raised as to how the people and the Legislature can improve the job of assessing, equalizing, budgeting, levying, collection and distribution and spending of this large sum collected each year from 65,000 people of North Dakota to the end that each

## MacArthur May Make Triumphant Entry

According to Associated and United Press Reports, Gen. Douglas MacArthur plans a triumphal entry across the United States next spring "to capture the Republican nomination for president."

A story by Robert E. Cochrane, former chief of the Baltimore Sun Tokyo bureau says: "It is definitely known that MacArthur plans his return in April or May."

Cochrane's story said the crew of MacArthur's private plane has been alerted to return to this country permanently next spring and that "MacArthur's pilot, Elmer (Red) McBride, has already sold his automobile to an Allied newspaper correspondent with delivery set for April."

"Tokyo letters say MacArthur's delay in returning to the United States, like other war commanders who were feted in parades and public ceremonies shortly after the war ended, was dictated deliberately by a master-strategy which had the Republican nomination as its goal."

"MacArthur, they say, is too fine a tactician to allow any celebration of his Pacific victories to be wasted in a non-election year."

Delegates to a national conference at Milwaukee Nov. 15 may determine when Gen. Douglas MacArthur will announce his candidacy for the Republican presidential nomination.

One of MacArthur's strong supporters in North Dakota is Congressman William Lemke who at various informal conferences in October suggested that a campaign be started to line up delegates for MacArthur.

## Missouri River Plans Displayed at Chicago

Displays of Missouri river development plans, including a grand durum wheat and its products will be among North Dakota's exhibits in the International Hay and Grain show at Chicago, Nov. 29 through Dec. 4.

In charge of the state's two exhibits will be B. E. Groom, Fargo, of the Greater North Dakota association, who says: "Quality of the 150 different grain entries is especially good, although some show weather damage which may reduce ratings."

Army engineers, the state water conservation commission and federal bureau of reclamation officials contributed to the river development display with photos, charts and other features of the statewide water program. The durum exhibit tells the story of grain in the straw and threshed, with the National Macaroni Manufacturers association showing finished durum products. Thousands of descriptive pamphlets will be given away.

## Overlapping Taxation May Be Eliminated

Chances of a cutdown in overlapping taxation by federal and state governments look brighter than in years—but not too promising at that.

Of about \$39,000,000,000 in federal and \$5,000,000,000 in state tax collections in fiscal 1946, more than 90 per cent came from taxes levied at both levels on the same things.

The dual levies were income, death, gift, liquor, tobacco, gasoline, admissions and stock-transfer taxes.

# North Dakota's School System Greatly Strengthened By 1947 Legislative Session, Say State's Educators

Progressive and far-reaching laws for the improvement of North Dakota's educational system passed by the 1947 session of the legislature have brought renewed hope to those who believe that in better education lies the solution to most of humanity's problems.

In response to the question as to how our educational institutions are endeavoring to serve the people through increased aid given by the 1947 session, the Messenger presents statements by several of the state's educators.

Among the beneficial educational measures, the educators stressed:

- School Redistricting Law
- Minimum Wage Law
- Improvement of Teachers Retirement Law
- More adequate pay for Teachers

- More help for county superintendents
- Improvement of Equalization Fund
- Provision for new buildings and equipment
- Increased aid for agricultural research
- Expansion of state experiment stations
- Greater aid to rural schools
- Readjustment of school tax mill levies

## University Entering New Era, Says West

"The University of North Dakota is entering into a new era in its development," President John C. West announced at a recent commemorative banquet at which the Legislative Research Committee, other North Dakota legislators, and a host of alumni were present.

Generous action of the 1947 legislature in its appropriation for the biennium is making it possible for the University to forge ahead in the three primary functions which an educational institution can perform for its state, he added.

Funds voted by the last legislature are enabling UND: (1) to augment and improve its staff and its curricula in making available to students a high level of training; (2) to increase its usefulness as a storehouse of knowledge to which people of the state may turn; and (3) to obtain sorely needed research equipment and technical know-how with which to develop North Dakota's natural resources.

"The 15-year procession of able staff members to more lucrative positions outside the state has been halted," the president stated emphatically, "and the University now enjoys the services of a wholly competent faculty."

This staff makes the University one of North Dakota's best means of paying off what President West considers one of the state's largest debts—the educational debt owed to veterans. During the past year UND has built emergency housing units to shelter 230 veteran families and more than 70 unmarried ex-GIs. Students who served in World War II total 1,515 at UND, more than half the entire enrollment of nearly 2,900.

Consideration of permanent structures was also a feature of the legislature. Not since impressive Merrifield Hall opened its doors for the 1929-30 school year has a new permanent structure been built on the campus. Legislators this year made provision for a new medical science building and a new physical education building. Contemplated are additional dormitories and the student union building. Modern equipment is replacing the obsolescent in all colleges on the campus.

"Along with the academic staff, the University library of more than 150,000 volumes is a great storehouse of knowledge," President West pointed out, "and it has been made more available by the addition of new reading rooms and the hiring of more reference librarians. Notice has been taken of the fact that competent teachers in the state are scarce and, in many instances, not available. The University this year has doubled its enrollment in the school of education in order to meet the present emergency and to prepare teachers for the future."

"Another great field of endeavor—the field of research—is being realized," he announced, "to the extent that it reaches to the utmost limits of the state and even far beyond." Operating on the UND campus are the nation's largest lignite

gasification plant, and research projects in food dehydrating and processing, in geology and geology and medicine, to mention only a few. "New funds give added impetus to research which may mean new industries within in the state," the president said.

"To those whose wishes and thoughts accompanied every act of the legislature," he concluded, "goes the thanks of the University. Every staff member here is determined that that confidence, good will and actual support was not misplaced."

