The United States should follow the example of Canada and transfer the administration of mineral resources from the federal government to the states, according to Max W. Ball, former chief of Interior's Oil and Gas Division. Ball told the Canadian Institute of Mining and Metallurgy that he once was in favor of federal control of minerals but has reluctantly concluded that he was wrong. One of the main faults with federal administration of mineral resources, he said, is that in dealing with operators in the field, an agent of the administration is forced to resolve every question in favor of the government.

Nichols Favors Canadian Dam

Marvin C. Nichols of Fort Worth, Texas, recommended by Secretary of the Interior Douglas McKay for Commissioner of Reclamation, is in favor of the Canadian River Dam proposed for construction on the Canadian River near Sanford in Hutchinson County.

He told an Amarillo Chamber of Commerce Committee interested in the dam and Bureau of Reclamation affairs at a luncheon in Amarillo in his honor on May 15, "I'm in favor of the Canadian River Dam as an adjunct to the water supply of this area. I hope some day you'll get it."

Nichols told the group that as Commissioner of Reclamation he will be a part of the Eisenhower administration. "As Commissioner I will follow the administration's policies. If I find that I am not in harmony with the administration policy, I will pick up my suitcase and come back to Texas. I am not going to be involved with any wrangles with the administration," he said.

"Congress sets out the policies and the statutes and I am going to follow them to the letter. I am not going to have a part of any substitute way of doing business," Nichols said.

Nichols said he considers the problem of obtaining appropriations to build the Canadian River Dam the problem of the people of the area, rather than a problem of the Bureau of Reclamation.

"The United States won't build it until Congress appropriates the money. When that happens, then I will do my best to see that you get as good a dam as possible and for the least possible amount of money," he said.

Utah State Water Board Shows Progress

A report recently released by the Utah State Water and Power Board shows that during the past five years projects have been constructed which have benefited 104,000 acres of lands already under irrigation and have provided water to 10,000 acres of new lands at an estimated total cost of $1,300,000, $1,000,000 of this to be returned to the state. The total estimated water saved exceeds 52,000 feet.

Western Water News

May, 1953

Editorial of the Month

CORN AND JUSTICE DOUGLAS

Reprint from the April, 1953, issue of the "Idaho Farm Bureau News"

Justice William O. Douglas of the United States Supreme Court last month in a dissenting opinion spelled out a doctrine that can, if it ever becomes the majority opinion of the court, sound the death knell of American free enterprise.

In commenting on the right of the Federal Power Commission to issue a license to the Idaho Electric & Power Co. to build a dam at the Roanoke Rapids on the Virginia-North Carolina state line he said:

"Roanoke Rapids is a power site belonging to the federal government and now surrendered to private power interest." He will, he said, produce $700,000 worth of power a year, thanks to the upstream dams and reservoirs. "That $700,000 of value is created by the taxpayers of this country. It derives from the investment of federal funds and will now be appropriated by private groups for their own benefit."

"The master plan becomes clear: the federal government will put up the auxiliary units—the unprofitable ones—and the private power interests will take the plums—the choice ones."

Justice Douglas also said the Federal Power Commission has been called upon to make decisions about the use of the water which belongs to the taxpayer. "It has been a sorry experience to see a Federal agency, after all these years, still playing the game of the species, the game of the feeble-stemmed one, and the game of the public interest."
FEDERAL POWER DISCUSSED AT ANNUAL MEETING

"Recovering Your Investment in Federal Hydro Power" was the subject of a round-table luncheon under the chairmanship of A. L. Lynn on April 28 at the Chamber's 41st Annual Meeting.

Representative Frederic R. Coudert, Jr., using the topic "The Problem and a Solution," stressed that we must try to reduce the scope of government activities, step by step, and field by field. When the government is engaged in a business that is traditionally one for private enterprise, it should get out, and it should not try to enter such fields. Using the illustration that the production of electric energy by the federal government increased 101 times in the past 20 years, Mr. Coudert pointed out that a Congressional committee should completely investigate a situation of this type and tell the public of the seriousness of government competition. Congress must "get busy," he said, and decide not only what functions are adaptable to private operation but also how best to return these activities to private ownership, "consistent with the public interest." This is the purpose of House Resolutions 12 and 15 introduced by the Congressman on the opening day of the 83rd Congress.

