## abson's Business And Financial Forecast For 1974 Is Released



## ©hp ©



Man Smashed Against Car Here


All Slaton Schools Will Begin Classes At 9 A.M


Leisure-time products (boats, recreation vehicies, skis.
snow-mobiles, pleasure aircraft) will suffer from the crunch
of scarce and high-cost fuel as well as from consumers' of scarce and high-cost fuel as well as from consumers
need to establish spending priorities. Auto production is need areaty suffering gron lack of demand for "gas guzzers.
arrere will be high priority on certain items which wer There will be high priority on certain items which were nonessential but are now a "must," such as siding,
insulation, storm windows and doors, and suppiemental stopgap space-heating units. Auto parts replacements should enjoy higher demand, especially where a car's
idieness does not necessarily mean longer life for some idieness does not necessarily mean longer life for some
parts (tires, for instance, tend to correlate with miles driven). Raw materials and energy supplies permitting,
there should be no letup in output of material and components for power generation and transmission equipment for oil and gas exploration, offshore and While the crestover pattern may already have formed Consequently, the Federal Reserve Index of production may Consequenty, the Federal Reserve index of production may
well average $5 \%$ below that of 1973 , and the uniqueness of the existing climate suggests the drop could be a bit more. the existing
possibly 6


A PENNY SAVED IS..." NOT GOOD FOR BUSINESS

## ecessions for nearly three decades. they may not be the topper this time. Spending will be hur by

stopper this time. Spending will be hurt by weakened
consumer confidence, soaring living costs, and the burden
of installment payments. Now, the high of installment payments. Now, the high cost of both heating
and transportation fuel along with gasoline shortages may
limit shopping junts. Neighborhood mini plaza limit shopping jaunts. Neightorhood mini-plazas and Local
retail outhes will benefit from this situation. Since
neighborhood shopping tends to be less extravagant than neighborhood shopping tends to be less extravagant than
that done in the impulse-buying supermarkets, we foresee a that done in the impulse-buying supermarkets, we foresee
period during which consumers will channel more of their disposable income into savings and debt repayment. Ler
term, this is healthy and lays the groundwork for the ne cyclical upbeat in the economy, but the short-run impact is
negative. Less consumer spending will mean reduced
inventory buying, with perhaps some backup of goods. EMPLOYMENT .- PERSONAL INCOME Aggregate personal income during 1974 will not show the
vigor of the past two years. It will be up, but boosted mo by transfer payments (social security, unemployment
compensation, etc.) than by earned income. Salaries and
wages and income of proprietorships and partnerships will average lower than in 1973 because of the slower business pace. Support will come, however, from wage hikes in
multi-year union pacts. new agreements, and built--1
cost-0, iving adiustments. Employment faces reductions in multi-year union pacts. new agreements, and built
cost-ofliving adjustments. Employment faces reductions
1977, 1974, and the jobless rate could average $6 \%$, but may ruan
as much as $7 \%$ at the topmost point. As in the early years of this decade, unemployment will be difficult to shrinit
because of the flood of new workers into the labor pool. bUILDing and Construction While the nation's housing needs are still enormous
thigh and costly money has snuffed out the boom after the
high rate of residential starts in 1972 and the first half of high rate of residential starts in 1972 and the first half of
1973. Government figures on building permits issued give no hint of early improvement in this sector which uritizes so
much manpower and materials. Resumption of vitality must await a longer spell of anti-recession credit policy than the
past six weeks. By late spring of 1974 or sometime during past six weeks. By late spring ol fing or sometime during
the summer. residential building should bottom out.
probably near the 1.1 -million annual rate, and thereafter the economy can derive much-needed support from this source. For 1974 as a whole. new residential starts shou
approximate 1.3 million units. Industrial and commerci
construction bolstered overall building activity for a gocid construction bolstered overall building activity for a good
part of 1973. But high cost, supply shortages. and now the
lack of clarity as to consumer spending plans and shopping patterns are likely to cause some hesita
nonresidential building during the coming year.
CORPORATE PROFITS AND DIVIDENDS The amazing 1973 gains in overall business profits after
taxes were due to basic and uncomplicated business principper and not to profiteering on the part of corporate
enterprises, as claimed by some unthinking critics. Fact is. enterprises, as claimed by some unthinking critics. Fact
we saw what happens to profits when plant and equipme operate at full capacity and there is little simutaneo cut-throat price competition. For 1974, however, the outloo
is less promising. In general) we cannot count on the strong
demand of the past year, and costs will continue to move demand of the past year, and costs wed continue to mor
upward. The situation will be worsened if fuel allocation prevent profitable use of operating facilities. But, barring
extremes, net corporate profits should dip about $14 \%$
everall helf of 1974 . But some firms, notably those with
food-related operations. may even stack up favorably food-related operations, may even stack up favorably vs
1973 because of the afflictions they suffered at least part of last to dividend disbursements, if operational disruptions
Are not overty severe, corporate dividends can increase
loner again in 1974. The reason for this is that anti-inflation rule
permitted only a tiny slice of 1972 and 1973 profits to