## NDAC Aims to Improve Our Basic Industry

Dr. John H. Longwell, president, NDAC, says 1947 legislators realized the immense value of our institutions of higher learning. He says: "Sometimes people accept, without surprise the fact that North Dakota Agricultural College includes three branches: the college of resident teaching, the Experiment Station, and the Extension Division. All these branches are endeavoring to render greater service to the people of North Dakota."

"The college of resident teaching, with six schools (Agriculture, Chemistry, Engineering, Home Economics, Applied Arts and Sciences, and Pharmacy) is engaged in giving young men and women of the state training for professions, and at the same time helping them to become better citizens of the nation.

"Since we believe that any college worthy of the name must not only teach, but must also itself learn, the institution places heavy emphasis on its Experiment Station. This branch employs scientists and research experts to improve methods of our state's basic industries, to develop new strains of seeds, to combat animal diseases, and to bring their findings to the attention of the residents through scientific publications.

"The Extension Division—the educational arm of the school of Agriculture, interests itself in the young people of the state through 4-H activities, in the homemaker, in the rural life of the state. It concerns itself with the cultural, social, and educational betterment of its citizens.

"It is significant for higher education in general, and for North Dakota Agricultural College in particular, that the legislature of the state, in its last biennial session, realized the immense value to the state and its residents of its institutions of higher learning. They applied that new spirit by underwriting in a practical way the budget needs of the institution.

"A recent gift to the institution—310 acres of land purchased by popular subscription through the citizens, to be used as a livestock industry laboratory—yet again underscores this fact: North Dakota's citizens know that the future of their children and their great basic agricultural industries, lies in great measure in the hands of its educators and research scientists."

## Minot College Stresses Its Agricultural Program

President Carl Swain of the Minot State Teachers college says that the Minot institution is stressing more work in agriculture and country life and more extensive follow-up work in rural schools. The Minot educator says:

"How is the MINOT TEACHERS COLLEGE endeavoring to meet state's educational needs? How did the Legislature help? This is your inquiry. Limited to 300 words, we can only touch upon our major activities. Briefly, we are doing this:

"Our main concern is to improve the teaching in the public schools of North Dakota. Last year we prepared more than 500 teachers. Our summer school enrollment of over 700 was made up almost entirely of teachers. We are also endeavoring to make the profession of teaching more attractive so that a larger number of young people will prepare for the teaching service. We are also improving our College in many ways in order that it may attract young people. Through the work of our full time rural supervisor, we are doing follow-up work in hundreds of rural schools, attending

school officers meetings and giving extension class work to rural teachers.

"There are, of course, other educational needs that we must meet out here in the Northwest part of North Dakota. We must do more work in Agriculture and country life, give Junior College work and offer degree courses in general education. The new building authorized by the last session of the Legislature will help us to further meet the educational needs of our State.

"The last Legislature very definitely helped us in our educational program. More money was appropriated than ever before to meet needs for maintenance and for new buildings and equipment, as well as to pay more reasonable salaries to our faculty. The last Legislature passed very many far-reaching and progressive laws for the improvement of education in North Dakota. Mention can be made of only a few, such as the Redistricting Law, the Minimum Wage Law, improvement of the Retirement Law, salary increases and more help for county superintendents, improvement of the Equalization Fund, etc. North Dakota is definitely on the march educationally.

## Valley City Enrollment 27% Higher Than in '46

The Valley City teachers college is making remarkable success in its recruitment program to help relieve the teacher shortage in North Dakota.

Meryl O'Connell, secretary to President Lokken, says that the 1947 session greatly aided education in North Dakota. Her statement follows:

"The State Teachers College at Valley City has created a Teachers Recruitment Committee designed to recruit prospective teachers to meet the teacher shortage in North Dakota. A student Recruitment Committee has also been active in the same area. One hundred and sixty-three teacher certificates were issued last year to teachers who received their training at Valley City. Enrollment this fall is 27 per cent higher than last fall which may be some indication of the success of our recruitment program and a reflection of better conditions in teaching because of legislative action.

"The improvement of the Teachers Insurance and Retirement Law, the readjustment of the statutory maximum mill rate, the strengthening of the state equalization fund, the increase in the minimum salary law, the provision for reorganizing school districts and other educational legislation has done much to improve the educational system.

"For further legislative action the legislature might well give serious consideration to the 1947 proposals of the North Dakota Education Association Legislative Committee which were drawn up at the October, 1947 meeting."

## College Enrollment Passes 8,000 Mark

Greater aid to institutions of higher learning provided by the 1947 legislature has enabled the institutions to take care of an increased enrollment of 10 per cent, to replace emergency teachers and to fill vacancy positions.

Commissioner A. F. Aranson's office has brought out the following points regarding the greatly improved conditions:

1. Increased appropriations have enabled our institutions to improve salary schedules, replace emergency teachers who were employed on short notice a year ago, and fill positions which have been vacant for 4-5 years. All in all we are in pretty good shape for staff members. Some positions are still vacant but the number is small.
2. The improvements which were made in the Teachers Insurance and Retirement law last winter have been a real help—not only to help us hold our present staff but also to secure new ones. Everyone is so "security conscious" these days that the question of retirement plans usually is mentioned when candidates are approached or interviewed.
3. The law making building appropriations permanent was a fine move.
4. Enrollments are up 10 per cent last fall. As of today (Sept. 29) we

have 8001 students enrolled compared to 7300 a year ago.

5. The legislature was generous with building appropriations. We hope that at least some of the construction can be completed by next fall. Costs are terrific—we have lost money by waiting so long to build.
6. Housing has determined the size of most enrollments. We have been able to take care of our 8001 in good shape. People in the college towns have been most cooperative in providing rooms for our students.

