BUSINESS—

CEILINGS ON PRICES FAILED IN 1776

Controls Have Always Been Unsuccessful If the Shortages of Goods Last Long Enough, Records Show.

By JOHN W. LOVE
Scripps-Howard Staff Writer

WASHINGTON, June 13.—"Assorted vultures who are preying on the vitals of their country in time of common distress by selling above prices set by this price chart shall be exposed by name to public view."

Thus read the warning appended to America's first ceiling-price list, published in 1776 by the committee of suspension and observation of the Continental Congress. It was sent to me by a Philadelphia reader who neglected to credit its source.

The list contained only eight commodities, coffee, West India rum, chocolate, pepper, loaf and lump sugar and Lisbon and Liverpool salt, all of them imports and all of them, except the rum, quoted at prices either higher than today's or relatively higher.

Mr. Love

This primitive method of price control was ineffective. Prices in Continental currency rose and rose until the currency itself went out of use. Food was scarce in the cities because the farmers wouldn't conform to official prices or distrusted the money, usually the latter. Gen. Washington's troops at Valley Forge lacked for food in a part of the country which had plenty of food, but the army had nothing but paper money to trade for it.

* * *

THE HISTORY of price controls is long, but these efforts all had one thing in common: They failed. Men might be hung or sentenced to the galleys, but the survivors always found some means of eluding the system.

The Russians went to the extent of collectivizing agriculture in order to make sure the peasants raised enough meat and other things and delivered their surplus to the cities. Yet even in Soviet Russia there is evidence in the latest budget of a considerable amount of price inflation during the late war, though it may have come to an end a year ago.

A farmer's habit of holding out produce in periods of rising prices until he can either get a higher price or trade it for something he needs is as old as prices themselves. Newspaper reporters' stories of trips into the country and their discoveries that they could buy meat without trouble, or that nearly everybody they talked with admitted selling poultry at higher than ceiling prices, read like those which would have been printed in the days of Edward III in England, after the Black Death, if printing had been invented.

* * *

MODERN systems of price control in wartime are far more elaborate than those of other days, but they are bound to fail if the war lasts long enough. The only thing that can save them is for the government to keep putting more and more energy into the enforcement, and hope the war will end before the effort bcomes too great.

The black market in meat, together with markets in all shades of gray, appears to have grown in this part of the country to the point where the office of price administration can't do a great deal about it. It could probably police the wholesale and retail end of the distribution more effectively if it put thousands of new inspectors to work, but there is no disposition in congress to provide it with the funds it would need this late in the game.

Anti-Bottleneck WPB Unit Named

WASHINGTON, June 13 (U. P.).—The war production board has appointed a joint committee on critical materials and products which will help prevent bottlenecks in war industries, it was announced today.

WPB Chairman J. A. Krug said the committee will consolidate functions now performed separately by the WPB, army and navy. Roger E. Williams will represent WPB, Lt. Col. N. G. Kenny the army air forces and Donald L. Colwell the navy.

YARDS RECEIVE 8100 PORKERS

900 Cattle and 650 Calves Also Arrive.

No price change accompanied the run of 8100 hogs at the Indianapolis stockyards today, the war food administration said.

Cattle trade was steady on receipts of 900.

Good and Choice vealers turned on steady levels, but lower grades dragged. Total receipts amounted to 650.

Sheep and lambs amounted to 325, and they were unchanged.