POUTICS .- DOMESTIC AND INTERNATIONAL
Politits caused a good deal of the uneasiness an
uncertiainty which marked 1973. The unending sequence
"shocks" in connection with the investigations of Capito "shocks" in connection with the investigations of Capir
Hill make any reasonabie forecast of political prospects for
 biennial congressional and gubernatorial elections up.
coming next fall will produce some semblance of reason replace te chaotic circus. While those most eager to hav
the President impeached may have lessened their effort the President impeached may have lessened their effors
just how much of a working relationship between Administration and Congress winl be restory forth
questionable. Past election years have ussally yrough fort
ome productive efforts on Capitol Hill; these will be mos some productive efforts on Capitol Hill; these will be most
vitally needed in 1974. There should be no federal tax路 aheadie the staff of Babson's Reports is hopeful that there
Whill be no resumption of fiphting in the Mideast. will be no resumption of nghting in the Mieast.
negotiations leading to more stable conditions there will be
arduous. Arabs will doubtless use their oil strategy as an arduous. Arabs will doubtless use their oil strategy as a
overhanging threat for years to come in dealing with the
and (See BABSON'S REPORT. Page ${ }^{8}$ )

Figteeth Anncuersary Celehrated Fere

new aRipuls

| 12.15-73 Mr. Mr. and Mrs 504. Slaton, a son. a bso oz., born in Lubbock Osteo pathic Hospital. | 12.21-73 ... Mr. and Mrs <br> Emilio P. Castro, Rt. I <br> Lorenzo, a boy, Johnny, <br> libs. 2 oz., born in Mercy <br> Hospital. |
| :---: | :---: |
| 12-19-73 .. Mr. and Mrs. <br> Larry Truman Smith of <br> Slaton on birth of a son weighing 7 lbs. 7 oz. in West Texas Hospital. | Joe S. Garcia, Jr., 225 W. Powers, Slaton, a boy, Steven James, 6 lbs. 8 oz., born in Mercy Hospital. |
| 12-19.73 .. Mr. and Mrs. Kennith Phillips, Rt, 1 . Lorenzo, a boy, James Lewis, 9 lbs. 10 oz ., born in Mercy Hospital. | Visitors in the h Mrs. W. R. Greer holidays were: Mr. |
| FEATUREDINSEVENTEEN | $\text { son } \mathrm{Rc}$ |
| NEW, 15, a student | of Lubbock. Mr. and |
| osevelt High School, ens being creative with | Matthes of Post Mrs. Don Rose. |
|  | and Donna. ming. Mr |
| s idea for tur | mry |
| file table appears in the |  |
|  | nd |
| acrylic paint |  |
| placed some knick kna on top for a cozy effect | and Brad |
| Karen suggests storing |  |
|  | home for |
| Karen, a fr | home for |
| Roosevelt, is the daughter | ers and family: Bill |
|  |  |
|  |  |
| oftball an | ters and family of | -

## 



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## 72" x 90" BLANKETS 3 FOR $\$ 11$.

So stock up now ot this speciol, price. Alorge selection of
$50 \%$ orrylic and $50 \%$ polyester woshoble blonkets and
$50 \%$ ocrylic and $50 \%$ polyester washoble blonkets in many
solid colors

## mRS. Stephen viney <br> Chapel Is Nuptial Scene




## Moore-Lynch Vows Repeated



 Donna Mason of Dimmitt.
They wore hot pink satin
princess style dresses fea.
turing short puffed sleves.
Their bouquets were nose.
gays of pink. cranberry and
white pompopms. he Broad
nt Chap
ministe
Chur Chister of Auburn
Church of Christ
ed the
in marer ring , the bride wore a silik
nia dress with sheer wa




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- By Virizina Knauerandyon in wime

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Wilson Oil Company

## FIREWORKS


Hyw. 1250 and Hyw. 84

Awards Given To Two Slaton Men


ROOF

First Pentecostal Holiness Church

##  <br> 

EAR GOSPEL ROUNDUP EAC SUNDAY 2 TO 5 P.M. ON KCAS


thursday, december


New Year's
Eve Watch Planned

meador recuperating after farmer hospitalize several weeks
ago. Was home for the
Christmas holiday, return-
ing Cristmas Day to High ing Christmas Day to High
Plains Baptist Hospital in

## Attend The Church of Your Choice Sunday




## SWPS Maps Five-Year Expansion



|  | project with the Occidental produce oil from shale by in project 30 miles west of Rifle, Colo. hass succeeded the formation and thus obtaining an oil flow |
| :---: | :---: |
| BABSON'S REPORT[continued from Page 1] |  |
| moderate their attitude somewhat. The emergence of underdeveloped nations is never smooth, and unrest wilsurface from time to time. We do not expect, however. actual military action between the great powers in 1974 . |  |
|  |  |
|  |  |
|  |  |
| in order 10 forestall a serious recession due to fuelshordages. Confronted with both infation and recession, the |  |
|  |  |
|  |  |
| line neest rates may have been seen for this go-round with |  |
| an economy-propping monetary policy and businessnecing less borrowed capial as activit eases. short -erm |  |
|  |  |
| needing less borrowed capitial as activity eases, shon-term |  |





