

# Press-Herald

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## The Babson Report

The annual Roger Babson report published in today's Press-Herald is chock-full of forecasts for the new year.

We all can make forecasts, but Mr. Babson's years-long record for accuracy make his predictions worth more than a ho-hum perusal.

Over more than half a century of plotting business and economic trends has established him as one of the best in the field.

We suggest you read and then re-read his forecasts and apply the items to your own interest. It could prove a profitable use of a few minutes of your time.

## Misdirected Idealism

An officer of one of our leading oil companies, who formerly was chancellor of a great university, finds that misdirected campus idealism threatens "a real disservice to the national interest" in a little noted area.

The basis of this is evidence that a great many of today's undergraduates have little enthusiasm for careers in business. They equate corporate activity with sterility. So, as the spokesman puts it, "The prospect of our most promising youth all hastening into research, teaching, government, and solving the problems of peace, poverty, and race relations, leaving to the pedestrian and second-rate the management of the economic engine on whose product all these other activities depend for their ultimate support is a sobering one."

As he goes on to say, the guidance of corporate affairs is among the most challenging and exciting of activities. The corporation, to quote him directly again, "is the instrument by which scientific discoveries are converted into something of social value and utility and made available to all the people." It is the mainstay of a free society. It is the source of our economic strength and power. And, through its work, the road to a better world is pushed forward.

## GUEST EDITORIAL

### Education a Resource

By DR. J. H. HULL  
Superintendent of Schools

The idea that schools and colleges are merely tax-eaters and that money spent on them is lost is gradually giving way to the idea that the public gets high returns from money invested in education. Economists have concluded that education makes an important contribution to the economic growth of our nation.

One of the reasons California has jumped to the head of the list of states on so many bases is that California is investing more in the development of her human resources than most states, and it's paying off in many ways. This might be called our investment in human capital. People just naturally migrate to an area where good schools are available, and the good schools make them more productive both as individuals and as a community.

Schultz has shown that our stock of human capital increased 3 1/2 times between 1900 and 1957 in terms of school years, but it increased 6 1/3 times in terms of "equivalent school years." This takes into account both the increased length and the increased quality of the school years as time progresses.

The average elementary school graduate 25 years of age earned \$2,327 in 1946, but by 1958 the twenty-five year old was earning \$3,769 per year.

The average 25-year-old high school graduate earned \$2,939 in 1946, but by 1958 the twenty-five year old was earning \$5,567 per year. The high school graduate only earned 26 per cent more in 1946, but by 1958 he was earning 48 per cent more than the elementary school graduate of the same age.

The 25-year-old college graduate in 1946 earned \$4,527 per year, but the 25-year-old college graduate in 1958 earned \$9,206 per year. This is 54 per cent and 65 per cent respectively more than the 25-year-old elementary school graduate was earning.

Based upon lifetime income from age 25 to death, the average man with eight years of elementary education in 1948 would earn a total of \$98,702; while the man with four years of high school would earn \$135,852; and the college graduate earned \$201,731.00. By 1958, the figures for 25-year-olds had jumped to \$169,976, \$241,844, and \$419,871 respectively.

This trend has continued. It has been estimated that if the labor force were as well educated in 1950 as it was in 1960, it would have contributed 10.3 per cent more to production than it did. Denison concludes that from 1929 to 1957 the contribution of education to economic growth was 23 per cent.

Today we are refining the quality of education by helping the educationally handicapped of various kinds in many ways. The extra income these people will produce, plus the amount of time they will not be living at the public expense because their needs have been met and they have been made economically self-supporting, are things that society as a whole will benefit from as well as they as individuals.

Educational tax dollars come back to use in many ways. They represent a sound investment in people.

A society that finances education for all people and make it possible for all people to be economically productive is much better off than one that sets up a situation where two-thirds have to support the other one-third because they are not economically self-supporting. This is an issue that America seems to be thinking about today.