## Mayville College Puts On Forward Program

By President C. Lura

The State Teachers College at Mayville recognizes that the professional education of teachers is its prime function though it provides carefully planned general and pre-professional education for many who do not wish to enter teaching and desire to secure a year or two of college work in a small college near home before entering professional schools.

Among the things done by this college to help meet the State's educational needs are the following:

1. Conducting seminars in every high school in its territory with a view to recruiting the best for teaching. Personal guidance and testing was done in all but the very largest high schools.
2. We increased our enrollment twenty-six percent over 1946-47 and housed every student who needed housing.
3. Qualified two hundred seventy-four teachers for public school teaching in the year of 1946-47. These include thirty-two with four-year degrees and twenty-nine with standard diplomas, who teach in town usually, and two hundred thirteen with less than two years of training, who teach in the country.
4. The Correspondence Department enrolled one hundred five students who earned credit toward degrees.
5. Gave pre-professional training to a substantial number of students in law, medicine, dentistry, business, nursing, agriculture and other fields.
6. Provided a full-time In-Service instructor who works with rural teachers in the field to improve their teaching. This is done through frequent personal visits in the teacher's school and with the cooperation of the county superintendents.

The work of the 1947 Legislature was exceptionally good from the standpoint of education. Laws on retirement, redistricting, continuing contracts and social security are decidedly important. The budget for this college is adequate except for salaries. We cannot secure and hold good staff members at present salaries. Graduates from our four-year course and without experience go on to teach for as much as six hundred dollars per year more than we can pay competent experienced people with masters degrees. Several staff members are teaching for less this year than they received last year. If these uncompetent people there would be some justification but they are fine instructors and thoroughly cooperative. I cannot help but wonder about this. Certainly it reflects no particular concern for improvement of the quality and quantity of teachers for our public schools—something the Legislature had very thoroughly in mind as indicated by its excellent record.

## State Levy Slightly Less Than Last Year

A 1947 direct property tax levy of 2.95 mills, including an increased general fund levy, for state purposes has been fixed by the state board of equalization. Last year's levy was 3.1 mills.

The levy for the general fund was boosted from 2 mills in 1946 to 2.5 mills this year. The levy for the real estate bond interest fund was decreased from 1.10 to .45 mills. These were the only levies made for state purposes.

Referring to the general fund levy, Gov. Fred Aandahl said: "Future needs of the state in institutional building and repair program, the veterans rehabilitation fund, and other needs of the state make it advisable to hold the balance in the general fund at a relatively substantial figure."

## Nels Johnson Wins Victory In Tax Case

Attorney General Nels Johnson has won a signal victory from the federal government in the Bank of North Dakota income tax case. Regarding this decision the Associated Press says:

Climaxing a five-year controversy with the federal government which grew into a lawsuit, the state of North Dakota has been given a full refund of 1942 Bank of North Dakota federal income taxes which had been paid under protest.

As a result, its suit against the federal government for the \$13,300.85 the bank paid in 1942, plus interest, has been dismissed. A treasury check



ATTY. GEN. NELSON JOHNSON

for \$16,653.41 has been turned over to the state.

Million involved. From 1942, the first year the bank made a profit the federal government thought it could tax, through 1946 a total of nearly \$750,000 in unpaid federal income tax piled up. By the end of this year the amount involved in the controversy would have totaled approximately \$1,000,000.

In addition to the 1942 tax, however, the state paid \$23,545.15 on the bank's 1943 income before it decided to quit paying and force a test of the bank's liability.

**Is Last Attempt**  
"I believe we can assume," Attorney General Nels G. Johnson said, "that since the federal government paid the administrative refund involved in the lawsuit, it will not force the issue to make necessary a second lawsuit. If it becomes necessary, however, we will institute a second suit to recover the \$23,545.15, with interest."

Johnson also said he assumed that because of this payment "the federal government will not attempt in the future to collect income taxes on the profits of the Bank of North Dakota."

Johnson, who took a leading role in the legal skirmishing with Washington officials, said that both P. O. Sathre, first assistant attorney general, and Robert A. Birdzell, Bank of North Dakota attorney, had done a "tremendous amount of work on the case."

**First Attempt**  
To his knowledge, Johnson said, the attempt to collect federal income tax from the Bank of North Dakota marks the first time the federal government has ever tried to levy on the profits of any North Dakota institution.

The controversy began in 1943, Johnson related, when the state paid federal taxes on the bank's 1942 income under protest. In 1944 it also paid the first installment on the 1943 taxes.

Later that year the then Attorney General Alvin C. Strutz protested to the bureau of internal revenue that the Bank of North Dakota was actually exempt from federal income and excess profits taxes.

The following year, on Johnson's recommendation as attorney general, the state industrial commission, which governs the bank, backed up this view and continued to file tax returns for the bank without paying them.

Pressed for a ruling, the bureau of internal revenue waited until another court case was settled, Johnson said, then in the summer of 1946 rejected the state's claim for a refund of the taxes it had paid.

The state answered this with a suit for recovery of the 1942 taxes.

# Elect Officials and Legislators Who Believe in American Free Enterprise

The editor of the Messenger asked Senator J. B. Bridston of the Seventh legislative district to give his views on the coming legislative contest in North Dakota. Following is Senator Bridston's reply:

"Political demagogues representing various forces in North Dakota are banding together in a determined effort to elect a complete slate of state officials and enough legislators to control the next legislature," says J. B. Bridston. "They are stressing legislative control.

"This is the report that came from every part of the state at the R.O.C. meeting held in Jamestown three weeks ago. This combination is out to defeat Governor Aandahl and his fellow officials and elect only men to public office whom they can control. This unholy alliance consists of ambitious, radical leaders of the political action committee of the Farmers Union and the same corrupt gang who still control the remnants of the Non-partisan League.