Assistant Secretary of Interior Fred G. Aandahl, using the topic "The Effect on Multi-Purpose Projects," spoke for the new administration in defense of federal multi-purpose river improvements, including generation of hydroelectric power. However, he pointed out that the condition in which we find power generation and marketing today is the result of a program planned under the old administration for the purpose of setting up a complete federal monopoly in power. He said that the power marketing agencies in Interior reach out "beyond the bounds of propriety, as we measure it in the light of the objectives of the present administration."

Recovery of our investment in federal power is now taking place, according to Mr. Aandahl, as the power features of multi-purpose projects offer good repayment possibilities. Separating power from the other features is not a primary issue as regards repayment of the government investment because power revenues will be returned regardless of how the power is marketed. The federal government has a definite responsibility in conserving and using beneficially the flow of our streams by means of multiple-use projects, the Secretary said, and it also has a responsibility in obtaining the most energy possible from big dams.

Secretary Aandahl said that the preference clause under which federal power is sold has been both misapplied and poorly administered. The idea of preference should apply not to promote a great federal utility but only after power is made available for resale in the local areas served by local utilities. Many of the problems relating to preference can and will be solved administratively, he promised.

The proceedings of the luncheon are available on request from the Chamber's Natural Resources Department.
Persons who call themselves Marxists or Communists are not the only ones who support social leveling by compulsion. This process is implicit in nazism, fascism, Fabianism, socialism, state interventionism, the planned economy, the welfare state, and new and fair dealism. Indeed, many persons who call themselves conservatives or free enterprisers are unwitting sponsors of this process—at least, in part. All who advocate subsidies for special groups—

below-cost mailing privileges, wages based on violence or the threat of violence, rent control, TVA, public housing, tariffs, subsidies to plane and ship companies, and a host of other similar measures—stand as daily, living testimonies to this fact. The Marxian ideal, whether understood or not, is being advocated in numerous ways by vast numbers of adult Americans!

Anyone who studies the principles of organization will soon learn the elementary fact that responsibility and authority must always be equal to be effective; obviously they must go hand in hand. When the responsibility for one's own welfare is transferred from one's self to the state, it follows that the authority over one's life is transferred along with it. This fact is not an accident. Nor is it by anyone's choice. It is a consequence that cannot be otherwise.

A LESSON IN SOCIALISM

Perhaps the best simplified version of this thesis was made by a high school economics teacher to his class. Abbreviated, it is this:

"John, you received a grade of 95. Dick, you received a grade of 55. I am going to take 20 from you, John, and give the 20 to you, Dick. Each of you will then have 75, sufficient for passing. That will be applying the principle of 'from each according to his abilities, to each according to his needs.' Now, let's see how this would work in practice. You, John, would quit working because there would no longer be any incentive. You, Dick, wouldn't work because you would be provided something for nothing. In short, we would end up with a nonworking society. Work must be done, or we can't live. So we will require an 'authority' to try to induce work."

But this version, excellent as it is, emphasizes only two-thirds of the havoc wrought. It fails to show the impairment to the authoritarian himself.

The Marxian ideal presupposes the existence of three classifications of persons, the archetypes of which are: (1) the person with "ability"—that is, the one from whom honestly earned property is taken, (2) the person with "need"—that is, the one to whom someone else's property is given, and (3) the person in command of the instruments of compulsion—that is, the authoritarian.

If my contention is correct that all persons, in all three categories, suffer from social leveling by compulsion, then it follows that the whole caboodle of what are called "social gains" not only fail to benefit anyone but also must have a deteriorating effect on everyone.

I see them:

In summary, all of us are, to some extent, in this thing together. And all of us are degraded to the extent that social leveling by compulsion is practiced, whether we are primarily the ones with "ability," the ones with "need," or the ones who act as do-gooders or levelers.

The only way, then, that we can avoid personal degradation is to avoid social leveling by compulsion. Not a single person is truly benefited. Instead, all are harmed.

A positive suggestion? Let government confine itself to defending the life, liberty, and property of each of us equally. Leave all creative action to men acting freely, all creative energy flowing unrestrained and uninhibited. Only the release of energy can produce abundance, be it material, intellectual, or spiritual. Given abundance and unrestrained freedom to act creatively, there will be as much good done by each for others as can be done.
McKay's Epochal Announcement

A Salem man, Douglas McKay, secretary of the interior, made what is quite possibly the most important Eisenhower administration domestic policy announcement to date Tuesday when he said the government is withdrawing its objection to the construction of a dam at Oxbow on the Snake river opposite Baker county.

