

News Review of Current Events the World Over

Silver Remonetized by Order of the President—Recovery Program Developments—Huey Long's Income Tax Under Investigation.

By EDWARD W. PICKARD

SILVER has come back. By executive order of President Roosevelt it is remonetized in the United States and will be coined on a large scale. Formally ratifying the London conference agreement and exercising the powers given him by the inflation amendment to the farm adjustment act, the President directed all the federal mints to accept for coinage all silver mined hereafter in the United States or its possessions, up to 24,000,000 ounces a year, at a price of 64 1/2 cents an ounce. This is to be in force for four years.



Senator Pittman

The government split the present legal price of \$1.29 an ounce for silver in half in reaching a purchase figure which is 19 cents an ounce over the present open market.

"This proclamation," the President wrote, "in accordance with the act of congress, opens our mints to the coinage of standard silver dollars from silver hereafter produced in the United States, or its possessions, subject to the depositors of such silver surrendering to the government one-half of it as seigniorage and to cover all usual charges and expenses. The dollar coined from half of such newly mined silver will be returned to the depositor. The half surrendered to the government will be retained by the treasury."

Mr. Roosevelt, in ratifying the agreement, pointed out that such action already has been taken by the government of India and that other nations concerned were ready also to act.

Most jubilant of all public men over the President's action was Senator Key Pittman of Nevada, who, as a delegate to the London conference, took a leading part in drawing up the silver agreement. He foresees greatly increased export business as a result of the move because the buying power of the silver-using countries of the Far East, especially China and India, is lifted by about 50 per cent.

Senator Pittman said the effect of the new order would be to take into the treasury about 24,000,000 ounces of silver, to coin one-half of it and deliver it to the owner or depositor of the silver. The other 50 per cent will be retained as bullion in the treasury. It is his expectation that the new order of the White House will give great encouragement to the silver mining regions of the West.

BOTH the federal Surplus Relief corporation and the agricultural adjustment administration have been purchasing commodities for the relief of the idle, and thereby economy and efficiency have suffered. Such purchasing operations have now been consolidated in the Surplus Relief corporation.

The administration also was completing plans for utilizing the Surplus Relief corporation as a device for retiring millions of acres of submarginal lands from cultivation. The work is being directed by Rexford G. Tugwell, assistant secretary of agriculture, and it is planned to use funds of the public works administration to purchase the economically unproductive areas.

OFFICIALS of 21 railroad unions met in Chicago and adopted a program of desired legislation that includes a six-hour working day for the million or more railway workers in the country as a means of increasing employment.

A. F. Whitney, president of the Brotherhood of Railway Trainmen, who acted as chairman at the meeting, estimated that a six-hour day would cost the railroads of the country \$300,000,000 annually. The railroads themselves have estimated the probable cost at twice that amount, he admitted.

AFTER receiving a report from an investigating committee headed by Robert S. Lynd, the consumers' advisory board of the NRA recommended the establishment of a consumers' standards board that would be charged with the development of means of enforcing accurate labeling. Among the articles named as needing quality grading are gasoline, razor blades and children's shoes. Legitimate industry, in the opinion of the board, is encountering destructive competition from unethical producers who are reducing the quality of their products to fill the gap in their profits caused by enforcement of NRA wage and employment standards.

Administrator Hugh S. Johnson was busy trying to clear up the situation concerning the cleaners and dyers. Many in this industry had been cited for prosecution for refusing to comply with prescribed minimum prices. The cash-and-carry cleaners contended these prices were so high that their business would be ruined.

Johnson defended the prices prescribed as "reasonable and fair for the quality of cleaning which the public has the right to expect," but conceded that "there is some demand for lower quality or so-called scamped work."

"Accordingly," he continued, "cleaners who wish to maintain higher prices and higher standards, may join with the President to continue the minimum prices originally approved and such cleaners will be given the right to display the blue eagle with appropriate insignia yet to be decided on, indicating they are maintaining higher quality and higher prices."