GOOD TO CHOICE HOGS (8100)	
120- 140 pounds	$14.00@14.80
140- 160 pounds	14.50@14.80
160-pounds up	14.80
Medium—	
160- 220 pounds	13.25@14.75
Packing Sows	
Good to Choice—	
270- 400 pounds	14.05
Good—	
400- 550 pounds	14.05
Medium—	
250- 550 pounds	12.75@14.00
Slaughter Pigs	
Medium to Good—	
90- 120 pounds	11.25@13.75
CATTLE (900)	
Choice **Steers**	
700- 900 pounds	16.25@17.50
900-1100 pounds	16.25@17.50
1100-1300 pounds	16.25@17.35
1300-1500 pounds	16.50@17.75
Good—	
700- 900 pounds	15.00@16.25
900-1100 pounds	15.25@16.25
1100-1300 pounds	15.25@16.25
1300-1500 pounds	15.25@16.50
Medium—	
700-1100 pounds	13.75@15.25
1100-1300 pounds	13.75@15.25
Common—	
700-1100 pounds	11.75@13.75
Choice— **Heifers**	
600- 800 pounds	15.25@16.75
800-1000 pounds	15.25@17.00
Good—	
600- 800 pounds	14.50@15.25
800-1000 pounds	14.75@15.50
Medium—	
500- 900 pounds	12.50@14.75
Common—	
500- 900 pounds	11.00@12.50
Cows (all weights)	
Good	13.00@14.75
Medium	11.00@13.00
Cutter and common	8.25@11.00
Canner	7.00@ 8.25
Beef— **Bulls (all weights)**	
Good (all weights)	13.00@14.25
Sausage—	
Good	12.00@12.75
Medium	10.75@12.00
Cutter and common	8.50@10.75
CALVES (650)	
Vealers (all weights)	
Good and choice	16.00@16.50
Common and medium	9.00@15.50
Cull	5.00@ 9.00
Feeder and Stocker Cattle and Calves	
Choice— **Steers**	
500- 800 pounds	13.00@14.50
800-1050 pounds	13.00@15.00
Good—	
500- 800 pounds	11.50@13.00
800-1050 pounds	11.50@13.00
Medium—	
500-1000 pounds	10.00@11.50
Common—	
500- 900 pounds	8.50@10.00
CALVES (Steers)	
Good and choice—	
500 pounds down	14.00@15.75
Medium—	
500 pounds down	11.75@14.00
Calves (Heifers)	
Good and choice—	
500 pounds down	13.50@15.50
Medium—	
500 pounds down	11.25@13.50
SHEEP (325)	
Ewes (Shorn)	
Good and choice	6.00@ 7.00
Common and medium	4.50@ 6.00
Lambs (Shorn)	
Good and choice	13.75@14.25
Medium and good	12.00@13.50
Common	10.50@12.00
LAMBS (Spring)	
Good and choice	15.00@16.00
Medium and good	13.50@14.75
Common	11.50@13.25

STATE CROPS NEED SUN AND WARMTH

State farmers made good progress in planting and cultivating the early part of the week before heavy rains slowed work, the Indianapolis weather bureau crop report said today.

Although much corn is coming up and tomatoes and other plants made progress, garden truck and melons need sunshine and warm weather to hasten growth, the report stated.

Wheat is heading at the Michigan border and its condition is good, according to the report. Mint, hay, pastures and clovers are in good condition.

Some cut alfalfa was damaged by conditions unfavorable for curing and saving.

COLD, WET WEATHER TO CUT HONEY CROP

Chief Bee Inspector James E. Starkey of the Indiana department of conservation warned beekeepers today that cold, rainy weather would reduce honey production.

He said an epidemic of swarming would occur in late June or early July.

Your dollars are needed MORE THAN EVER! Invest them in U. S. WAR BONDS
AMERICAN NATIONAL BANK AT INDIANAPOLIS

Surplus Seller

The huge task of disposing of America's surplus war supplies is in the hands of Stuart Symington, St. Louis Electrical Equipment Co. executive. He will succeed Guy M. Gillette as chairman of the surplus property board on July 15.

* * *

VETERANS GET LOANS, GOODS

Plan Revealed to Aid Small Business Ventures.

WASHINGTON, June 13 (U. P.).—The surplus property board disclosed today that food, consumer goods and small vessels were the fastest moving things it had to sell.

At the same time the Smaller War Plants Corp. announced a plan to grant veterans going into business a top priority to buy up to $2500 worth of surplus property.

In its second quarterly report to congress the board said it sold $265,000,000 worth of available surpluses in the 10-month period from June, 1944, to March, 1945. This figure represented about 16 per cent of outstanding surplus, it said.

Four-fifths of the sales as a general rule were made to non-government buyers, the board revealed.

The SWPC's plan will go into effect July 1. It is intended to speed up the transfer of surpluses from government stock piles to sites where veterans' businesses will be located, and keep unscrupulous buyers from getting their hands on material which SWPC is earmarking for veterans.

Under the plan a veteran may apply for $2500 worth of surplus property for his business and at the same time apply for a loan to buy the surplus.

The program is limited to a veteran's business with an invested capital not exceeding $50,000. Of this amount at least one-half must be loaned to a veteran. If a non-veteran is associated with a veteran in the business the non-veteran cannot own more than one-half interest.