"Many of the moving spirits in this combination are militantly opposed to the profit motive. Some of them are obviously friendly to the Soviet Union of Russia and seem to follow 'the party line' consistently. For instance: anyone who defends capitalism is a 'Fascist'; opponents of Communism are pictured as traitors to democracy and labeled 'Red-Baiters'; everything is wrong in the United States; you will not find any criticism of Stalin's Russia in their kept press. The editor of the official National Farmers Union publication of Denver, becoming fed up on the management's insistence on following the party line, published a cartoon that implied criticism of Russia's negative attitude toward the United Nations. This editor was immediately fired.

## Communism Has No Place in North Dakota

"North Dakota farmers and laborers are not red and are not sympathetic with the fascist dictatorship which is called Communism in Russia. Stalin's government of child labor, slave labor, controlled labor unions, low wages, collective farming, bloody purges and militant atheism does not find many sympathizers in North Dakota. Having the Daily Worker and other sympathetic sheets clothe the Russian directed red movement in America with the mantle of democracy and cooperation does not fool anyone. False leaders of farm organizations and labor unions will either be removed or will wreck these organizations.

"True liberals have not sold out to foreign isms. They are neither sympathetic with fascism or communism. One is dictatorship of the right and the other is dictatorship of the left. They operate exactly alike. Either system is revolting to those of us who despise despotism and love the freedoms of America. We not only believe in religious freedom, we believe in religion itself. True liberals not only believe in freedom of speech and press but in freedom of opportunity. We believe, however, that protection of true individualism can come only through building from our Bill of Rights and our constitution. We cannot tolerate monopolies as well as other monopolies as un-American but we don't believe that their abuses warrant overthrowing the entire capitalist system. Monopolies must be curbed and controlled.

"Economic changes and Government regulations are part of progress that are essential to the protection of the rights of the common man. We believe in a free enterprise system where all forms of enterprise are on an equal basis. America has the intelligence to build an economy where individuals, corporations, partnerships, and cooperatives can live side by side and where the rights of the individual and the common man are paramount, with no one system given the advantage through taxes or otherwise. In this way only can we continue to remain a free people in a free country.

## Legislators Should Think For Themselves

"In the 1948 elections those of us who actually believe in sound, honest government and in the American way of equal opportunities under a free enterprise system will have to put our shoulders to the wheel as never before. Beginning in 1938 we have slowly but surely eliminated from public office many weak and unreliable officials under the control of the notorious Langer-Vogel machine. We must not quit now. In the legislature we need representa-



BRIDSTON

tives who think for themselves and refuse to allow an undemocratic caucus system to dictate to them.

"The combine of the crumbling League machine and the Wallace crowd cannot succeed if we continue to keep our citizens posted. They can only win through a campaign of misrepresentation and confusion. Through a live R.O.C. organization of thinking farmers, progressive business people and intelligent laborers in every county in the state we can keep the voters posted on what is going on. 'Eternal vigilance is the price of liberty'—and the price of clean government!

## Committee Studies Trail County Roads

Rep. Skaar of Ramsey county suggested at the Devils Lake meeting that the committee might consider the wisdom or necessity of new legislation that would effect a more uniform county highway program.

Some counties have highway engineers who work in unison with the townships and achieve admirable results. All roads are planned with a view of correlating with a county system. In other counties each commissioner looks after the roads in his own district and little attention is paid to having the township roads fit into the county system.

Trail county has adopted a model system, and at the Grand Forks meeting Nels Lindsas and Andrew McSparron, county commissioners, and Roy Tyson, highway engineer, explained the Trail county plan. One of the first steps was to employ a supervisor or road foreman. Roads were laid out and built by the county, the townships paying \$250 per mile for the cost of graveling and \$300 for construction.

Maintenance was assumed by the county and if a township did not favor a proposed road—failure to contribute was sufficient to prevent action. It was pointed out that at first the townships were not very favorable to the plan, but are now enthusiastic. The Trail county plan anticipates that no farm will be more than one and a half miles from an all weather road although this goal has not been reached at this time and avoids secondary roads. Twenty miles of construction are

still incomplete of a plan set up nine years ago. The delay was occasioned by the war, the fifty per cent tax base and the old levy which was found inadequate by about \$20,000. The increase by the last legislature in the road and bridge levy has helped. Maintenance is considered basic and rebuilding of some of the first completed roads is in progress. The roads under construction exceed state standards and drainage is insured by the county engineer who assumes full responsibility.

## Seek Better Control Over Appropriations

Targie Trydahl, new budget director, appeared at the Grand Forks meeting with a suggestion that the committee study some plan whereby some existing or new agency follow the appropriations made by the legislature and see that the money is properly expended and that the state gets value received.

Mr. Trydahl gave instances indicating that some appropriations were not properly supervised and that the intent of the legislators was not carried out. The suggestion was made that the state needs a system not only which would provide for expert information as to the necessity of the amounts asked for in the first place, but also a system that would insure the wisest possible expenditure of the money.

At the Mackinack Island meeting in July the Illinois delegates explained a most effective system of budget control and Minnesota has achieved considerable success along this line. In view of this, the North Dakota committee will hold its next meeting in conjunction with the Minnesota Legislative Research Council. Arrangements for the joint meeting are now being made by the new Executive Director Joseph A. Donahue.

## Cities Make Plea To Legislative Committee

A plea that cities and municipalities may participate to some extent in state taxes in order that they might meet the increased cost of government was made at the October meeting of the North Dakota Legislative Research bureau at Grand Forks.

