

News Review of Current Events the World Over

Roosevelt Plan on Farm Loans Calls for Two Billion Bond Issue—30-Hour Week Proposed for Workers—The Akron Disaster.

FOLLOWING the reading of a brief special message on the subject from the President, Senator Robinson of Arkansas introduced the administration's farm mortgage refinancing bill which, with the farm relief bill, is designed to lift the farmers out of the slough of depression.

The bill provides for issuing by the farm loan banks of bonds to the extent of \$2,000,000,000, on which the government guarantees the interest payments. The bonds, or the money derived from their sale, are to be used by the farm loan banks for the purpose of taking over the farm mortgages on which the interest rates cannot be more than 4 1/2 per cent.

The expectation is that with money available to settle with his creditor the farmer can scale down the principal of his debt to a considerable extent. Henry Morgenthau, Jr., governor of the new farm credit administration, believes mortgage indebtedness may be scaled down in two ways. A mortgage, willing to settle for cash or bonds at 70 or 80 per cent of the principal, could exchange the mortgage on that basis for land bank bonds. The bank then would refinance the farmer at 4 1/2 per cent. Or a farmer making a composition with his creditor could borrow the funds for settlement from the land bank.

Opposition to the legislation revolves around two arguments. One is that it will be an inducement to farmers to default in the payments on their present mortgages in order to persuade mortgagees to settle at less than face value. The other is that such a vast flotation of 4 per cent bonds would tend to demoralize the bond market and react unfavorably on banks and insurance companies with large bond portfolios. The maturity of the bonds is to be fixed by the land banks and probably will be 30 or 40 years.

Stated briefly, the main provisions of the farm finance bill are as follows:

Federal land banks are authorized to issue up to \$2,000,000,000 in 4 per cent bonds, interest guaranteed by government.

The same banks could purchase first mortgages on farm land or exchange bonds for them.

The treasury is authorized to subscribe \$50,000,000 to the paid-in surplus of the banks.

Interest rate on loans on mortgages shall not exceed 4 1/2 per cent.

A total of \$5,000,000 would be available from the treasury to compensate banks for interest reduction.

The limit on mortgage loans would be raised from \$25,000 to \$50,000.

Voluntary liquidation of joint stock land banks is provided.

A total of \$100,000,000 of Reconstruction Finance corporation's funds is made available for loans to farmers for refinancing their debts in accordance with provisions of the new bankruptcy relief act.

Reconstruction Finance corporation is authorized to loan \$50,000,000 to drainage, levee and irrigation districts to reduce and refinance their debts.

Increases the lending power of the Reconstruction Finance corporation by \$300,000,000.

The number of veterans to be affected by the President's order reducing veterans' benefits will not be known for some time. In one way or another it will be felt by practically all of the Spanish-American and World War veterans, and the widows of veterans of these wars now on the government pension rolls, because it reduces the rates on the greater part of such pensions as will continue to be paid. These reductions and those to be dropped from the pension rolls will be affected after July 1 of this year. In brief, the order makes the following provisions:

Payment of pensions authorized to veterans disabled by disease or injury incurred or aggravated in line of duty in active service.

Rates to be paid for service connected disabilities are: 10 per cent disabled, \$5 a month; 25 per cent, \$20; 50 per cent, \$40; 75 per cent, \$60; 100 per cent, \$80. These are 20 per cent reductions under present aids.

Pensions authorized to widows, children, and dependent parents of veterans who died from disease or injuries incurred or aggravated in line of duty in active service. Rates continue as at present.

Payments authorized for non-service connected disabilities and deaths of veterans who served 90 days in the Spanish-American war, Boxer rebellion, Philippine insurrection, and World War, provided disability was total and not due to personal misconduct.

Later allowance will not be made to unmarried persons with income of more than \$1,000 a year or to any married person or one with minor children whose income exceeds \$2,500.

Pensions of widows and children of Spanish-American war veterans cut 50 per cent.

Excludes peace-time veterans from domiciliary care.

Limits sharply emergency officers' pensions.

BOTH the senate and house are considering a bill, of which Senator Black of Alabama is the author, that would establish a thirty-hour work week. As the bill is presumed to have the endorsement of the President and the special approval of Secretary of Labor, Miss Perkins, it is expected to pass both houses.

The bill would compel private in-

dustry to adopt the thirty-hour week and penalize interstate movement of products made by labor working longer hours.

Black expressed confidence the bill would be upheld by the United States Supreme court.