CHAIRMAN FLETCHER and his senate banking subcommittee received a report in which were listed several million dollars in Insull securities and German bonds among 7,000 items of collateral held by the Reconstruction Finance corporation on the famous \$90,000,000 loan to Charles G. Dawes' Central Republic Bank and Trust company of Chicago.

Members of the committee refused to make the report public, but said it showed the outstanding balance of the loan (\$82,000,000) was covered by the collateral under the corporation's estimate of present value. They said the value of all Insull securities held as collateral was not totaled, but one member estimated it at from \$8,000,000 to \$9,000,000.

In addition, committee members said, the collateral included several million dollars of foreign securities, among them many German federal and state bonds.

The loan was made in 1932 shortly after General Dawes retired as head of the R. F. C. to take the chairmanship of the bank. It was sharply criticized by members of congress and was made an issue of the Presidential campaign.

SENATOR HUEY P. LONG, the Louisiana "kingfish," may be nearing the end of his rope. The latest news about him is that the administration has decided upon his prosecution on the often heard charges of evasion of income taxes. When Mr. Hoover was President an investigation of his receipts, as well as those of his political associates in Louisiana, was started, and dropped probably because the Presidential election was near. Now this inquiry has been resumed, the agents of the internal revenue department seeking to find out whether Long reported in his income tax schedules all the sums he received both as governor of Louisiana and as United States senator. In Washington it is held virtually certain that this action has the approval of President Roosevelt.

Huey himself professes not to be worried. "That matter was scheduled to come up now," he said to an interviewer. "It has been up 750 times before, and always comes just before congress meets. I am not interested."

Long's power in his home state is fast waning. In the first place, he has been unable to obtain any recognition in the matter of federal patronage. And the senate committee's investigation of the election of Long's colleague, Senator Overton, uncovered a most unsavory mess, the odor of which offends Louisiana folk. Only a few days ago Mayor T. S. Walmesley of New Orleans announced that he had definitely broken with the "kingfish," and others of his prominent adherents have followed suit.

REALTY and personal property taxes, for state purposes, have been abolished by the state government of Illinois. The step was taken after state officials decided a 2 per cent tax on retail sales, with perhaps some help from liquor taxation, would be adequate to replace the \$35,000,000 levied annually in recent years on general property.

This action is notable as the first complete substitution of a sales tax for property taxes any state has made. It will result in a saving ranging from 7 to 10 per cent to property owners. Gov. Henry Horner, State Treasurer J. C. Martin and State Auditor Edward J. Barrett comprise the board that abolished the tax.

THE Pan-American conference in Montevideo came to a close, and Secretary of State Cordell Hull, as he departed for home by way of Buenos Aires, said: "My most enduring remembrance of the conference will be the beautiful patriotism, the patience, and the statesmanship of the Bolivian and Paraguayan delegates in the midst of delicate and anxious problems."

"The tasks were unexpectably difficult, but the good will toward peace which both have shown has been superimposed upon differences, and they offered the world an example of how powerfully a will for peace can conquer apparently insuperable obstacles."

MAJ. Gen. Edward L. King, U. S. A., commander of the Fourth corps, died suddenly in Atlanta, Ga. He was a graduate of West Point and served in France during the World war, earning many decorations. He also fought in Cuba in the war with Spain.



Senator Long

REPEAL of prohibition has by no means silenced the W. C. T. U. From its headquarters in Chicago comes this statement:

"The first fortnight of liquor's legal return in the 24 wet states includes some unnoted but nevertheless significant developments that thoughtful citizens can scarcely afford to ignore. 'The results may be epitomized as follows:

"1. For the first time in 14 years approximately 50,000,000 American citizens, including fathers and mothers, and nearly 15,000,000 young people, have been made the legal target of high pressure liquor salesmanship.

"2. In consequence thousands of American homes are suffering today from the direct results of the return of legalized liquor.

"3. Thousands of young people in these opening days of ratified repeal have taken the first serious step toward dissipation amid the flashing lure of the modernized barroom appeal.

"4. Thousands of men and women have returned to their business with judgment impaired, efficiency diminished, liability to accidents intensified, pockets depleted and nothing to show for it except a bad taste in the mouth and a memory of seared ideals.