Mayor Boe of Grand Forks spoke and introduced Mayor Dawson of Fargo, who gave a history of city grants and right to raise revenue. The development of cities was pointed out and the fact that while increased service was required of cities, the revenue remained relatively static since it was derived exclusively from real estate and personal property taxes while additional sources of taxes were opened up to the federal and state governments. An inquiry as to whether a new system of taxation or a share in the taxes now going to the states was desired, was answered by saying that both were needed. Examples of sharing in revenue in New York and Michigan were given.

The following suggestions were submitted to the research committee for consideration:

1. A portion of the sales tax revenue received should be returned to the local units of government. It is suggested that this return be allocated on the basis of \$5.00 per capita to the larger cities and \$2.50 per capita to the smaller cities, villages, and townships.
2. The revenues from beer and cigarette taxes should be apportioned back to the cities, villages, and townships on a per capita basis and the same ratio as indicated for the sales tax revenues.
3. A one cent increase in the gasoline tax should be made, and the funds returned to the cities, villages, and townships on the basis of either assessed valuations, population, number of motor vehicles registered or some other equitable basis.
4. Municipalities should be permitted to levy the same excise taxes as the state might have in effect.
5. The state should assume the cost of construction and maintenance of state and federal highways through cities and villages.

The proposals of the league will be studied by the legislative committee. Further research will be made by the league and when solutions to the municipal problem are arrived at, the league will probably present to the legislative committee their recommendations in the form of bills. If the members of the committee do not unanimously agree on the solution arrived at, the usual course would be for the committee to approve the bills merely as to form and expect each member to vote as his conscience dictates.

participate in the work of the council. In this group, lay and professional people will exchange ideas on the needs and solutions of educational problems. There will be broader participation through such a council. We need leadership and a public that is attentive, interested and enlightened. This new council will be helpful in accomplishing just that.

An organization known as the North Dakota Council on Education has been formed here by about 40 persons representing various groups in the state.

William J. Hunter of Bismarck was elected president. Hunter is a member of the state workmen's compensation bureau.

# Legislative Research Committee Makes Study of Many Vital State Problems

The legislative research committee is making a study of several state problems such as roads, tax assessments, budget control and problems sponsored by the committee, and to gather all possible information and to present findings in bill form for the consideration of the 1949 legislative session.

The committee is not attempting in any way to encroach on the powers and duties of the legislature, but merely to do preliminary research work during the interim so that the work of the senators and representatives will be easier when they convene.

Politics is strictly taboo in the legislative research. From the remarks and the attitudes taken you could never tell what faction a member belongs to. Like as not two members of opposing factions will fight valiantly for a principle they believe in. A city member may defend the rights of the rural man, and vice versa. Only a few bills are recommended in bill form presented as early as possible. Thus at the 1947 session about a hundred routine bills were ready for the hopper the first day.

On the committee are Representative E. J. Langley of Tower, chairman, Senators Lynch of Divide, Conrad of Cass, Day of Grand Forks, Nordhagen of Benson and Brant of Emmons, and Representatives Johnson of Cass, Houghton of McLean, Onstad of Cass, Smart of Ward and Stair of Bottineau.

## County Assessor Plan Will Be Studied

Inequality of assessments in North Dakota is being studied by the committee.

One of the suggested solutions is provision for county assessors which would do away with township assessors. There would probably be a provision exempting larger cities. Many states have adopted the county assessor plan, and reports are that they are well satisfied.

The objective sought is to secure fair and just assessment of all property in the county especially as between rural property and city property. Under the present plan real estate property of similar value in the larger cities is not assessed on the same basis, and although the state board of equalization tries to equalize between the counties, the best results are not always attained.

Visit ROC Headquarters at the Grand Pacific Hotel.

## Nordrum Says Communities Must Furnish School Teachers

State Superintendent G. B. Nordrum, who has recently been appointed to the advisory council of the U. S. office of education, says that communities must furnish teachers as well as hire them.

Mr. Nordrum pays a high tribute to the 1947 legislators who, he says, had a keen appreciation of the importance of better education. Roads of present day problems. Following is a statement of activities in the state superintendent's office:

Surplus government properties are being made available through the Department of Public Instruction to the schools of North Dakota. These war surpluses range from mimeograph paper and pencils to dynamometers. The cost of the articles is insignificant, being only what is necessary to cover freight and handling charges. The last week in October, \$374,000 worth of electronics were made available. The greater share of this material will be most effectively used in institutions of higher learning. However, much will be extremely valuable to high schools offering physics, pre-flight aeronautics, and radio courses.

To help North Dakota teachers with their every-day tasks it is necessary to provide satisfactory courses of study. Professional people are very cooperative in this work. New courses of study in Mathematics and Social Studies have been distributed during the past year. A new Music course of study is in the hands of the printer. Work is progressing nicely on an elementary Soil Conservation booklet, a completely revised Elementary Course of Study, and a manual on Physical Education, Recreation and Safety. Recently a booklet and other printed materials on the Garrison Dam and Missouri River Project have gone out to all schools.

A County Superintendents' Workshop was held in July at the Minot State Teachers College which proved very popular. Courses were offered, with or without college credit, in Educational Tests and Measurements, Audio-Visual Aids, and Curriculum Development. Now the first state-wide testing program has been completed. Coordinated Scales of Attainment were given in grades four through eight on October 14-15. The results of these tests will give a most valuable analysis of instructional needs as well as show attainments of individuals and schools.

The extent of the legislation affecting education passed by the last legislative assembly is a credit to the

legislators, educators, parents and citizens, and reflects a recognition of educational problems in North Dakota. Laws concerning minimum salaries and continuing contracts for teachers, increase in normal maximum levies, increase in teachers' retirement benefits, provisions for school buses and, perhaps most important, the bill which provides the machinery to bring about the reorganization of school districts should be mentioned as outstanding pieces of legislation.