EASTERN AIR LINES ADDS 3 DAILY TRIPS

Eastern Air Lines today announced that on June 15 it will add two daily southbound trips and one northbound.

A new southbound departure at 9:52 a. m. provides service to Louisville, Nashville and new through transportation to Birmingham, Montgomery and Dothan. The trip will continue to Tallahassee, Tampa and Miami.

The other southbound trip departs at 10 p. m. for Louisville, Nashville, Chattanooga, Atlanta, Macon, Jacksonville, Orlando, Vero Beach, West Palm Beach and Miami.

Eastern's former departures from Weir Cook municipal airport remain at 11:20 a. m., 1:45 p. m., 8 p. m. and 11:45 p. m.

The Evansville stop no longer will be included in the 8 p. m. departure nor will the two flights from the south stop at Evansville.

The other new trip serves Chicago, leaving here at 4:10 a. m.

LOCAL ISSUES

Nominal quotations furnished by Indianapolis securities dealers:

STOCKS	Bid	Asked
Agents Fin Corp com	7½	
Agents Fin Corp pfd	19	20
L S Ayres 4½% pfd	104	
Ayrshire Col com	16⅜	16⅞
Belt R Stk Yds com	37	40
Belt R Stk Yds pfd	54	----
Bobbs-Merrill com	8½	----
Bobbs-Merrill 4½% pfd	65	----
*Central Soya com	36	38
Circle Theater com	55	----
Comwlth Loan 5% pfd	105½	108
Delta Elec com	14¼	15¼
Electric Lab com	4⅝	5¼
Ft Wayne & Jackson RR pf	92½	96½
Hook Drug Co com	17½	19¼
Home T&T Ft Wayne 7% pfd	51	----
*Ind Asso Tel 5% pfd	104½	----
*Ind & Mich E 4½% pfd	109½	----
Indpls P & L pfd	113¾	115½
Indpls P & L com	23⅞	25¼
*Indpls Railways com	18	----
*Indpls Water pfd	105	----
Indpls Water Class A com	19¼	20
Jeff Nat Life com	15	----
Kingan & Co pfd	70	73½
Kingan & Co com	4⅛	4⅞
*Lincoln Loan Co 5½% pfd	97	102
Lincoln Nat Life com	51	53
P R Mallory pfd	30	31½
P R Mallory com	29¼	30½
Mastic Asphalt	8¼	9
N Ind Pub Serv 5%	108¾	110¾
Pub Serv Ind 5%	106	108
Pub Serv of Ind com	25¼	26½
*Progress Laundry com	17	19
Ross Gear & Tool com	25½	----
*So Ind G&E 4.8%	110½	----
Stokely-Van Camp pr pf	19¾	20½
Terre Haute Malleable	6½	7¼
U S Machine com	2¼	----
United Tel Co 5%	99	----
Union Title com	27	----
BONDS		
American Loan 4½s 55	98	100
American Loan 4½s 60	98	100
Buhner Fertilizer 5s 54	97	----
Ch of Com Bldg 4½s 61	90	----
Citizens Ind Tel 4½s 61	103	----
Columbia Club 1½s 55	82½	87½
Consol Fin 5s 56	99	----
Ind Asso Tel Co 3½s 70	108	----
Indpls P I 3½s 70	107	----
Indpls Railways Co 5s 57	93	95
Indpls Water Co 3½s 68	107¼	----
Kuhner Packing Co 4s 54	99	----
N Ind Pub Serv 3½s 73	104	----
N Ind Tel 4½s 55	93	----
Pub Serv of Ind 3¼s 73	105½	----
Pub Tel 4½s 55	100	----
Trac Term Corp 5s 67	97	100
H J Williamson Inc 5s 55	98	----

*Ex-dividend.

WAGON WHEAT

Indianapolis flour mills and grain elevators are paying $1.70 per bushel for No. 1 red wheat (other grades on their merits); oats, No. 2 white or No. 2 red, testing 32 lbs. or better, 66c; corn, No. 3 yellow, shelled old crop $1.10 per bushel, and No. 2 white, shelled corn, old crop, $1.25.

LOCAL PRODUCE

All breed hens, 27c.

Broilers, fryers and roosters under 5 lbs., white and barred rocks, 30½c.

All No. 2 stock, 26½c.

Old roosters, 20½c.

