

# Scarcity, High Costs, Will Be Fruits of Ike's Power Policy

The Federal power program, which broke the bottleneck of scarce and costly electric power during the Roosevelt and Truman Administrations, is in the process of liquidation by the Republicans, according to the ECONOMIC OUTLOOK, publication of the CIO Department of Education and Research.

"If the Eisenhower Administration is successful in dismantling the federal power program" the department warns in the ECONOMIC OUTLOOK, "the American people will be confronted with an inadequate supply of high-cost electric power."

A blueprint for getting the government out of the power business and giving it to private enterprise was outlined by former President Hoover in April 1953, the OUTLOOK recalls.

The blueprint has been followed pretty closely, the OUTLOOK maintains. The first session of the 83rd Congress killed a TVA steam plant, refused to authorize new hydro dams, and slowed down work on dams under construction.

The Department of the Interior has reversed past policies, moving to give away the best dam sites and to negotiate long-term sales contracts with private industry over the projects of REA co-operatives.

"The consequences of the Eisenhower-Hoover policy, if permitted to go on, will be both economic and political," the OUTLOOK warns. "They include:

1. "Restoration of overwhelming control over electric power resources to the private monopoly companies which have always sought high profits from a scarcity of power, refusing to expand until customers are lined up and waiting for energy. This will handicap economic development and increase the difficulty of maintaining an expanding economy.
  2. "A freeze on the development of the great electro-process industries, which produce such defense-vital materials as titanium, aluminum, magnesium and phosphate fertilizer needed to conserve our basic soil resources.
  3. "Increased cost of extracting and using lower grade metal ores, including iron. (It will take 70 to 80 kilowatt hours of electricity to extract and concentrate a ton of Lake Superior low-grade ore, according to the President's Materials Policy Commission.)
  4. "An end to great regional developments like the Bonneville area in Oregon and the Tennessee Valley—which are already grinding to a stop—because the basic, revenue-providing power sites are being given away to private corporations.
  5. "Increasing electric rates for homes and farms, a consequent freeze in electric power use, a slower growth in the appliance industries and a loss in living standards."
- The OUTLOOK says the Republicans and the private power companies are trying to confuse the entire issue with cries of "creeping socialism."

"Socialism isn't the issue," it insists. "Neither is it any other ism."

"The issue before the American people is clear and simple: Are we going to have an adequate and growing supply of electric power at the lowest possible cost?"

"The practical result of the Republican policy is likewise clear: If the Eisenhower Administration is successful in dismantling the federal government's power program that was built up over the past 25 years, the American people will be confronted with an inadequate supply of high-cost electric power."

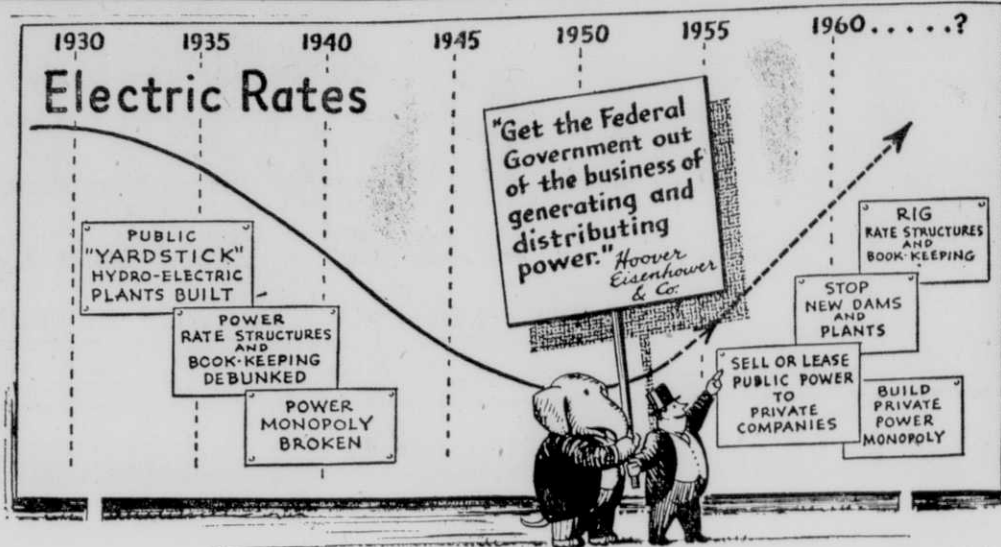
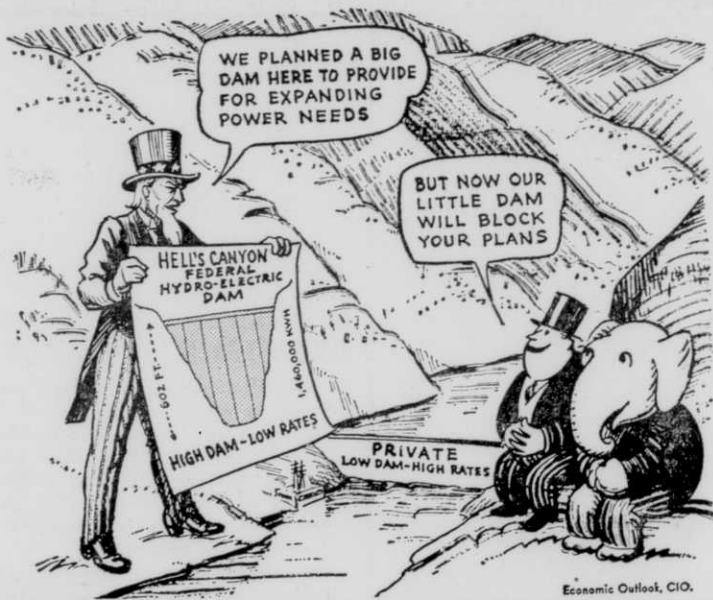
## Hells Canyon Had Idaho Power Approval In '51