A publication has been prepared by the Department of Public Instruction in cooperation with the State Highway Commissioner to aid school districts in securing school bus equipment that will meet the national and state minimum standards as provided in the new law.

The State Reorganization Committee has recently appointed T. S. Grimsrud as Director of Reorganization. He has subsequently resigned as Superintendent of the Lisbon Schools and will take up his new duties the first of the year. Provisions in carrying out the provisions of the reorganization law will be cautious and slow. The big objective is UNDERSTANDING.

On October 25, 1947 the organization of a North Dakota Council on Education was affected. Over fifty state organizations were invited to

## Tax Department Collections Show Big Increase Over 1946

Tax collections reported by Tax Commissioner John Gray for the calendar year ending Oct. 31 show a total gain of \$3,495,818, or an increase of 32.1 per cent over 1946.

The largest increase is in income taxes which increased from \$2,012,355 to \$3,354,746, or a gain of 66.7 per cent. The figures announced by the tax commissioner follow:

Tax Collections Calendar Year Ending Oct. 31			Percent
	1947	1946	Increase
Sales and Use Tax	\$ 9,131,243	\$ 7,291,705	25%
Beer Tax	623,426	429,149	45%
Cigarette and Snuff	1,270,771	1,151,158	10.4%
Income	3,354,746	2,012,355	66.7%
<b>Totals</b>	<b>\$14,380,187</b>	<b>\$10,884,368</b>	<b>32.1%</b>
Collections for October			Percent
	1947	1946	Increase
Sales and Use	\$ 2,552,388	\$ 2,161,905	18%
Beer	80,334	47,357	70%
Cigarette and Snuff	343,372	136,177	54%
Income	48,686	27,639	76%
<b>Totals</b>	<b>\$ 2,824,782</b>	<b>\$ 2,374,079</b>	<b>19%</b>



## R.O.C. Legislators Made Plea For Community Property Tax Law

Some interesting facts are brought out by Senator E. H. Brant regarding the proposal for a community property tax law in the following article written for the Messenger by the Emmons county senator:

In the immediate future the people of this state are going to be called upon to decide whether they want to adopt a community-property system.

There were originally nine states with community-property laws. Under these laws, income splitting between husband and wife was made automatic. Couples in these states in the middle and upper-income brackets have enjoyed quite a saving on their federal income taxes.

More recently, four other states have passed community-property laws, viz. Pennsylvania, Michigan, Oregon and Nebraska.

In discussing some of the problems that have arisen after the passage of these laws, the United States News in their issue of Nov. 17th, 1947 has in part the following to say:

"THE TROUBLE, as residents of these states are discovering, is that the effect of community-property laws does not stop with income taxes. It extends throughout the system of property laws, divorce laws and estate laws, sometimes with surprising results.

"IN PENNSYLVANIA, the community-property law, which took effect September 1st, immediately became involved in a law-suit that may change the basis of handling desertion and nonsupport cases.

"IN NEBRASKA, the law has led to such confusion on the rights of husband and wife that there have been widespread demands for a special session of the State Legislature to repeal it."

Undoubtedly there would be a substantial saving of federal income tax paid by the middle and upper bracket income earners in the state of Nebraska, the only arguments made before the committee in charge of the bill and in the Senate while the bill was being considered, were those which were based on the allegation that the bill would cause some tax-payers, particularly those in the higher income tax brackets to avoid high taxes.

Unless we feel that changes in our property laws in North Dakota should be made, as they affect our desertion, nonsupport, divorce, estate and other cases, the state that case we have only one argument here and it is the same as the one used in Nebraska, which would enable some to pay less federal income taxes.

The Legislature of North Dakota has already gone on record on this subject, in the passage of House Concurrent Resolution G in the last session of the legislature.

### Resolution by Stoman, Leet, and Skaes

The Resolution was introduced by Senator Leet and Skaar, and carried the following title: "A Concurrent Resolution Regarding the Amendment of Federal Income Tax Laws With Regard to Family Income in Certain States."

This Resolution, which the Legislature passed in the House and Senate and was sent to the Secretary of State on February 17th, 1947. The Resolution directed the Chief Clerk of the House to send a copy of the Resolution to each member of Congress from this state, to the Secretary of the Treasury, the President pro tempore of the U. S. Senate, Speaker of the House and to the Honorable Harold Knutsen, Chairman of the Finance Committee, House of Representatives.

The argument presented in the resolution follows:

"WHEREAS, nine states of this nation, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Oklahoma, Texas and Washington are so-called community property states and have laws providing that the income from property and earnings of both husband and wife is community income and belongs to each equally.

"AND WHEREAS, in these states each spouse may report one-half of the income to the federal government in separate income tax returns and thus secure the benefit of income tax savings, thus giving to 21,000,000 people in the United States a tax privilege which is denied to the remainder of the population,

"AND WHEREAS, this situation in these states, in so large a burden of taxation rests upon us, is intolerable,

"AND WHEREAS, in this condition is not corrected, many of those

in the middle and higher brackets will be lured away from North Dakota to establish homes in one of the community property states,

"AND WHEREAS, the privileges which the citizens of these community property states enjoy cannot be taken away because of laws on their own statute books which the federal government recognizes,

"AND WHEREAS, the inequality can be cured by a federal law providing for a nation-wide method of division of family incomes for income tax purposes, which method is now under consideration by certain officials of the United States treasury.

"THEREFORE, BE IT RE-SOLVED, by the House of Representatives of the state of North Dakota, the Senate concurring therein, that we do hereby protest and condemn the aforesaid unfair condition which men who are subject to federal income taxes, and that we urge the speedy amendment of our federal income tax laws to provide for a nation-wide method of division of family incomes for income taxation and we must depend upon Senators and Representatives in Congress to do all in their power to secure such an amendment and correct this unfair situation.

