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The Carlisle Mercury

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Tigers Claw Nicholas, Advance In 58-53 Upset

The surprising Greenup Tigers, a 10-15 point underdog played a shaky first half and came from behind to defeat favored Nicholas County 58-53 in the second night action of the Lewis County Invitational Tournament.

The Tigers changing defense rattled the offense of the "Big Blue" in their shooting and ball handling.

Hot shooting Gary Crawford who totaled 29 points kept the Jackets alive in the first half. The first quarter came to and end with Nicholas on top, 14-11 of the first period of play.

The second quarter saw Nicholas getting in foul trouble and reaching bonus trouble with 6:20 in the first half. The Jackets pulled away by five points 18-13 in their 6:6% total from the field the first half. This didn't stop the Tiger's as 6'1" Junior, Benny Pack pulled the Nicholas lead to one slim point 23-22. Crawford struck again and at the end of the first half the Jackets had the Tigers by the tail 25-22.

The second half saw Greenup dominate the second half with the help of Pack and Senior guard Tom Stultz. The Tigers came alive and hit unbelievable shots from the outside and lead the Jackets 37-33 at the end of 3 periods.

The "Old Jackets" never died but they sure faded away falling behind by 6,8,10 points. They came back and pulled within 5 but lost the contest as well as their chance to win the lower bracket and the tournament.

Showmen of Basketball To Play Here Jan. 13

The Harlem-All Stars will meet the Carlisle Briarhoppers at 8:00 Monday, Jan. 13 in the Nicholas County High School Gymnasion.

The All Stars were here late last year and edged the Brairhoppers in a somewhat close contest. The Home team is out for revenge this year.

Don't miss the fun, excitement and every laugh-filled minute of this game.

This Oldtimer . . .

Has been around the office for many months, in fact we've lost track of who brought it in or what place it is supposed to represent. Does anybody recognize the scene?

House Breaks 86 out of 90 In Fish, Game Trap Shoot

"Dead Eye," Sharpshooter, Buffalo Charles, these are just a few of the names that could be placed on the ranks of Charles House. Last Sunday a large crowd of Trapshooters braved the cold weather to do some shooting even though the weather was cold, House's aim was hot. He won ten total matches and four of the first four squads he participated in.

All in all it goes to prove you don't want to mess with Charles because he broke 86 out of 90 clay birds and probably 86 of 90 shots he might let you. Pressure was no factor either as Charles won 3 shoot off matches including a match that had seven entries against Police Chief Allen Earlywine.

Larry Mattox was close on House's heels but needed 6 matches to gain the limelight finishing with a total of four.

Fred Rushford closed out his night with 3 matches, Dudly Earlywine had 2 matches followed by brother Allen Earlywine and Charles Mattox who had a single match.

Answers Are Sought To Christmas Letters

Kentuckians who have not already done so were urged today to "finish up old business of 1968 by answering their Christmas Seal letters."

Ray Harm, wild life artist, who is the chairman of the Kentucky campaign to raise money to battle tuberculosis, emphysema and other respiratory diseases, said that the campaign still is far short of its goal.

Persons who failed to receive seals or who have misplaced their envelopes may send contributions to Christmas Seals, Post Office Box 8405, Louisville, Ky. 40208, Harm said.

More Spent Locally To Improve Homes

(Special to the Mercury)

NEW YORK-Homeowners in Nicholas County spend a tidy sum each year on the maintenance and improvement of their homes.

In the past year alone, their expenditures for alterations, additions, repairs and upkeep came to approximately $304,000, it is estimated.

The amount is based upon a sampling survey of dwellings in all sections of the United States.

The finding is that the average expenditure for residential upkeep and improvement in Nicholas County's general area came to $187 per housing unit. Not included in this figure were the normal, everyday household and housekeeping expenses.

That was the average outlay. In individual cases, it varied widely from that amount, both up and down. The explanation is that most homeowners will undertake major improvements one year and then do nothing of an expensive nature for several years thereafter.

Details on how much is spent for such purposes and how much it adds to the value of a home come from the Department of Commerce and the National Association of Real Estate Boards.

They show that the outlay in this direction, for the nation as a whole,

Continued on page 12

Three Take Places Alongside Columbus

Astronauts Frank Borman, James Lovell and William Anders, explorers of Apollo 8 took their places in history alongside Columbus and Magellan Friday, Dec. 27 when they landed their spacecraft in the South Pacific three days after man's first flight around the moon.

The landing was effected 1,000 miles southwest of Hawaii, at 10:51 a.m. EST. They hit the water 5,000 yards to the port side of the aircraft carrier Yorktown, which was awaiting pick up of the spacecraft and its crew.