STAN DELAPLANE

## New South Pacific Areas Opened Near Pago Pago

**PAGO PAGO, AMERICAN SAMOA** — The new Pago Pago Intercontinental Hotel opened here last week. It's a bid for the booming South Pacific tourist trade. Opens a remote group of warm Polynesian islands.

Economy fare from the West Coast is \$496 round trip. But there's a better Pan Am 23-day circle trip—West Coast, Honolulu, Pago Pago, Tahiti and home for \$557.30.

"The weather in Mexico City in February? What kind of clothing? Health problems? How to protect things left in our car?"

Daytime weather should be mild, about 70 degrees. Nights you need a top coat. People in Mexico City dress just like we do in our major cities. Sports clothes are for sightseeing trips outside the capital.

Mexico City is at 7400 feet. You don't notice the altitude dramatically. But I find I feel tired after a couple of days. Take afternoon naps. If it bothers you much, go down one hour to Cuernavaca at 5000 feet.

Everywhere you go, you'll find someone offering to watch your car. Usually a man with a badge on his cap. Sometimes just a boy. Lock your car anyway. Tip a peso (8 cents U.S.). In many times in Mexico, I only lost one thing—a typewriter. That was checking out of a de luxe hotel. It could be it was an accident. (But I think the bell hop clipped it. He was a sharp operator.)

"We are taking a cruise on a major shipping line (Caribbean) for two weeks. The question—who and how much to tip?"

I'd tip for two people: \$1 a day to the room steward. Same to the table steward. About \$5 to the wine steward if you use him every

day. Bar stewards by the day—25 to 50 cents per service session. Bellboys by the service, 25 cents.

I should tell you that most travel writers don't agree with me. I came home on the new Italian Line "Michelangelo." Seven days, \$700 per person. Eight editors for major newspapers insisted the correct tip is 10 per cent. That is \$140 for two people, split among the help. An amount I think is ridiculous.

Because it was a first class maiden voyage, I made it \$2 a day. But I'm advising you \$1. Officials on British lines have told me they think 75 cents a day is quite fair."

"Can you advise me where in Acapulco it is safe to drink the water and eat the salads?"

This West Coast resort is Mexican extension of New York. I eat the salads and drink the water in all major hotels and restaurants—they're careful of that expensive tourist trade. Not water out of the tap. Drink the water in the bottle that your maid refills each day. (You hope.)

"What clothes to wear in New Orleans in February?"

In February, New Orleans people dress as people do in all major cities in the country. In hot days of summer, men go without coats on downtown streets. Should be mild in February but not hot.

"Because of my husband's business we must go to Europe in February. We will be there until next October but where to go? We don't like cold weather."

Then you'd better enter at Lisbon and head for the Portuguese south—the Algarve. Or the Spanish south

—the Costa del Sol. Everything north is cold until late April. In April move north slowly—I froze to death in mid-May in the Normandy coast of France. Save England, Ireland and Scandinavian countries for July and August.

September is the time for France, Switzerland, Italy. The tourists are going home. You can get into hotels and restaurants again. And the weather is delightful.

"Where to shop for Women's coats in London?"

Aquascutum and Burberry's are the smart shops. Just off Piccadilly Circus. Might take a look in Simpsons in Piccadilly. Not sure about Fortnum and Mason a few doors down but take a look. It's a good label.

"... shopping for silver in Mexico?"

Rising silver prices (and rising Mexican prices) are taking silver out of the bargain class. I like the Castillo designs. A block off the plaza in Taxco. At the India Bonita shop in Mexico City—on Juarez across from the Alameda park.