The Alabama senator said the bill would not accomplish its purpose if it resulted in reduction of wage levels as well as hours and expressed the belief that, if industry attempted to reduce wages, congress would act. "Labor has been underpaid and capital overpaid," he said.

Borah said he was "in thorough accord with the principle of this bill and I'm not so sure that we're not going to have to come to it." His argument revolved around whether congress had the power to take action.

THE country's great loss in the destruction of the Akron is not the loss of the navy's great dirigible, but of the 74 officers and men who went down with her in the storm off the coast of New Jersey. Rear Admiral Moffett, chief of the aeronautic bureau of the navy, who was a passenger on board, with his shipmates upheld to the end the finest traditions of the navy.

The wreck of the Akron, largest of its kind in the world, was the worst airship disaster in history. The airship crashed off Barnegat lightship, during a violent electric storm, accompanied by heavy winds and high seas, dense fog and thick rain.

Lieutenant Commander Wiley, second in command of the airship, and the two men who were saved owed their lives to the chance that brought the German oil tanker Phoebus close to the scene of the accident a few minutes after it happened. They were picked up immediately by the Phoebus, whose crew saw others disappear beneath the waves before rescuers could reach them. The Phoebus cruised about the scene until dawn, but was unable to find any more survivors or to keep track of the wreckage, which was carried swiftly away by the seas.

First report of the disaster was received in radio messages from the Phoebus. Both coast guard and naval vessels were immediately dispatched to the scene of the wreck and cruised around for hours in the hope of finding other survivors. The blimp J-3, taking part in the search, fell into the sea. Fire of its crew were rescued. The search was fruitless, and, in the case of the accident to the blimp J-3, was ill fated also.

DETERMINATION to end naval airship construction is mounting through a congress intent upon finding the real causes of the Akron's plunge into the Atlantic.

In the senate King (Dem., Utah), prepared a resolution calling for an investigation of the Akron disaster and the consideration of the advisability of spending more than the \$20,000,000 that the navy already has invested in lighter-than-air craft. Chairman Trammell of the senate naval committee also was considered a study of the accident.

Chairman Vinson of the house naval committee has declared emphatically "there won't be any more airships built."

There were some, however, not so ready to yield beliefs founded during many years in congress. Many had followed Representative Britten of Illinois, who as Republican chairman of the naval committee for years had charge of most of the recent legislation for airships, particularly that authorizing the \$8,000,000 Akron-Macon sister ship test. Mr. Britten has always declined to support those who thought lighter-than-air craft should be abandoned.

Many members were undecided how far they wanted to go in their ban on airships. Vinson said he thought nothing should be done to prevent operation of the Macon, which is to take the air toward the end of the month. Nor did he think that the new dirigible base at Sunnyville, Calif., where \$4,000,000 had been expended, should be shut down.

MICHIGAN is the first state to vote in favor of the repeal of the Eighteenth amendment. Wisconsin is second with a decisive vote of 4 to 1 for repeal. Town and country alike turned out thumping wet majorities. Milwaukee, where the breweries are humming to turn out 3.2 beer, went wet by more than 10 to 1. Wisconsin's constitutional amendment convention will be held in Madison, April 25. It is predicted that practically all the delegates will be committed to repeal. In Michigan, but one county elected a dry delegate.

J. P. MORGAN & CO., New York bankers, are in for an investigation by a committee of the United States senate, and a committee backed by all the authority which that august body can give.

Without debate, the upper chamber adopted the Fletcher resolution extending wide power to the banking committee to make the inquiry into private banking which President Roosevelt has sponsored.

The resolution was drafted by Ferdinand Pecora, committee counsel, with a view to obtaining all the senate's constitutional power over interstate commerce, banking and tax matters for the committee.

Pecora told the committee he had submitted twenty-three questions to the Morgan firm and that on advice of John W. Davis, its counsel, the banking house had refused to answer one and taken several others under consideration.

DESPITE the Hitler government's dropping of the boycott against German Jewry, the National Socialist party will keep its boycott machine intact. Disappointed at being deprived of the boycott, Nazi auxiliary police raided a Jewish quarter in Berlin. Accompanied by regular police, they searched everywhere for weapons and papers. Streets were closed and pedestrians were stopped. Even worshippers leaving synagogues were halted. Persons not carrying double identification cards were arrested.

The Nazi boycott committee headquarters at Munich announced that "all German stores in the near future will be supplied with big placards identifying them as such." In this way the Nazis will distinguish between German and Jewish stores.