Carlisle Rotary Gets $225 in Keenland Grant

LEXINGTON-Under its program of aid to surrounding counties, Keeneland Association, with income from Thoroughbred racing and sales, has made its annual grant of $225 to the Carlisle Rotary Club.

Other service organizations and agencies which received funds included the Woodford County Community Chest; the Franklin County United Fund; the Rotary Clubs of Georgetown, Nicholasville, Paris, Richmond, Winchester, Lancaster, Lawrenceburg, Mt. Sterling, and Owenton; the Lions Clubs of Cynthiana, Danville, Harrodsburg, Mt. Vernon, Owingsville and Williamstown; and the Kiwanis Clubs of Irvine-Ravenna and Jackson County.

The $6,150 made under this program was a part of $31,250 contributed by Keeneland to non-profit organizations during 1968.

The largest single grant was $5,000 to the Lexington and Fayette County Community Fund, and $3,000 was given to the Paris and Bourbon County YMCA Building Fund. The Grayson Foundation, an equine research organization, received $2,500; Transylvania College, $1,600; and the Lexington Baby Health Service, the Lexington-Fayette County Urban League, Trooper Island, and the Blue Grass Council of the Boy Scouts of America, each , $1,000.

Contributions of $500 each, were made to 14 other Lexington-based agencies, many of which serve the entire Central Kentucky area.

Cottages Ransacked At Lake Carnico

Three property owners in Section A at Lake Carnico were victims of intruders Christmas Eve, who ransacked each cottage.

The property of Miss Betty J. Vice, of Mayasville, had a television set stolen; at the Ralph Bowen cottage, a four-cell flashlight was missing, and at the cottage of Miss Emily Asbury, of Cincinnati, nothing was taken, although ransackers had neatly piled numerous articles near the front door.

At the Asbury cottage the intruder was surprised by Miss Pat Allison about 7 p.m. and hurriedly left by the back door, Miss Allison retreating by the front entrance, drove to the home of Dr. J.T. Morford and called Sheriff Emery Clark.

Sheriff Clark stated Saturday that State Detectives had been called in to help with investigation of the incident.

Jaycee L.L. Net Standings Given

The standings for the Little League Basketball teams after four weeks of play are as follows: Demons- won 4, lost 0; Raiders-won 3, lost 1; Gassers-won 3, lost 1; Maroons-won 1, lost 3; Hornets-won 1, lost 3; Tigers-won 0, lost 4.

The 10 top scores so far this season are: Doug Jones, Demons, total points, 75; Proctor Blair, Raiders, total points, 62; Hugh Wilson, Tigers, total points, 30; Raymond Compton, Gassers, total points, 30; Larry Young, Maroons, total points, 30; Marshall Fryman, Hornets, total points, 22; Danny Bealert, Deamons, total points, 20; Bruce Morrison, Demons, total points, 19; Doug Darbro , Raiders, total points, 18; Greg Letcher, Gassers, total points, 17.

Joe Burden Wins Soil Essay Contest

Joe Burden, a Senior at Nicholas County High School and a son of Mr. and Mrs. Maxwell Burden, won the 1968 Soil Conservation Essay Contest in Nicholas County. He will receive a $25 US Savings Bond.

Diana Allison, a seventh grade student in Carlisle Elementary school, won second place. She is the daughter Mr. and Mrs. Howard Allison Jr. She will receive $10 in cash.

Brenda Carrol Guy placed third and won $7.

Karlyn Coatney won $5 for fourth place.

Judy Hunter was 5th and won $3. Paula Vice was 6th and won $2.

There were 620 essays written. This number has been exceeded only one time in Nicholas County. The Nicholas County Soil Conservation District Board of Supervisors, the local sponsors, appreciate the cooperation of the teachers and students in supporting this worthwhile educational activity.

Temper Optimism With Caution, Babson

Wellesley Hills, Mass., Dec. 26. President Nixon will take over in January in a continuing national and international "state of siege," His major legacy from the outgoing Administration will be Vietnam, a militarily resurgent Russia, inflation , and a dollar that is not yet "out of the woods."

WAR AND PEACE

Much of the difficulty in which the United States finds itself today, both at home and abroad, can be laid squarely on the doorstep of a terrible error in national policy. The great mistake was the belief that we could fight a war in Southeast Asia and conduct "business as usual" elsewhere. The result was an immensely unpopular conflict and the setting in motion of a massive inflationary wave. The effects of both tragedies will continue to scourge our people with social divisiveness and economic inequalities for an untold length of time.