Eggs—Current receipts, 33c; grade A large, 38c; grade A medium, 34c; No grade, 32c.

Butter—No. 1, 50c. Butterfat—No. 1 49c; No. 2, 36c.

DAIRYMEN HIT CHEESE ORDER

Say 'Holiday' Means Less Butter and Milk.

WASHINGTON, June 13 (U. P.).—War Food Administrator Marvin Jones overrode protests of WFA dairy experts in declaring a 37-day "cheese holiday," it was learned today.

The order suspended limitations from June 8 until July 15 on the manufacture of all kinds of cheeses. There had been restrictions on production of all types except cheddar, the object being to obtain more cheddar, the basic type. The other varieties are more profitable.

Jones, in announcing the removal of quotas, said they had been imposed in order to assure a sufficient supply of cheddar cheese for the armed forces, but that this was not regarded as necessary during the current period of heavy milk production.

Milk to Decline

WFA officials, opposing the action, estimated the holiday might mean the loss of 1,000,000 pounds of butter, 2,000,000 pounds of cheddar or 8,000,000 pounds of evaporated milk.

Charles W. Holman, secretary of the National Co-operative Milk Producers' federation, declared yesterday that the suspension could not be justified as a surplus handling move because milk production soon would begin its seasonal dedecline.

LESS STEEL USED BY SHIPBUILDERS

NEW YORK, June 13 (U. P.).—The shipbuilding industry, largest wartime steel consumer, in the first quarter of 1945 took less than half of the amount of steel it received in the corresponding 1944 period, the American Iron & Steel institute reported today.

Moscow Stores Reduce Prices

MOSCOW, June 13 (U. P.).—All prices were reduced 25 per cent today in "commercial" shops, state-operated stores which sell a wide variety of consumers goods outside of the rationing system with high mark-ups.

Typical prices at the commercial stores are: One pound of sugar, 225 rubles (about $54); pound of meat, 150 rubles; pound of butter, 300 rubles. The same commodities distributed under the ration system cost: Sugar, 1.42 rubles; meat, .44, and butter, 12.5.

The commercial shops were opened about a year ago with the object of controlling inflation by collecting liquid currency in the hands of the population.

SENATE CHECKS SURPLUS BOARD

Group to Review Plans and Policies Tomorrow.

WASHINGTON, June 13 (U. P.).—The senate military affairs committee voted unanimously today to hold a "full-dress review" on Thursday of the plans and policies of the surplus board.

Members and administration officials of the board will be questioned about "rumors and reports" that "concentrated groups" are seeking to gain control of surplus plants.

Senator Joseph C. O'Mahoney, (D. Wyo.), told reporters that such reports are coming to congress "of a desire on the part of many people to prevent the objectives of the surplus property act and to bring about the absorption of surplus plants, not for the purpose of encouraging a free economy, but to strengthen the hold on industry of the concentrated groups which have played such a huge part in war production."

TRUMAN ASKS AGENCY RULE

Favors Budget Control of Government Firms.

WASHINGTON, June 13 (U. P.).—President Truman today "heartily" indorsed pending legislation to make government corporations subject to budgetary controls of congress.

Chairman Carter Manasco (D. Ala.), of the house committee on executive expenditures made public a letter from Mr. Truman, who said he wanted "to eliminate any misunderstanding as to my attitude on the Byrd-Butler bill," which would impose such controls.

"I heartily favor this proposal," the President said. "It is a long-delayed forward step applying the sound doctrine of an executive budget, as enacted in the budget and accounting act of 1921, to the many important government corporations which have since come upon the scene."

Mr. Truman told a press conference last week that he opposed the bill. It later developed that he misunderstood the reporter's question and thought it had referred to another bill.

COOL WEATHER AIDS STRAWBERRY CROP

LAFAYETTE, Ind., June 13 (U.—Indiana still harvested strawberries today.

The Purdue university market news service reported that cool weather had extended the southern Indiana berry shipping season into this week.

But only 800 to 1000 crates were expected to be sent from the Borden-Pekin and Floyd Knobs areas.

ALUMINUM RELEASED

WASHINGTON, June 13 (U. P.).—More than 100,000,000 pounds of aluminum will be released for civilian production starting this week, WPB revealed today.

Walker Named Bank Director

Evan B. Walker was named a director of the Security Trust Co. at a board meeting today.