## ROC Has Given N. D. Sound, Business-like Administration

(Continued from page 1)  
up a political machine and do not intend to. Here at this conference of 120 people there are only those men who are on the state payroll other than elected officials and they are here as friends and observers rather than trying to run the show. The R.O.C. is truly a citizens organization and we must depend upon you for support. That is the only way in which the functions of government can be preserved for the benefit of the people.

Just as in 1944 we are not fighting any organization, we will not do so in 1948.

We are not going to fight the Farm Union, the Farm Bureau, organized labor or the Nonpartisan League. In each of those organizations there are some mighty fine substantial people whom we want as our friends. We should formulate a fundamental policy of government to which we in the R.O.C. deem it wise to adhere.

We have nothing for which to apologize. We have something which we have found the answer of how to give North Dakota the kind of government, the kind of educational service and the kind of highway maintenance and construction that the people have been looking for for a long time. Here are some of the things for which the state can be proud.

### State in Admirable Financial Condition

The state government is in better financial condition than it has ever been before. This has come as the result of six or seven years of unpopularity for the present time is a little over \$17,000,000 in real estate bonds. To meet this obligation there is about \$13,000,000 in the sinking fund plus better than \$4,000,000 of cash in the Bank of North Dakota that has come in the form of partial payments on real estate that has been sold. We now have enough cash to pay off the entire bonded debt when the bonds become due. It further looks as though there will be enough extra money coming into the real estate fund so this year's levy will be the last needed to meet the bond interest payments.

The State Mill and Elevator at Grand Forks is in excellent condition and is really a paying business for the state. I wish you would remember that the R.O.C. did not remove the Mill Manager or make a single change at the Mill when it came into power, although the Manager was once identified with the opposition faction. He was doing and still is doing an excellent job. The Bank of North Dakota is doing the largest business that it has ever enjoyed as in its surplus and reserves are in remarkable condition.

### Gas Tax Collections Increase Two Millions

Much has been said about the highway program. We have now had sufficient experience under the re-

fund system of gas tax collection so that we can safely say that the net revenue from the gas tax will be at least \$1,500,000 to \$2,000,000 greater than it would have been if we had continued under our old tax exempt system. One cent of this gasoline tax is returned to the counties and one half of the motor registration fees constitutes the source of revenue with which the counties build county and farm-to-market roads. In order that we may better appreciate what the improved gas tax collection means to local roads let me call your attention to the fact, that the amount of money distributed to the counties for the third quarter in 1946 under the old tax exempt system was \$256,000 while for the third quarter in 1947 under the refund system it was \$489,000.

The increased revenue from the gas tax together with the measures for improving the finances of the Highway Department, approved by the last session of the Legislature, made it possible for the Highway Department to get an effective construction and maintenance program underway. A year ago the Highway Department had less than \$2,500,000 available for maintenance purposes. This year the Highway Department has a little better than \$5,000,000 available for that purpose. As a result, this year the Highway Department has resealed 591 miles of black top, while a year ago it was able to resal only 169 miles. This year the Highway Department has regraded 652 miles and perhaps will have another 75 miles regraded before the season freezes up, while a year ago it regraded only 250 miles. This year the Highway Department has let contracts for about \$6,000,000 worth of new work of which \$3,000,000 worth will be completed this year.

### Effective Highway Program on Foot

We all recognize that there was a backlog of highway work accumulated during the depression of the Thirties and the war years of the early Forties. Of course, there is no possibility of bringing all roads up to the desired standards in one year or even in two or three years. We do have, however, an effective program underway and will not be too long until roads throughout the state will be materially improved and we will be approaching those standards, both on the main highways and on the farm-to-market roads that we all desired to have.

The people of the state are very much concerned about taxes. Frequent reference is made to the large appropriations approved by the 1947 Session of the Legislature. The totalled better than \$52,000,000. When analyzed they are fully justified. \$22,000,000 of this amount was special fund appropriations, which are paid from the special earmarked earnings of the departments and include the appropriations for the operation of the Mill and Elevator, the State Jail, the Finance Department and many others. Also in this classification come the 1/2 of the sales tax money that is used in the Equalization Fund for the benefit of the common schools of the state. The expenditures under these appropriations cannot exceed the earmarked income for that specific purpose and do not precipitate a problem of balancing the budget.

### 1947 Appropriations Fully Justified

\$10,000,000 was appropriated from the favorable balance in the general fund for extraordinary purposes. It included \$3,000,000 to the Veterans' Rehabilitation Fund, \$3,000,000 to repay the amount loaned from the Highway Fund in the Thirties for interest on real estate bonds, and \$4,000,000 for an institutional building program. All of these were fully justified and provided for by cash already available in the hands of the State Treasurer.

A little less than \$20,000,000 was appropriated for normal operating expenses. This can be compared to \$15,500,000 appropriated for similar purposes in 1945. It constitutes a 28 1/2 percent increase for normal operating expenses over a two year period. This includes the additional appropriations needed for larger facilities at our educational institutions where the enrollment almost tripled between the two bienniums. When we think in terms of the general inflation and increase in living costs it is surprising that the state can get along without larger in-

## Tell The Truth And Build Strong Local Organizations

"That the R.O.C. administration has a good record and if the facts are given to the people and local county committees put on strong campaigns victory will result was the consensus of opinion of the 120 R.O.C. leaders at Jamestown on Oct. 12.

Everyone expressed himself freely. There was no attempt to minimize the announced efforts of the opposition to get complete control of both houses of the legislature and knock out all the R.O.C. state officials, including Gov. Aandahl.