Recession Pockets-Peace will not come in Vietnam like the dropping of a curtain. The incoming Administration does not intend to surrender. Hence, the path to peace will be tortuous and, at times, seem without end. But, even though fighting may flare now and then, the consumption of the hardware of death will be considerably less in 1969 than in 1968. This will apply particularly to standard items that are burned up rapidly during heavy and widespread attack and counterattack. As a result, Babson's Reports looks for those concerns and areas that have been heavily committed to the making of bombs, shells, small arms, light ammo, etc., to suffer a slump in business volume and employment as the year wears along.

Boom Spots Too-But, if we may need fewer bombs and less TNT, we shall surely have a lot of work to do in order to catch up in modern weaponry. For while we have been tied down in Vietnam, we have been neglecting our defense posture elsewhere...especially the application of the most up-to-date research and development. 1969 will not feel the full impact of the coming arms catchup; but it will see a strong beginning. Emphasis will be on silent submarines, lasers for use with both offensive and defensive weaponry, much more highly sophisticated computerized control of short-and long ranged missiles, deployment of the latest ABM syster, greater versatility and mobility in battlefield nuclear "artillery," a completely new tank fleet, another generation of manned attack fighters and bombers, etc. It will well add up to greater spending on new armament than to real saving on cutbacks in the older types. Note, too, that the Arabs will be on receipt of technological devices...requiring highly skilled management and labor.

Space Revival-We have made great strides in space penetration..despite our occupation with the jungles and swamps of Southeast Asia. Yet, our progress has lacked the impetus of the early years after Sputnik. Just now, recurring reports indicate a real likelihood that Russia will score a significant "space spectacular"...probably sometime soon. Should this be the case, we foresee a new surge of spending on more massive boosters and on more refined vehicles...both manned and unmanned. Again, observe that the big need will be for skilled men and highly complicated machines.

Russia Resurgent-The Russian Bear is no longer emitting friendly grunts of detent. Thoroughly aroused by near revolution on his very doorstep--and the gateway to his heartland--by the Czech stirrings for freedom in the summer of 1968, he will not risk any "repeat performance" in 1969. It will be the "hard line" for the Kremlin throughout the coming year. And the Nixon Administration will be shoved off balance many a time. Most ominous is the powerful strengthening of the Soviet Mediterranean fleet; for there it is in direct contact with American and other NATO warships. Once more, it will be a case of urgent defense needs taking precedence over pressing social demands. The issue of "guns or butter" will persist throughout 1969. Too much attention to either or both could well lead to a price-wage spiral in attention to either or both could well lead to a price-wage spiral in our economy...with all the threat of a deflationary plunge thereafter.

INFLATION STILL INCUBATING

1968 will go down in economics histories as "the year of the great boo-boo." Early it was recognized that the economy was overheating... that a cooling off was necessary to prevent runaway price boosts and the inevitable aftermath of recession. The government opted for a fiscal "wet blanket" to smother the inflationary fires...and belatedly the surtax on personal and corporate incomes was enacted, effective mid-1968.

But the boom rolled on...confounding both the Federal Reserve--the country's money managers--and the President's Council of Economic Advisers. What happened? Two things: (1) The Fed thought the surtax would cause "overkill" in business, so opened the money spigots wider stimulating buying just when the tax was supposed to depress it; (2) Mr. and Mrs. J. Q. Public sharply cut their rate of savings and went on a buying binge...augmenting their fling with big gobs of borrowed money.

More to Come-So, here we are: Months after the "tax to kill inflation," prices of goods and services are still spiraling upward. This, of course, goads the workingman to support his labor boss when he demands outsize hikes in pay and benefits. Even though the Fed now gives signs of having moved to ease the money reins from gusher rate to a more gentle flow, the floods of prior months will continue to seep through business and financial channels...at least during the early part of 1969.

Our staff here at Babson's Reports looks for "more of the same" during the first half of the year; Higher price tags, further wage raises in excess of productivity gains, continued up-pressure on costs all around, and the inexorable fattening of the tax burden--not alone from the perennial upsweep of state and local levies, but also from the substantial step-rate in social security charges. Indeed inflation is still incubating. The virus is virulent. The antitoxin is known. But the political medicos that will administer it have not yet come forth.

Number One Problem-Mr. Nixon knows that inflation is the one force that can destroy this nation--financially, morally, even militarily. He also knows that to move aggressively against it could plunge the U. S. into a depression. The latter state might be worse than the former. It seems likely, then, that he will move slowly against the incubus of perpetually climbing costs and prices. Fortunately, the incoming President has the advantage of the anti-inflationary moves made in the late days of President Johnson's tenure. We expect that he will move cautiously to augment these. As a result, we look for no spectacular attack on the country's number one enemy in the opening days of Nixon's office. That means there will be further portents of inflation early next year...later in 1969 you can look for many signs of a topping off, even maybe some deflationary signals.