Mr. Walker

Mr. Walker is also director of public relations for the company. He is a difector of Butler university and of the university foundation. He is also a director of the Young Men's Christian Association and of the Children's museum.

Other officers are Irving W. Lemaux, president; George W. Snyder, William Storen and Hugh V. Brady, vice presidents.

RESPITE ASKED BY WARD IS OPPOSED

CHICAGO, June 13 (U. P.).—U. S. District Attorney J. Albert Woll, today asked the federal circuit court of appeals to deny a Montgomery Ward & Co. request seeking to prevent the army from carrying out war labor board directives benefiting the United Retail, Wholesale and Department Store Employees (C. I. O.) union.

Montgomery Ward asked the appeals court for a mandate to stay action for 30 days on the court's decision that the late President Roosevelt had authority to order the army to seize 14 Ward properties.

The company had said it was important for the situation to remain in "status quo." The company sought the mandate while it prepared an appeal of the circuit court's decision to the supreme court.

Woll said that the circuit court's decision did not involve the legality of the WLB's directives.

LESS PULPWOOD DUE

WASHINGTON, June 13 (U. P.).—Pulpwood production this year will be lower than in 1944, the war production board has announced.

SEEK TO SAVE FARM SUBSIDY

Democrats Rap Amendment Affixed by Senate.

WASHINGTON, June 13 (U. P.).—House Democrats sought today to try to strike a senate-affixed farm profits amendment from the price control extension act.

Three of the nation's biggest farm organizations—the Farm Bureau Federation, the National Farmers Union and the National Grange—have called the amendment "silly" and "unworkable." They said it would result in higher prices and inequities among farmers.

Price administrator Chester Bowles said they summed up his opinion of the rider which would apply a cost-plus pricing formula to agricultural commodity ceilings.

Two Democratic members of the house banking and currency committee, now considering the price control extension bill, criticized the senate's amendment as being in direct conflict with the farm subsidy program.

Call It Departure

Rep. A. S. Mike Monroney (D. Okla.) said, "it would nullify the whole subsidy program."

"This amendment overnight would remove farm subsidies," Monroney said.

Rep. Paul Brown (D. Ga.) pointed out that the subsidy program has been followed for several years to encourage wartime farm production and added that "we can't change horses in the middle of the stream."

They voiced their criticism during testimony of Charles W. Holman, secretary of the National Co-operative Milk Producers Federation. He said the amendment was in line with a principle in operation in the milk industry during world war I.

MEAT INSPECTION UP

CHICAGO, June 13 (U. P.).—The war meat board reported today that federally inspected meat production in the U. S. increased by 44,000,000 pounds last week.

U. S. STATEMENT

WASHINGTON, June 13 (U. P.).—Government expenses and receipts for the current fiscal year through June 11 compared with a year ago:

	This Year	Last Year
Expenses	$93,571,869,802	$87,685,016,521
War Spending	84,717,128,107	81,899,479,127
Receipts	41,346,005,288	38,625,587,460
Net Deficit	52,225,864,104	49,059,391,411
Cash Balance	9,912,617,193	7,359,319,400
Work. Bal.	9,149,665,467	5,596,485,073
Public Debt	242,349,949,568	188,784,052,100
Gold Reserve	20,267,750,498	21,211,682,817

INDIANAPOLIS CLEARING HOUSE	
Clearings	$ 5,513,000
Debits	16,922,000

If your old favorites are missing from the dining car menu

Hard enough, the problem of trying to accommodate more than three times as many hungry passengers in about the same number of dining cars as we had in 1939.

But here's a harder one—*what to serve!*

Travelers' tastes have always run to steaks, chops, ham, chicken—conservative staples—things we now find as difficult to get as the housewife does. For dining cars are regarded no differently from home or restaurant—we must operate on a rationed basis, too.

So test kitchens of the Pennsylvania Railroad dining car department are busy experimenting with new food combinations, seeking appetizing "alternates." Every so often they come up with a "find"—and it quickly makes its way to the dining car.

However, if you look on the menu for an old favorite and do not find it, we are genuinely sorry. Wholesome food there is—but the choice isn't as varied as it once was—*and will be again!*

PENNSYLVANIA RAILROAD
Serving the Nation
★ 53,091 entered the Armed Forces ☆ 871 have given their lives for their Country
Buy Extra Bonds during The Mighty 7th War Loan