This reversed a 20-year new deal-fair deal policy of seeking to socialize the electric power industry by battling private power expansion and seeking to foist taxpayer subsidized competition upon it. This policy has effectively thwarted many contemplated private power developments in the Northwest, particularly along the Snake river between Idaho and Oregon.

The McKay announcement does not necessarily mean that Idaho Power's proposed dam will be built. Its application will be heard in July by the Federal Power Commission, which may still deny it. It will do so if reason to believe this project is not in the public interest develops at the hearing.

But the announcement does mean that the government is through fighting private power development and that it is through attempting to socialize the power industry. McKay plainly says that he wants the matter heard on its merits, meaning on the facts. His department will furnish whatever facts it possesses, and it possesses many, but it will no longer be a party to the case.

The new policy will be to consider each case on its merits, to ask whether private enterprise can do the job: if it can to favor it generally; if it can't to seek government funds. Government dams will continue to be built, though not so many, and more private dams will be built.

Our own belief is that the public interest will be promoted if Idaho Power is given a green light for its Oxbow dam and for the other two it proposes, as these are needed by the steadily growing demand for electric cur-rent in the Northwest. The Idaho Power will build at once, where as McKay points out, a budgeting balancing Republican congress is unlikely to vote the more than half a billion required for Hells Canyon dam within the foreseeable future. It must be remembered that the free spending new deal congresses that preceded this one were never willing to embark on this huge spending project in which the government's cost estimates might prove to be as unreliable as they have in previous projects.

If the government does later wish to build a big dam on the Snake river it will find another excellent site at Mountain Sheep below Hells Canyon, which will not be affected by the Oxbow dam. And there are other sites on both the Snake and Columbia. The government is by no means limited to this one, whose feasibility is so widely questioned.

Basically what McKay has decided, presumably with the full approval of President Eisenhower, is that private enterprise is to be encouraged rather than discouraged, in the power field and elsewhere. The public should not overlook the implications of a continued federal push for socialized power. For if government operation of power is superior to private operation, it must follow that government operation of industry is generally superior.

If this is true its benefits should not be limited, nor will they be limited to power. Rather they will tend to spread, to engulf all private enterprise until the government controls everything and everybody. This we know as totalitarianism and there is no reason to hope American totalitarianism would be any better than the foreign kind against which we are now striving.

That the United States government has set its face in the opposite direction should be tremendously encouraging to those who believe in the traditional American principles. And it should be a matter for no small pride here that one of our own citizens made the epochal announcement.

McKay Makes Wise Snake River Decision

Secretary of the Interior Douglas McKay announced yesterday that his department had withdrawn its opposition to an Idaho Power company proposal to develop power sites in the Snake river canyon.

This action does not automatically kill the plan for Hells Canyon dam, which the interior bureaucrats under President Truman and former Secretary Chapman have long promoted. The action merely removes this official government agency as an opponent of private development of the river.

In its desire to build Hells Canyon dam, the interior department's bureau of reclamation went out on a limb. It had a logical and legal right to propose the project and to leave the decision up to congress, which has the power to authorize such dams.

But neither the bureau nor the whole department had the legal right to interfere against the private power company's case before the federal power commission. The FPAC is the agency of the federal government that reviews the applications of private firms and decides whether the public interest would be served if licenses to build dams are granted by the commission.

Secretary McKay's decision yesterday was a wise one. In it, he recognized the right of the FPAC to make an unbiased decision when the Idaho Power case comes before it. He also recognized the validity of a recent supreme court decision in the Roanoke Rapids case, in which the interior department's objections to construction of a private dam were overruled by the court. In the third place, Secretary McKay recognized that in its present mood congress would neither authorize nor appropriate funds for Hells Canyon dam, as conceived and promoted by former officials of the interior department.

The proponents of Hells Canyon dam will doubtless berate Mr. McKay for refusing to champion their cause. But Mr. McKay is a realist who knows that one of the decisions the voters of America made last November was the decision to curb the expanding powers of the federal government and to give private enterprise a chance to assume its responsibility for meeting the electric power needs of the nation.

Mr. McKay has removed one roadblock to private industry. He has cleared the way for the federal power commission to hear and to decide the case of the Idaho Power company, unfettered by the interior bureaucracy. But he has also served public notice that his department, under new management, is no longer attempting to socialize the power industry of the Northwest.