SIDELINES

By Al N. Schrieber

New Deal Reversal

A further phase in the evolution of New Deal philosophy was marked last week with speeches by President Roosevelt on housing and Senator Harrison of Mississippi on tax revision. Senator Harrison made a confession of error and tore into the tax his committee had written as "adding confusion to the economic life of the country." Thus it is assured that definite action will be taken at the present special session of Congress to drastically modify the undistributed corporate profits tax and the capital gains levies which business men have been decrying.

Another reversal of policy was indicated by President Roosevelt when in his housing speech he recommended the production of more goods at lower prices, in contrast to the policies of the AAA and NRA, which attempted the production of fewer goods at higher prices. This destruction and change is both radical and fundamental. He said, "The point is quickly reached where increased costs mean reduced consumption . . . which, in turn, means a decline in someone's business and someone's employment." These new policies strike the first decent blows of the administration in warding off the current business recession which may assume serious proportions if immediate action is not taken.

Building Cycles

The building industry has contributed a negligible amount to business recovery. During 1934 the building industry hit a low of 60,000 yearly units in contrast to the 1920-1929 average of 800,000 yearly units. Typical of durable goods industries which tend to be unstable, this industry has fluctuated widely although running through major cyclic periods of about twenty years with minor cycles every five years. Theoretically 1938 marks the beginning of expansion of the twenty year cycle.

President Roosevelt's housing program therefore coincides with the building cycle. It provides encouragement for the building of individual homes and large scale housing projects by increasing the insurable limits of the Housing Act to 90% of the appraisal value. In addition it reduces the interest on mortgages from 6½% to 5¼% or 5½%. He hopes that 300,000 to 400,000 units can be built in the next five years which will mean a spending of 12 to 16 billions of dollars.

Reduce Labor Costs

Governmental aid cannot solve the problems, however, unless private industry, labor, and financial interests give full support. Two of the major difficulties have been the small purchasing power of the public and the high cost of construction. As business conditions improve, more persons will be able to invest money in homes. But definite action must be taken to reduce the construction cost.

Labor unions are exceedingly powerful in industry and have set up a standard of wages far out of line with wages in other occupations. As a result members of the building trades get a high hourly wage but work so little that their yearly income is small. A reduction in union scales will take off the throttle hold on building activity and will result in greater yearly salaries for the workers.

Homes by Mass Production

Another need is cheaper materials and methods of construction. Those in the building industries seem to have missed the American genius for efficient and economical large-scale production. Here the engineer plays a major role. Already steps have been taken towards the mass production of pre-fabricated homes, scientifically planned, and using modern materials and methods. Any continued movement in this direction will greatly increase the comfort and standard of living of the American public and incidentally provide a vast field for further engineering achievements.

Arx News

Several Arx have said that they are getting slightly bilious over the judgment notices and thus seeing them in print might precipitate a sudden deluge very damaging to a suit front so we'll take it easy and hope they hold it. Class B— **Bradt, Goers, Lindahl, and Scott,** mentions, and everyone else a half, and that's that.

A problem for you to figure out— Quoting from the last Class "A" critique—"This problem was liked very much, it is nicely designed and well done—so we gave it a Half Mention." Incidentally many of the fellows are rooting for a recent First Medal man to come through again so we can laugh and laugh and laugh. And don't ask why. Or who we'd laugh at. The best plates in this judgment were turned in by Skubic and Johanson for a Mention Commended grade.

The sophomores have heard of a man who is lefty twice. Somehow it seems that the Physics course must have improved as far as entertainment is concerned.

The sophomores are not only being trained as architects by their critic, **Mr. Mell** (accent on Mr.) but they are also going to be gentlemen if he has anything to say about it. "Take your hat off son, where do you think you are?" is lesson number one.

The column is grateful for the pinch hitting done while we caught cold down East and so thank you to **George O. O. Nobody Cares Shucks Danforth alias Big Apple**—made into hard cider, at least. With this A. G. goes off the deep end, sip, sip.

ART GUM.

Junior Class Monte Carlo Enjoyed by Frolicking '39

Games, swimming, and ping-pong featured the highly successful Monte Carlo smoker held by the junior class Wednesday, November 24.

The main event of the evening, the contest in which the winner had accumulated the most "money" in various gambling games, was won by E. C. Carlson. Carlson was a heavy winner in the various dice and card games in which he enrolled himself. He received as his award a free bid to the Junior Formal to be held next March.

A.S.M.E. Hears Talk on Personnel Work

"Personnel Work" was the topic discussed by Mr. Elmer Rietz, general manager of the Power Regulator Company, at the A.S.M.E. meeting held last Friday at 10:30 in Science Hall. Mr. Rietz described the engineering training and the factors necessary in his type of work.

Since the majority of the company's business is custom built, it is vital that their salesmen be trained engineers. The general organization is divided into two divisions: contract and "over the counter" sales. The engineer must be familiar with both jobs. In selection the firm desires men well rounded in scholarship, personality, and activities. Emphasis is placed on the importance of the personal interview, application blank, and a telephone conversation. After the selection of men a training course follows which includes a shop course followed by outside training.

Mr. Rietz spoke of different methods for securing employment for the graduating engineer. He mentioned schools, newspaper ads, letters, friends, and agencies as possible leads.

Announce Discovery of New Gas in Chemistry Lecture

A new, rare gas was discovered here at the Institute recently, but the date of the event has not yet been disclosed.. The several professors that found it hesitate as yet to verify their discovery, lacking confidence in their results until full proof of its existence has been completed. This proof, however, is far enough advanced to assure them that its fate will not parellel that of other hypothetical elements, as Britannium, and land in the garbage can.

Its properties, as yet known, are unique. Its atomic weight has been partially calculated, indications seeming to prognosticate a value of 2.5. It is so rare in an unconfined state, that its percentage in the atmosphere to three decimals is .000 plus.

Experiments have shown that it obeys the gas laws unconditionally, this conclusion being limited only to the accuracy of the experiments. This characteristic is so evident, in fact, that one of its discoverers has suggested calling it the ideal gas itself.

The big obstacle in the proof-completion is the complex difficulty of obtaining its spectrum. It was found as 50 per cent of the residue of a pure vacuum, and, incidentally, is indicated in the brains of lazy people. Its existence was unintentionally announced when Dr. C. A. Tibbals illustrated inert gases by "Neon, Argon, and So-on."

Increased Rigid Frame Use Told by Speaker

Giving his annual talk before the WSE, Mr. Henry Penn, member of the engineering department of the United States Steel Corporation, spoke last Friday on the growing tendency toward rigid frame construction in steel designs. Most of the use so far has been in bridge structures where the construction adds greatly to the beauty of the structure, a more and more important factor now that the age has passed when the idea was merely to get a structure over a water span.

The tendency has also moved into the airplane industry where this type of construction adds much needed head room and yet eliminates space where it is unnecessary.