"5. Millions of dollars have already since repeal been diverted from legitimate business and from the immediate tragic needs of charity and relief, to the till of the liquor seller and the cash drawer of the brewer and distiller."

For the present, however, this is as a voice crying in the wilderness.

PRESIDENT DE VALERA'S government in the Irish Free State sustained a severe reverse when Justice Byrne of the Dublin High court released on a writ of habeas corpus Gen. Owen O'Duffy and Capt. John Sullivan, leaders of the United Ireland party and the Blue Shirt movement. They had been arrested at Westport under the public safety act.

Justice Byrne, in announcing his decision, said:

"I can only come to the conclusion that O'Duffy was arrested because he was speaking to some persons while wearing a blue shirt. That is the only reasonable inference to be drawn from the facts. I do not accept the police superintendent's story of the arrest on suspicion as the true explanation of the case.

"So far as Sullivan is concerned there is no evidence why he was arrested and his detention is illegal. So far as O'Duffy is concerned, I am also satisfied his detention is unlawful."

"We are teaching the government to respect the law," said General O'Duffy, as he left the prison. "The Blue Shirt movement is perfectly lawful and constitutional and will go on to victory. I don't anticipate there will be any more interference with Blue Shirts after the high court vindication."

CHINESE National air forces bombed Foochow, Fukien province, where Communists were concentrated, and in the process damaged the church and other property of the American board mission. Fifty-eight Chinese were killed but no Americans or other foreigners were injured. Nationalist gunboats then took possession of the Foochow forts.

JESSE H. JONES, chairman of the Reconstruction corporation, believes the railroads will need further financial assistance from the government during 1934. He said that the government either through the corporation or some other agency would have to help re-finance the security issues that become due during the year. Several railroads already have discussed the matter with the corporation, among them the New York Central, which has a maturity of \$48,000,000 due May 1.

Wall Street statisticians have estimated that the larger maturities total about \$72,000,000, but smaller maturities probably will add another \$100,000,000, and buying of rails and rolling stock might put the railroads' expenditures for the year far higher. Jones mentioned a figure of \$2,300,000,000.

Most of the roads are asking the corporation to advance half of the maturities, planning to pay a portion of the bond issues in cash and the remainder with new bonds.

PECULIARLY atrocious was the murder of Archbishop Leon Toumin, head of the Armenian church in America, as he was attending service in a New York church. He was stabbed to death presumably by members of a group opposed to the Soviet regime in Armenia. The assassins escaped from the church, but a number of suspects have been arrested.

ED HOWE, known as "the sage of Potato Hill," is eighty-one years old, so he is retiring to enjoy the leisure he always has desired. It was announced at Atchison, Kan., that Howe's Monthly, for 22 years his personal organ of "indignation and information," has discontinued publication. The veteran journalist and philosopher is spending the winter in Miami, Fla.

FRANCE'S worst railroad disaster made Christmas a time of mourning instead of joy there. Two hundred and one men, women and children perished when the Paris-Strasbourg flyer crashed into the Nancy express at full speed at Pomponne, about 15 miles from Paris. The accident happened during a dense fog. In the number of dead this disaster was second only to one at Gretna Green, Scotland, in 1915, in which 227 persons were killed. © 1934, Western Newspaper Union.

Washington Digest

National Topics Interpreted by William Bruckart

Washington.—Congress convenes on a January date, for the first time in our modern history. It meets at that time pursuant to the provisions of a constitutional amendment that was added to our Constitution chiefly through the efforts of Senator George Norris of Nebraska. Senator Norris popularized the idea by calling it a "lame duck" amendment. He argued early and late that a member of congress had no right to sit in representation of his state or district after he had been defeated at the polls.

Which may or may not be the correct theory. At any rate it has happened, and a new congress is under way. Where it is headed as a part of the current phase of the new deal, time alone can tell. There are certain things, however, that are perfectly plain. One of them is that President Roosevelt is following a course designed to forestall as much controversy in congress as he is able to do. In other words, the President appears to have planned a program that will prevent any snowballs from getting started down hill.