STRONG START FOR DOLLAR

Unlike a year earlier--when the dollar was under world suspicion and attact--the "god ole buck" will start 1969 with a halo over it. The big bad wolf--President de Gaulle of France--who led an all-out offensive against the dollar in 1967 and early 1968 is now pretty "dead" insofar as any lethal threat to it in 1969 is concerned. His own franc had to have a good many blowout patches applied at the end of 1968 to keep it rolling.

It is not that the dollar has gained any real fundamental strength in recent months; rather it is that the pound and the franc got so weak that, by contrast, the dollar gained stature. Excellent co-operation with the U. S. by Germany has caused the drift in our international payments to all but disappear. Then, too, our nation did move toward fiscal restraint when it enacted the surtax. Finally, with the pound sick and the franc tottering, the other stable currency areas such as the German, Swiss, and Dutch just did not have sufficient size and room to accommodate all those financial refugees who might have been seeking shelter.

Could Be Only Temporary-But it is too early yet to crow. Our dollar may still fall victim to a recurrence of the persistent weakness in our international payments position that has marked our relationship with the rest of the Free World for 90% of the last two decades. Actually, the final-half 1968 strength in our balance of payments has not been the result of an improvement in our trade or payments position. Its good health then was more apparent than real...resulting from financial transactions, capital movements toward our shores--some of them flights from the currency ills of Europe, some for speculation in our stock markets, some "deals" between our Treasury and Germany to keep the mark from getting too strong and the dollar too weak.

Barring cataclysmic developments on the military front, the dollar should occasion us no great concern in 1969. However, the Babson prediction still stands...that the dollar may be living on probation, even on borrowed time, if the new Administration lets prices and costs run wild...or even if it cracks down too hard on inflation, touching off a recession. The things it must do: (1) Keep the federal budget close to balance; (2) persuade the money managers to maintain a moderate,, not too stimulating increase in the money stock; (3) crack down on speculative excesses; (4) curb the underlying causes of our deficits in international payments...namely, faltering exports, soaring imports, non-competitive (with nations abroad) prices and costs (which are the faults of both business and management leaders).

The dollar is now in the "eye" of a tremendous national and international inflationary hurricane, Its respite will be but temporary. To bring it through the "other side" in late 1969 or 1970 will be a Herculean task for the new Administration. Indeed, Mr. Nixon and his advisers will have to do a veritable "tightrope act" above the Scylla of inflation on the one side and the Charybdis of distnflation on the other. 1969 will witness the first scenes of the act.

BUSINESS TO SCALE NEW PEAKS IN 1969

The momentum built by rising business volumes and production will surely carry the usual measurements of Gross National Product and the Federal Reserve Index of Production onto the whole story. What you want to know is what the rate of gain will be and what the shape of the year, businesswise, will look like.

Gross National Product-Total dollar value of all goods and services finished in 1968 on a strong note...at nearly a $20-billion gain. That is only slightly less than the best 1968 quarter of $22 billion. Prospects now favor a good further boost in the first 1969 quarter, perhaps equivalent to the $18-billion advance of the third 1968 stretch. The second quarter of next year may slip a bit from the first; but the upcoming half year will show a climb in dollar values perhaps only $3-$4 billion below the great bulge of a year earlier. Assuming no dropping of the surtax, we look for a lesser race of gain in the final 1969 half...another big year, but tapering as it wears along. Over all, expect a GNP upthrust over 1968 of close to 7% (about $60 billion).

Physical Volume-Physical output is not expected to match the dollar value of increase in 1969...not surprising, as more than half of the looked-for improvement will result from higher prices. Assuming the Federal Reserve index of Production averages around 165 for 1968, we can project about a 4-point climb in the year ahead. But again, we think the best will be seen early in 1969.

Capital Outlays-Despite a continuing depressed rate of plant utilization, business managers are projecting increased budgets for new plant and equipment. Look for a strong start--perhaps as high as an 8% increase--to be followed by a slower rate of gain as the year ages. For all of 1969, a 4% betterment would seem about the best to expect.

Profits-Total corporate profits in the first half of 1969 will outdistance those of the year-earlier period...they may even equal the strong final six months of 1968. Here again, however, squeezed by in-flationary costs and somewhat less boisterous demand, we look for a downdrift in profitability before 1969 has advanced too far.

MONEY TO STAY COSTLY

The first half of 1969 may experience some moderate easing in short-term interest rates. This will be occasioned by lessened federal demand for loans...as the budget moves from deficit to surplus and the Treasury has

Continued on page 12