A measure forbidding kosher slaughtering throughout the nation has been approved by the reich's cabinet.

A NEW suggestion for a preliminary conference of experts to be held in the United States to prepare for the world economic conference developed at a meeting in Paris between Norman H. Davis, President Roosevelt's ambassador-at-large, and Joseph Paul-Boncour, French foreign minister. In this the French see their opportunity of talking over war debts.

Like the British, the French want to wrangle a debt settlement before the economic conference convenes. So fervid is this desire that Davis expressed his displeasure that Europe, with its very existence at stake, should think of nothing else.

Mr. Davis feels that the Washington administration has made it clear that there are bigger jobs to be done—removal of trade barriers, for example.

So with hopes of calling the economic conference at an early date abandoned, the idea of a preliminary meeting to agree on what is to be done and how to go about it is making headway.

When the new French ambassador to the United States, Andre Lefevre de la Boulaye, sailed for America he was accompanied by a treasury expert to prepare the ground for what Paris hopes will be a general debts discussion.

Responsible officials of the State department in Washington declared that reports from London that Mr. Davis had presented an offer to scale down Britain's debt to the United States by \$302,000,000 were absolutely without foundation.

Premier Ramsay MacDonald plans to sail for the United States about April 15 for a conference with President Roosevelt regarding war debts, world economics and armament.

Mount Everest at last has been conquered. Two airplanes have flown across the summit and for the first time in history men looked down upon the highest mountain in the world. The feat was accomplished by the British expedition headed by the marquis of Clydesdale. A photographer succeeded in taking a number of pictures which, it is hoped, will provide an authentic record of the conquest of the 29,002-foot mountain, on the sides of which numerous men have perished attempting by old-fashioned methods to gain the honor of being the first to reach the top.

Although exhaustive preparations had been made for the flight over Mount Everest, the actual carrying out of the feat was in a measure accidental. When the two ships went up the purpose of the flyers was only to make a test. But they found conditions so ideal that they turned the test into the real business. The two planes flew at an altitude of approximately 6.6 miles and the flight over the peak required three and a half hours.

FASCISM is growing in Great Britain. Every manifestation of the Fascist movement in Italy and Germany can be seen in and around the house where Sir Oswald Mosley, millionaire would-be dictator, has based the British Union of Fascists. The waiting room is a small gymnasium. Physical training is compulsory. The Mosley black shirts, who are the beginnings of the British storm troops, are required to box, fence or wrestle twice weekly.

The black shirts form the nucleus of Mosley's "army." They have an auxiliary in the gray shirts, who can not give as much time to physical training as the black shirts but who have a big place in the strong arm branch of the organization.

Washington Digest

National Topics Interpreted
by William Bruckart

Washington.—It is seldom that in the short space of a few weeks there have been two court decisions of such far-reaching consequence as the so-called coal agency case, decided by the Supreme Court of the United States, and the determination by the United States District Court for Virginia that the federal water power act is constitutional.

In each instance, the court finding appears on its surface just to be a nine-run opinion. But it happens, however, that each of the opinions directly affects you and me. Besides that result, the coal agency decision is of vital importance to business.

With respect to the coal agency case, the facts are that a group of coal mine operators banded together in the Appalachian Coals, Inc., for the purpose of distributing their output. It is a sales agency, purely. Its purpose is to reduce the cost of marketing the product. Also, it appears likely that formation of such a selling organization may have the effect of controlling production to some extent at least, although that phase of the business did not show up in the organization program.

It would appear on the surface that such an arrangement would be in violation of the anti-trust laws, but the Supreme court found otherwise. By the stamp of approval which the highest court in the land gave to the organization, it can be classified almost, if not quite, as of the same type as a farmers' co-operative.

But the ruling gives rise to broader significance. Other industries based on natural resources of the country are expected to follow in the same pathway in order to accomplish reduced selling costs. Lumber, gas, oil, iron, steel, copper and fertilizer interests are said to be looking longingly at the plan as one which will enable them to operate with some assurance of a return on huge investments. The Supreme court considered that the plan maintained the necessary elements of competition, and if that construction be proved in practice, then we and I, as a natural result, should receive some direct as well as indirect benefit. I mean we would be benefited, if we lived in the territory where coal furnished through the selling agency is distributed, by somewhat cheaper prices on the same grades of coal.