## WILLIAM HOGAN

### Author Examines Struggle In Jungles of the Lord

At several points in Peter Matthiessen's strong, vivid novel, "At Play in the Fields of the Lord," I thought of "Lord Jim," "For Whom the Bell Tolls" and "Green Mansions." Matthiessen's adventure with Freudian overtones cannot be compared with any of the above titles. Nor do I suggest that he attempts merely to echo the style, power, and glory of the older boys. It is simply that I thought of Conrad, Hemingway, and Hudson (and not, for example, of Robert Ruark) at one point or another in this inventive and extremely well-written book. Matthiessen commands a style of his own; he is a big talent.

As a founder and editor of "The Paris Review," he is a literary figure, as well as a gifted writer. He is a naturalist who has explored widely in South America, about which he wrote with distinction in "Under the Mountain Wall" and "The Cloud Forest." Matthiessen blends his knowledge of the South American interior

## HERB CAEN SAYS:

### A Non-Union Band Scare Has Musician in a Snit

**IN ONE EAR:** During the recent AFL-CIO convention session at the St. Francis, a union man dashed in, grabbed a Musicians Union official and hollered, "Hey, there's a non-union band playing outside!" The official galloped through the lobby to find — a Salvation Army hand tooting away. Exit stinking . . . Hubert Humphrey was a bit triste during his visit here. "Now that I'm Vice-President," he sighed, "I can't wander around the way I used to." So he had a lonely dinner in his rooms (the Presidential Suite), called a few friends in and chatted away till 3:05 a.m. Or rather, he chatted and they listened. . . Mickey Rooney Jr., who's twice as tall as his pop, is now fronting his own rock 'n' roll group . . . Carol Channing showed up at Dragon a GoGo, lit up like a Christmas tree: red fur Cossack hat, red knit boots, black patent leather dress. But no dancing ("I'm a looker, not a frugger").

**CAENFETTI:** Mrs. Buster Collier, invited to dine at the Bing Crosby's, phoned Bing's pad in Hillsborough and said to Fisher, the terribly English butler: "Don't disturb Mr. Crosby, but we're invited to dinner tonight, and we are wondering if we're dressing." "Oh no, momm," replied Fisher. "Just black tie." Coool. . . Coca-Cola was so delighted with "A Charlie Brown Christmas" on television that it has laid out the loot to Producer Lee Mendelson for a Charlie Brown baseball special to be aired in June (doesn't that Schulz EVER strike out?). . . The 10 per cent Fed'l tax on admission tickets goes off Jan. 1, but

wot & ho, the price of season tickets for the Giants remains the same. "Sure, we're pocketing the extra 10 per cent," said Vive-Pres. Chub Feeney. "Why shouldn't we? We haven't raised prices since we came here — and in case nobody has heard, the cost of living has gone up."

**ART NOTE:** Howard Willoughby, the art dealer, has scored a coup and a half. Earlier this week, he became the first dealer in the country to sell a painting by Winston Churchill — a large oil titled "The Coast Near Antibes." The price: \$25,000. The buyer: Harry Kay, the Beverly Hills art collector who is to Montgomery Ward what Vincent Price is to Sears (meaning the picture will probably tour MW stores) . . . Willoughby obtained the painting from an ex-Scotland Yard officer who was once assigned to guard Sir Winston, and received the picture from him as a gift. On his way through from New Zealand, where he now lives, the former officer stopped off in S.F. long enough to sell the picture to Willoughby. Let that be a lesson to all artists.

**INSIDE STUFF:** Niven Busch, the noted Calif. novelist "The Gentleman from California" is his latest, "em . . . I note with trepidation that the U.S., as part of a cultural exchange, is thinking of sending some Gary Cooper films to Moscow. This is to inform Washington that the word Mr. Cooper uttered most — "Yep" — is The Word in Russian slang. If this helps to avert another crisis, this column has not been written in vain.

pleted the final forms — and, on the way out, stopped in the lobby to retrieve his hat. It had been stolen.