As the session gets going, one hears plenty of rumbling. Reasons for dissatisfaction are numerous and varied. But they can be concentrated suddenly. At least that is the record of disgruntled congresses of other years. Mr. Roosevelt and his advisers and his leaders in congress know it and, hence, everything has been done and is being done to keep the firing scattered. If there should be an issue devised or arise on which the bulk of senators and representatives agree in opposition to the Chief Executive, there will be plenty of trouble for the administration. Republicans, you know, are not going to pour oil on troubled waters. They play politics, too.

Looking over some of the possibilities of trouble, one observes such questions as taxes, permanent liquor control laws, extension of the life of the Reconstruction Finance corporation, banking legislation or revision of laws we now have, reconsideration of the law which requires that every corporation that sells its shares of stock shall register them and comply with laws about its financial status, relief and recovery legislation in its various phases and others of no less consequence. Washington observers are saying that each one of these contains elements that may lead to a break between congress and the President. But they also are saying that Mr. Roosevelt holds the whip hand and that there are not many members of the senate or house who will take the bit in their teeth.

I said a moment ago that Mr. Roosevelt's course was aimed to prevent the molding of a snowball, for it is a physical fact that once a snowball starts, it gains both in momentum and size. This largely explains the action of the President in proclaiming the London conference treaty on silver buying in effect just when he did. The plan for the American government to consume all of the silver produced in this country will stop some of the inflationists, perhaps fifty of them, right in their tracks. Their states and districts will get the benefit of the silver purchases by the government. It means a profit for them that they have not had in half a dozen years. It is quite obvious that a program for inflating the currency, now.

None of the observers here seem to be in a position to say that the silver purchasing and coinage order is outside of the President's recovery program. They are agreed, however, that it constitutes a smart brand of politics and that it will go a long way toward sustaining the Presidential program in congress. And, if it need be said, there was no assurance heretofore that the present session of congress would not enact straight-out inflation legislation on its own responsibility.

And while the discussion centers on congressional possibilities and potentialities, it seems proper to call attention to a battle that has started on the outside, but directed at congress. I refer to the revival of the long-time opposition to government competition with business. In this instance, the hue and cry concerns competition by numerous relief agencies and also by the Tennessee Valley authority which, to burlesque an old saying, is designed to make two bulbs for electricity grow on the home and farm where one or none grew before.

The T. V. A. started out to be an interesting experiment and a plan to demonstrate what was possible with water power in development of a more or less barren area. Its purposes have been expanded so rapidly that none of us here can keep up with all of its moves. Suffice it to say, however, that the T. V. A. is now trying to sell electricity for power and light in scores of cities and towns and villages and farms throughout the section from the Ohio river to the Gulf of Mexico.

Getting back to the relief agencies, so-called, it was the general understanding a year ago and less when "public works" were being promoted that the construction to be undertaken by the government should not be of the sort that would compete with, or hamper the operation of, private business. No one suggested that, for the sake of relief, there should be paralleling of railroad tracks, one of them government owned. While that was not done—it is an exaggerated illustration—the government has promoted construction that has taken traffic away from the railroads by expanding every known artery of highways. At the rate the Tennessee Valley authority is moving, private enterprises of various kinds will be driven out of existence by a government agency.

Then, the Public Works administration turned down a loan that was sought the other day by the city of Fort Worth, Texas, with which to build a municipal power plant. What has happened since, I do not know, but the reason for the first refusal was that the Fort Worth folks had not made rate schedules lower for their projected plant than were charged by private interests.

There are numerous examples available, but the import of each is the same. And they all give rise to the question: ought the government of the United States subsidize, directly or indirectly, such developments, drive out private business and then make up the difference from the general taxpayers of the country? From this vantage point, it looks to be decidedly questionable as a form of public works even in the guise of relief. Politicians who support that sort of thing, I believe, will wish sometime they had not done so.

History does repeat itself! In the days before you and I were young, Maggie, the system of barter was the only means of selling or buying the things the folks of those days needed or desired. I do not suppose, however, that they ever thought the American government would adopt a system of barter by which a commodity would be traded for a human being. Yet, that is just what has happened in this day of so-called high civilization.