Following are a few comments made at the meeting:

John Stormon, Rolla. "Rolette county Republicans have put on a losing fight every year since 1918. We need more work done among the younger men. We must have a strong state organization and go into the weaker counties and help them get started."

L. F. Butterwick, Benson county. "In our county there are hundreds of Farmer Union members who are honest-to-God good Republicans, who think for themselves and they are not going to be led around by radical leaders. These farmers are not going to be deceived by the C.I.O."

A. R. Bergesen of Fargo: "We should get onto the positive and aggressive. We can't wait for the snowball to build up."

Otto Krueger, state insurance commissioner: "I've been asked what's become of the FU life insurance company licensing case. I refused to license the company four times, for what I think are good reasons for the protection of the policy holders. They have finally appealed my decision to district court. I am not going to say any more until the court decides. I don't think I should try my case before the public."

Senator W. H. Mehlhoff of McIntosh: "I made a political survey of 20 people in my county recently; 17 were FU members. Four of the FU members were with us, one on the fence. We lost three as against my last survey. The R.O.C. has definitely lost from 15 to 20 per cent in our county because of the FU."

creases, and indicates that we are practicing real economy in administration.

### State Tax Levy Less Than in 1946

The entire amount of the increased appropriations is being absorbed by the increased revenue from normal taxes, such as the sales tax, liquor and tobacco taxes, income tax and other taxes without any increase in rate. The total mill state tax levy this year is just a trifle less than it was a year ago. In 1946 it was 3.10 mills. In 1947 it is 2.95 mills.

When the individual property owner pays his property taxes for this year he will find that they are materially higher than they were last year. The increase will not be caused by state government increase will come because of the added revenue needed by local units of government. Counties, school districts and cities all have needed to increase their tax levies in order to perform the functions of government desired by the people. Teachers' salaries, school supplies, police protection, fire protection, street cleaning and repair, garbage disposal, health precautions and many other services desired and required by the public in general costs much more than they did a few years ago. Property taxes have been increased by the local political subdivisions to meet these responsibilities. Most of these expenditures on the part of local government are fully justified.

### State on Cash Basis With Ample Reserves

The R.O.C. has given the people of North Dakota a sound, constructive, business-like administration of public affairs. The state is operating on a cash basis and has ample reserves and balances in all funds to effectively cope with periods of adversity that may come in the future. While prosperity reigns and incomes are high we are trying to put our physical plant in order, insofar as it can be done on a cash basis. We have authorized and appropriated money for an institutional building and repair program. This year we have gotten an effective highway program underway. In the coming campaign we can talk about our accomplishments with confidence and enthusiasm.

Lieutenant Governor C. P. Dahl, who recently has been hospitalized for ill health: "They tell me I'm going to be okay in a couple of months and I'll be in there in the 1948 fight. The campaign to take away our control will be centered in a few spots and we must educate our own people in those spots."

Senator Steve Nelson of Steele: "We must have some worker from R.O.C. headquarters come and spend a few days—not hours—to help our county get organized. The organization should be posted on the issues—highways, gas tax refund, labor, the FU leadership fight. We can't go out and denounce the FU. I would not have been back in the senate if it weren't for my friends in the FU."

Rep. Roy Holand of LaMoure: "The R.O.C. has been backed into a position where we don't belong. A lot of people think we are opposed to co-ops. We aren't. In our system of free enterprise, there is an important place for co-ops. They also think we are opposed to the Farmers Union, in toto. As for those bills before the legislature, they would not have hurt the FU or its members... If they make a close examination, the FU rank and file would find the R.O.C. is the best organization with which to align themselves. I think the R.O.C. administration and Governor Aandahl have done a remarkable job for the farmers and businessmen of North Dakota."

O. B. Burtmess of Grand Forks: "Mr. Holand has brought out what the R.O.C. is and how it is misrepresented. The opposition tries to brand it reactionary, the same as they do with the Republican party on the national scale. Our big job in 1948 is to secure the re-election of Governor Aandahl."

Senator Carroll Day, Grand Forks: "This group is satisfied with the election of good state officials but you are too complacent. The league and the FU are carrying on a full-scale advertising campaign by newspaper and radio against us... We are on the defense on the FU and other issues. We can't wait until the last few weeks to answer these attacks."

Senator J. L. Flatt of Ransom: "I don't think Glenn Talbot (FU president), Quentin Burdick (FU political organizer chief), Frank Vogel (NPL organizer) and W. W. Murrey, president of the State Federation of Tractor will get along too happily together."

Hugo Remington, Lisbon: "We need a campaign of education on the issues presented by the Farmers Union. We must tell the FU members that the audit and inspection of the FU insurance companies is in their interests, not in the interests of the other insurance companies. I thought the cooperative income tax was an administration measure, and even if it wasn't, we are saddled with it. It is not double taxation; every business corporation, except cooperatives, pays the same tax. Most successful farmers belonging to the FU don't want favors; they want what is fair and square."

Senator E. H. Brant of Emmons, R.O.C. state chairman: "A worker has been in Emmons trying to reorganize the Nonpartisan league, but I don't think he has been very successful."

Senator Joseph Bridston, Grand Forks: "The radical forces of the state are more united now than they have been in years. We may have trouble in Grand Forks county if the Farmers Union, labor and the league get together. As far as following the avowed purpose of communism, there is no difference between the North Dakota Farmers Union newspaper, the National Farmers Union paper and the Daily Worker. The FU has embarked on a program with the avowed purpose of wrecking the R.O.C. When it comes to the final election, we'll have to call a spade a spade. We haven't fought the NPL as such, just the leaders. We should do the same with the Farmers Union. As for practical politics, I think we have been weak. In our legislative election efforts, we should concentrate our big effort there in 1948."