**I HOPE THIS** isn't Top Secret, but Henry Beltman somehow got hold of the British Admiralty's instructions on the storing of warheads for nuclear rockets and here goes: "It is necessary for technical reasons that these warheads be stored upside down — that is, with the top at the bottom and the bottom at the top. In order that there may be no doubt as to which is the bottom and which is the top, it will be seen to that the bottom of each warhead immediately be labeled with the word 'TOP.'" Burn this.

**RUSHIN' ROULETTE:** Crossing the main drag in the pedestrian lane and wondering whether the cars will stop. Cracks a traffic cop, who has to step lively himself: "It's like playing Russian roulette with every chamber loaded and betting on a misfire. . . . Add useless information: A British law states that steak and kidney pie must have at least one part of kidney for each four parts of steak. Here, I think it's the other way around. . . . As a leg man, I protest those newish figured stockings. Even glamour gams look thick in California." I note with trepidation that the U.S., as part of a cultural exchange, is thinking of sending some Gary Cooper films to Moscow. This is to inform Washington that the word Mr. Cooper uttered most — "Yep" — is The Word in Russian slang. If this helps to avert another crisis, this column has not been written in vain.

## ROYCE BRIER

### Kremlin Shifts Don't Mean New Shakeup Under Way

Europeans in general and Russians in particular don't understand the operation of our government and our political forces.

So we don't comprehend the European systems, and we are foggy about the British monarchy. But the Soviet system is even more taxing to our understanding. Some hints are contained in the recent shifts of individuals in the Kremlin, and they are worth examination.

When Stalin's death ended the dictatorship, his successors announced a "collective leadership." But the

early leaders in this structure were shaken out of it, and in about two years Khrushchev emerged as dominant. This conformed to our historical experience with shared leadership, going back to the Roman triumvirates.

When Khrushchev fell last year a new "collective" was exhibited, and it could be predicted this would alter, and that some individual would emerge as undisputed boss, but it has not yet occurred.

The post-Khrushchev government announced in Brezhnev as Party Secretary, Ko-

sygin as premier, and Mikoyan as president, nominal chief of state.

The controlling party has about 7 million members, but its administrative arm is the Central Committee of upward of 100 members. There is also a theoretical parliament called the Supreme Soviet, but it only ratifies the acts of the Central Committee. Whatever individual or group has the confidence of the Committee, runs the country. Khrushchev merely lost control of the Committee, which retired him to obscure privacy.

Brezhnev and Kosygin seem presently to control the Committee, though we don't know what forces may be working against them. Mikoyan, 70 and in uncertain health, stepped down recently, his post taken by Podgorny's elevation. They have also been predicting a rise for Alexander Shelepin, 47, vice premier.

But Shelepin lost his job. He retained a post in the Secretariat, but it is not known where this puts him. Brezhnev and Kosygin remain in control, and Brezhnev seems to have the edge in individual power.

But this is a foreground appearance, and we cannot be sure if Brezhnev will go up or down.

In any case, events of recent days hardly make a "shakeup" in the Soviet power structure. Further, the system evolved since Stalin's death seems to work with no more disturbance than a change of administration in Washington.

It used to be the fashion among anti-Communists in the West to insist the Soviet oligarchy was Unstable because it was an oligarchy, rule by the few. But this appears to have been wishful thinking. Rule by an elite executive board like the Central Committee may not be efficient, and it may not solve the Russian economic problem. But it seems to have solved the Russian political problem.

## Morning Report:

If there is anything more complicated than the war in Viet Nam, then it has to be the reported moves to end it. As a matter of fact, both the "war" and the "peace" are startlingly alike.

On the fighting front, there is no front. It's almost impossible to tell friend from foe. Ambush is the order of the day. Booby traps and mined roads are everywhere. Every GI has learned all that over there, and Secretary of State Rusk must feel things are going the same way over here.

President Ho, of North Viet Nam, gives peaceful interviews by day, and writes peaceful letters by night. But every afternoon his radio station in Hanoi declares war again. I trust Mr. Rusk is able to follow all this. I know I cannot.

Abe Mellinkoff