From the standpoint of business, the coal operators have worked out the first important program that is acceptable to the courts when viewed under magnifying glass of the anti-trust laws and at the same time permits of that co-operation which agriculture so long has contended was vital to it. Other industries probably will follow the lead. If they do not abuse the privileges, we have entered upon a new era in industry. If there are abuses, then industry will have killed the goose that laid the golden egg.

The decision by the United States District court at Norfolk, Va., which held the federal water power act to be constitutional opens the way to complete federal regulation of utilities. We will hear for some years to come that the "New River case" affords the basis for many pieces of legislation of direct benefit to the users of electricity for power and light. Of course, it is yet to be decided by the Supreme Court of the United States where the litigation will be carried without doubt, but the majority of constitutional lawyers entertain no doubt as to its validity.

To the electric user, therefore, the decision stands of broadest importance. By holding the law constitutional, the court removed a serious obstacle to effective government control over many of the tricks to which great corporations devote themselves to establish a cost basis for their product which warrants the highest possible rates. I make no comment as to the legality or illegality of these practices. It remains as a fact, however, that every industry subject to regulatory powers of government, whether national or state, seeks to protect its investments by creating for its product a book basis of high cost. This is done obviously in order to meet the ever-continuing demand from utility commissions for rate reductions.

There is another angle to the "New River case." Superficially, it appears likely to be of some value to investors in stock companies engaged in development of water power for electricity. It works out in this way: The corporation which has established a high cost basis for its electricity quite naturally issues its stock on that basis. Consequently, it is seeking a return on an investment that, in too many instances, is not justified by the facts. In other words, it results in watered stock. Having watered the stock beyond sound judgment, the corporation fights every move that appears if the result is a lowered schedule of electric rates. Hence, it is fighting directly at the users of electricity whether for lighting purposes in a small home or for power purposes in a gigantic factory.

Of course, this decision applies only to hydro-electric plants. It does not affect the plants producing electricity by steam. There are those, however, who say the decision will have a bearing on those rates, too, for the reason that unless the steam plants maintain reasonable rates, water-powered plants will find openings to enter that field if water is available anywhere near.

This latter possibility is cited because it shows better than anything else how far-reaching a dry old court opinion may turn out to be. The opinion in each of the cases mentioned was written in the usual style, but each one may be looked upon, ten years from now, as a landmark.

It is actually ridiculous how every part and parcel of a national program develops a camp following of new ideas.

Unemployment Program for expansion of that plan. Most of them are just like a parasite. They are put forward by some one with an ax to grind. They see a peg upon which they can hang their pet hope and proceed to spread all kinds of argument in support of that hope or idea.

Such is the case with President Roosevelt's unemployment program. He, as everyone else, obviously wants to provide work for men who must have food and are willing to work to obtain it. Washington has seen a dozen proposals offered to expand the unemployment program. Most of them are actually silly in the view of observers here, but the proponents of the several additions to the relief policy seem to take them seriously whether they deserve that consideration or not.

The latest proposal—and it has become a demand of some proportions—is to go ahead with expansion of the United States navy as an unemployment relief measure. That I may not be misunderstood, permit me to say that I favor a much larger navy than we now have. It is necessary, as I conceive the situation, that the "first line of defense" be made into a powerful unit. There are plenty of authorities in Washington who are not too optimistic concerning world relationships. Construction of the navy to the limit allowed by the London naval treaty, therefore, appears to many as being justified and necessary.

But the point sought to be made, however, is that a program for development of the navy should stand on its own merits. It has no place in the unemployment relief program and adoption of it as such, according to the best judgment I can obtain, would cheapen the ideal of a great defensive organization and make it susceptible later to unjustified attacks from opponents of a big navy for the nation.

In other words, demands for naval expansion as a part of the program for putting men to work makes it hard to decide the question of naval defense on its true base, namely, the question of whether a need for it exists, and results in confusion of the issues of relief and naval expansion.

Washington observers, and some of the "faithful" Democrats, as well, have been having a quiet laugh at the discomfiture of patronage-seeking members of the senate and house who have been held in line by the fast political thinking of President Roosevelt. The President, having said he would do little about major patronage—the real plums—until he had been able to solve some of the great financial and economic problems, was in a fine position to swing the political lash on any member of the legislative branch who showed signs of stubbornness. And, it may be added, he has done so.

While maneuvers of this sort obviously are not made the subject of public pronouncements, certain facts have developed showing that on several occasions ambitious senators or representatives have deemed it decidedly advisable to stand behind to the President's programs. They may or may not have liked his proposals, but they went along with him just like good little boys. They heard the master's voice in a way that made them decide quickly what they should do.