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It seems that Samuel Insull, the Chicagoan, who had built up quite a big business in city light and power plants and other utilities, is still in Greece. Some of the folks in Chicago would like to talk to Mr. Insull. Or, rather, they would like to put him on a witness stand before a judge and jury and then ask him questions. So it was natural that they should seek the aid of the government at Washington in their efforts to persuade the government of Greece to help Mr. Insull over the boundary line of their country. Greece did not join so readily with that plan, because Mr. Insull was regarded by the Greeks as a nice man. Now, here is where history repeats.

There came a day when prohibition was repealed. At the same time, there was a shortage in the United States of certain kinds of wine which Greece could supply. But Greece was not welcomed as source of the shipments which could be made under our rules of the game only under a quota fixed by our government. There was some direct word spoken here in Washington to the minister of Greece. It appears that an understanding was reached. Greece was placed on the quota list for 25,000 gallons of wine, and Mr. Insull hereafter may not find Greece such a pleasant haven.

Of course, I do not profess to know what went on in the private conversations that preceded the action by the federal alcohol control administration in placing Greece on the quota list. But I do know the conversations were not all about the wine quota. And I have heard subsequently that the American government expects eventually to have Mr. Insull return to the United States so that his ideas about the fallen utility empire can be heard.

An incident at the treasury a day or two before Christmas distressed me greatly. An elderly lady—I believe she said she was eighty-four—called at the window of the treasury cashier to get a \$20 gold piece. She offered a \$20 bill in exchange for it. The paying teller was courteous, but positive. He could not deliver gold; it was against the executive order issued last March by President Roosevelt. The little old lady could not seem to understand why it had to be that way, but the refusal was definite.

"I do not see why I cannot have that \$20 gold piece," she said, as she walked wearily away from the window. "It is the first time since my boy was twenty-one years old that I have not given him a \$20 gold piece for Christmas. I know he will think I am getting childish if I fail this time."

She was almost in tears at her failure. I thought there was a lesson in that situation, and still believe it is quite unnecessary for any government to break hearts in the interest of commerce and industry. Where has our vaunted civilization led us? © 1934, Western Newspaper Union.

DULL ENGLISH "ORATORS"

The historic feat of the late duke of Devonshire in yawning, to the delight of Disraeli, in the middle of his own maiden speech in the house of commons, is generally reckoned unique of its kind. Actually, however, it has been beaten by Sir Guy Fleetwood Wilson, who retired some years ago from the office of finance minister of the council of India. The occasion in question was when Sir Guy was required to answer the criticisms on his first budget before the viceroy's legislative council. "It was on March 29, 1909," Sir Guy relates, "and the day was abnormally hot and close, even for that time of the year in Calcutta. Partly owing to the heat, but largely no doubt owing to the wearisome effect of my first attempt at oratory, one by one every single member present went to sleep; and it is the simple truth that after a while I actually fell asleep in the course of the delivery of my statement."

Dr. Pierce's Pleasant Pellets are the original little liver pills put up 60 years ago. They regulate liver and bowels.—Adv.

Here's an Explanation. A large part of the present troubles of the world arises from the fact that its affairs are being conducted by tired men.—Bruce Barton.

Tormented for Five Years with Dandruff Healed by Cuticura

"For nearly five years I was tormented with dandruff. My scalp itched and burned and became very sore and red from scratching. My hair became thin and dry and fell out in handfuls, and the dandruff scaled off and could be seen on my clothing.

"I had lost all hope of ever being healed. A friend told me about Cuticura Soap and Ointment and I sent for a free sample. The first application stopped the itching so I bought more, and I used only one cake of Cuticura Soap with two boxes of Cuticura Ointment and I was healed." (Signed) Mrs. M. L. Carruthers, Jettersville, Va., Aug. 23, 1933.

Soap 25c. Ointment 25 and 50c. Talcum 25c. Proprietors: Potter Drug & Chemical Corp., Malden, Mass.—Adv.