WASHINGTON, D. C. — Idaho Power company as recent as early in 1951 "clearly endorsed" and sought to buy power from the proposed federal dam before it "had a change of life," Michael W. Straus, former U. S. reclamation commission, said here recently.

He made his statement while testifying at the power commission hearings on Idaho Power company's application to build three dams in Hells Canyon region of the Snake River between Idaho and Oregon.

Straus sought to show that the company approved the federal project early in 1951—then suddenly decided to build dams itself.—LSW REGISTER.

DEMAND THE UNION LABEL!



# Labor's Interest in Hells Canyon Ignored

WASHINGTON, D. C.—(LNS)—The Idaho Power Co. and Federal Power Commission officials are succeeding in knocking out of the hearing record on Hells Canyon testimony showing the broad interests labor and other groups have in the issue of a high federal dam versus three low private utility dams on the Snake River.

FPC hearing examiner William J. Costello has ordered struck from the record the economic exhibits President Evan W. Weston of the Washington State Federation of Labor tried to insert, showing how increasing joblessness in the Pacific Northwest accentuates labor's interest in the issue.

Costello previously simily up-held power company lawyers' efforts to strike from the record testimony by other witnesses showing the irrigation and other benefits that would flow from a high federal dam at Hells Canyon.

Costello has tried to keep the hearings confined to the narrow issue of the firm's application—production of power from its proposed series of

three low-head, comparatively low power output dams.

## WANT FULL STUDY

The opponents of the application, headed by the National Hells Canyon Association of which Weston is director and eight Washington state public utility districts, want all aspects to be considered.

Weston tried to insert economic charts showing labor's interest in low-cost public power into the record but the exhibits were stricken on technicalities.

The charts showed Pacific Northwest unemployment is worse than the nation's as a whole, and seasonal joblessness there is much worse each year when logging drops in the winter.

One chart showed that total unemployment in the Pacific Northwest rose 41 per cent—from 137,000 to 193,900—from February 1953 to February 1954.

Idaho's joblessness jumped most, 80 per cent; Washington state's, 37 per cent; Oregon's, 31 per cent. By February 1954 Washington had 85,700 jobless, Oregon had 72,000 out of work, and Idaho had 36,200 in the same predicament.

## JOBLESSNESS GROWS

Other tables showed that Pacific Northwest joblessness has been growing with the decline of the lumber industry there; that most of the booming population of the area is going into industries depending on plenty of low-cost power—chemicals and allied products, aircraft, atomic energy, and metals, and industries serving or dependent on these.

Weston said "Labor's primary interest (in the power question) is in the steady growth of employment and payrolls in the Pacific Northwest."

Asked if the Pacific Northwest economy can provide enough jobs if the small dams are built on the Snake River, between Idaho and Oregon, by a private power firm, he answered "No." To meet some of the problems facing labor and industry . . . abundant low cost power is required."

Weston testified that serious unemployment in the area is due to population growing faster than for the nation as a whole, and that industry has not been growing fast enough to provide new jobs.

## INDUSTRY MUST EXPAND

"Not only must Pacific Northwest industry expand, but it must expand faster than industry in the United States as a whole. In my judgment, this requires abundant new supplies of low-cost power."