Of course, some of the major appointments have had to be made. Cabinet selections are what are known as personal selections by the President. Such is not the case, however, with what is known as the "Little Cabinet," that long list of undersecretaries, assistant secretaries, and the like. These jobs are used ordinarily to help some of the individuals nail solid planks on their political fences in the home community. Such appointments might help in another election, you know, and consequently they are much sought after by the faithful.

There have been some of the "Little Cabinet" posts filled, and there are others for which the appointments are near. But the President and Jim Farley, who runs the Democratic party from his job as postmaster general, have not overlooked any bets. It is my conclusion that they obtained what they wanted in the way of support before the selections were definitely concluded.

Howe About:

Husbands and Wives Squatter Rights The Specialist
By ED HOWE

A MAN is disposed to believe that when he fights a woman, he should tie one hand behind him, because he is the biggest.

He is mistaken; the woman is able to care for herself.

The most natural controversy of all is that between men and women, and the condition of women has steadily improved since the dawn of history. What rule, custom or law is best for them? They have fought for it steadily, and won. If an old savage could be resurrected today, become twenty-five years old instead of a thousand, and be turned loose with the present crowds of manicured and perfumed women, the other men would hang him in an hour because of his bad manners.

Anyone who reads of the past must constantly note the steady march of subjugation of men; anyone who looks about him now must note the same thing.

In the early days of the West squatter sovereignty was a recognized principle, to-wit: Settlers rushed into the country before it was organized, and squatted on the land. When it was formally opened to settlement, the settlers armed themselves, collected at the land office, and saw to it that every squatter had the first and only bid on the land he had settled on.

Squatter sovereignty is being practiced now in paying taxes. At tax paying time taxes are not paid, but when the properties are offered for sale by the sheriff for taxes, the owner of each tract is protected in his right to be the only bidder; sometimes the taxes and penalties on his property amount to a thousand dollars, and the owner gets a sheriff's deed to it for a trifle. It is being done in my community; look around, and you'll see it is being done in yours.

The ordinary man cannot become a specialist, and devote years of study to figuring out how far the more remote stars are from the earth. The citizen who makes an ordinary good living, achieves respectability in his neighborhood, rears and educates a family, and helps support the many specialists, must know many things, and know them well. A man of my acquaintance is not only able to make a respectable living as a farmer but cures hams and bacon better than the well-paid specialists of the packing houses. He can cut hair as well as a barber, and knows automobiles so well he not only fixes his own, but town men come to him for advice. People send for him from miles around to top their hay and wheat stacks, and, during the winter, he does very good work as a blacksmith at about half town prices. In addition, he reads enough to get about all there is of value in print, and has very excellent practical sense.

The specialists are well enough in their way, but should not be permitted to make laws for those who from necessity are all-around workers.

I was out in company lately, and among the guests was a husband with a deaf wife. Every little while he would go up to her, and bawl in her ear: "You are the sweetest thing in the world; you suit me," and the wife would seem pleased. Once he roared in her ear: "I just told Joe Holt I am not the sort of husband who fusses about being married. I like it; we get along, don't we?" Other guests told me the man was noted for appreciating his wife, and making a disturbance about it. If a man marries the right sort of woman, and she likes him and submits to him gracefully, he'll like her, whether she is old, stout, thin, wise or ordinary. It is the wife naturally opposed to everything her husband does that complains he no longer loves her.

When a widow writes a letter to kin begging for assistance in feeding her hungry children, she is compelled to pay an extra cent for the stamp, that this sort of waste may continue in thousands of other places. I wonder statesmen are not ashamed, instead of being the proud creatures they are.

The correct and moving reason for good behavior is because it is profitable—the surest way to avoid punishment. Any other teaching of good behavior is complicated, and less effective than sound teaching should be.

Everyone occasionally remarks the rapid flight of time. It becomes more noticeable after one becomes old; and an old man gets very much less out of the hours as they hurry by.

A man named Lecky is a famous historian, and quotes St. Jerome as saying that in olden times one man slept naked in a marsh to court the stings of poisonous insects. This he kept up for six months. A disciple slept at the bottom of a well, and when he walked about, carried on his back a hundred and fifty pounds of iron. Lecky fully documents these stories, and wonders what the explanation is. Many volumes have been written to provide explanations, but I can explain the stories in five words: They never happened. Most wonders are made up; we pretty generally know what really goes on, and why.



Senator Robinson



Admiral Moffett



Norman Davis



Fred Britten