Asked what remedy he proposes "for a region so heavily dependent upon the product (lumber) in declining demand," Weston said:

"The region should develop other industries which have more promising growth prospects. The Pacific Northwest, however is handicapped in its industrial development by an unfavorable freight rate picture. In the years since 1940 freight rates into eastern markets have gone up about 70 per cent making it very difficult for western products to compete . . ."

"Even though the Pacific Northwest is at a disadvantage on freight rates the region has a very great advantage over other parts of the country . . . our substantial hydro-electric potential . . . we must encourage and stimulate industries which require abundant low-cost power . . ."

## THE TAKE AWAY

**FIVE MILLION JOBS**—The Republican "recession" has already cost five million workers their jobs. The administration says there is nothing to worry about. Big Business wants a limited depression. It aims to use it as a weapon to weaken unions, cut wages, eliminate small business competitors.

**HOUSING**—The low-cost federal housing program has been killed. The administration asked for only 35,000 new apartments, and Congress may eliminate even that. The original inadequate program called for 175,000 units. Rent control is ended. Even those who can afford the down payment on a house find mortgage interest rates upped.

**HEALTH, EDUCATION AND WELFARE**—The federal government now spends more money on tombstones than on heart disease research. Medical research and hospital construction were cut to the bone. Federal aid to education was blocked completely.

**SOCIAL SECURITY STEAL**—Bills are in the hopper to rob the \$18 billion social security fund, end federal supervision of Unemployment Insurance, and carry out a U. S. Chamber of Commerce plan to turn Social Security into a "dole."

**LABOR AND PROTECTIVE LAWS**—Labor Department funds have been slashed brutally, hitting at enforcement of minimum wage, child labor laws, and safety laws. An FEPC to prevent discrimination in hiring Negro and minority workers was buried by Ike.

**FARMERS' STANDARDS**—Price supports for farmers are being cut by the Republicans at a time when farmers are already in a serious depression. Rural Electric Co-operatives are threatened with loss of their rights to public power. The Soil Conservation Service has been crippled by budget cuts.—MARCH OF LABOR.

## THE GIVE AWAY

**TIDELANDS OIL**—The oil corporations grabbed over \$300 billion worth of oil and other resources off the coasts of four states, as a result of the Eisenhower administration's giving away federal rights to the tidelands. Revenues from these lands could have gone to aid our ailing school system.

**PUBLIC POWER**—The \$560 million Hells Canyon project in Idaho was dropped. Private companies will provide half the power, at higher cost, without flood control. Power from existing dams is being turned over to private companies and plans are afoot to sell all government projects to private companies. "This is thievery by legislation," said Senator Morse of Oregon.

**ATOMIC ENERGY**—The GOP Congress is considering an Atomic Energy Commission plan to turn over ownership and development of atomic energy facilities to private corporations. At stake are \$10 billion in public funds already invested, plus the entire future of an industry that may become the largest in the country.

**PUBLIC INDUSTRIES**—Already up for sale are the government's \$550 million synthetic rubber industry, a \$75 million experimental oil plant, and "minor" projects.

**PUBLIC LANDS**—Several bills have been introduced by the GOP which would hand over 458 million acres of federally-owned lands, containing an estimated one trillion dollars worth of lumber, minerals, grazing acreage, coal and oil shale resources to private interests.

**TAX MONEY**—Tax reductions in the billions (permitting rapid write-offs on plants) have been given to companies to build new plants, mainly in non-union areas. The "old" plants in unionized areas are the first to close in a recession. In addition, the excess profits tax has been eliminated, and reduced taxes on dividends will shortly go into effect.

## "Bensonized" Dairy Prices Tumble Wisconsin Farm Income

Due largely to a sharp decline in prices received for dairy products, the buying power of the farmer's dollar took a big tumble in Wisconsin during April, and hit its lowest level since October of 1941.

The purchasing power of the farm dollar, the ratio of prices paid by farmers to prices received, during April was more than five per cent below a year earlier, according to the Federal-State Crop Reporting Service for Wisconsin. As a whole, Wisconsin farm product prices were seven per cent below the same month in 1953, while prices paid by farmers had dropped less than two per cent.

The preliminary estimate of prices received for milk by Wisconsin farmers in April shows an average of \$3.05 a hundred pounds for milk for all uses, which is 25 cents below the March average and 42 cents under the same month a year earlier.—FARMERS UNION HERALD.

In colonial days in Boston, a candidate for governor of Massachusetts, had to be a "Christian worth 1,000 pounds."