News Review of Current Events the World Over

Secretary Morgenthau on Costs of New Deal-Realignment of NRA Codes-Interesting Results of Recent Primaries.

By EDWARD W. PICKARD

since taking office, forecast an eventual inflation of \$2,800,000,000 by an-



Secretary Morgenthau keep it there. But I call your atten-

expects sooner or later to apply its gold "profit" to a reduction of the national debt. "For the present this \$2,800,000,000 is under lock and key," Mr. Morgenthau said. "Most of it, by authority of congress, is segregated in the socalled stabilization fund, and for the present we propose to

tion to the fact that ultimately we expect this 'profit' to flow back into the stream of our other revenues and thereby reduce the national debt." The "profit" in question accrued through a bookkeeping operation when the amount of gold fixed by law as the

equivalent of \$1 was reduced from 23.22 grains to 13.71 grains. This meant that an ounce of gold was worth \$20.67 one day and the next had a value of \$35.

Just previously the treasury had taken title to all the monetary gold in the country, paying for it at the \$20.67 rate. On every ounce it made a "profit" of \$14.33, the difference between the purchase figure and \$35.

The secretary gave in figures his estimate of the cost of the New Deal. Against an increase of \$6,000,000, 000 in the national debt, he asserted, various assets should be deducted. He listed them as follows:

An increase of \$1,600,000,000 in the treasury's cash balance since March 4, 1933.

The gold "profit," amounting to \$2,-800,000,000.

An increase in the net assets of agencies wholly owned or financed by the government, amounting to \$1,095,-

Morgenthau did not carry the proposition through to its arithmetical conclusion, but the cost of the New Deal under his theory would amount to \$505,000,000.

GEN. HUGH S. JOHNSON, through a spokesman, has flatly denied the story of his dispute with Donald kins over control of the NRA, but wellinformed persons in Washington believe it is true. The President calmed the storm but put off the decision. The NRA is being reorganized temporarily to serve until the next congress gives it permanent form, and for the pres-

ent Johnson retains his supremacy. To bring about greater efficiency and economy the codes of the NRA are being realigned. Industry is divided into 22 classes, the initial move toward cutting down the number of codes from 682 to about 250 and grouping them in ten grand divisions. Mergers are relied on to make the drastic reduction in the number of codes.

Codes with similar or related interests are grouped together. Allied businesses will thus receive identical treatment on common problems, officials said. The codes also are expected to be easier and cheaper to administer.

The 22 classifications in turn are based on four fundamental groups as follows:

Producing industries-Food, textiles, leather and fur, ferrous metals, nonferrous metals, non-metallic products, fuel, lumber and timber, chemicals and paints and drugs, paper, rubber. Fabricating industries-Equipment,

manufacturing, graphic arts, construc-

Service industries-Public utilities. transportation, communications, amusements, finance.

Distributing trades-Professions and services, wholesale and retail codes.

GENERAL JOHNSON has repeatedto sacrifice his private business earning capacity by remaining at the head of the NRA on a salary of \$6,000 a year, intimating that he would have to retire from his governmental job. It is now revealed that on July 1 his salary was increased to \$15,000 a year by order of President Roosevelt.

MUCH political benefit to the administration in the congressional campaign is expected to accrue from the reciprocal trade treaty with Cuba which has just been announced. It is the first of the projected trade agreements and little criticism of it is likely to be heard. The domestic sugar producers, who of course do not like the reduction in the duty on Cuban sugar, were prepared for the action by discussions of past months and accordingly had adjusted themselves to

the situation. The domestic tobacco interests are consoled for reductions in duties by the limitation of imports of Cuban cigar leaf tobacco, cigars and cheroots of all kinds to 18 per cent of the total quantity of tobacco used in the United States during the previous year for the manufacture of cigars. The reductions in duties on fruits and vegetables imported from Cubs

SECRETARY OF THE TREASURY apply only to certain seasons and thus MORGENTHAU, in his first speech are not as objectionable to demonstrate are not as objectionable to domestic producers as they might otherwise be.

As against the concessions made to Cuba, which are regarded as so important from the standpoint of that country as to offer great promise of economic recovery, there should be rather widespread benefits to agricultural and industrial producers of the United States. The most valuable concession is a great reduction in the Cuban duty on hog lard.

BELIEVING the emergency phase of agricultural adjustment is about over, the AAA officials are simplifying their program for the future. Tentatively they propose these control plans for 1935:

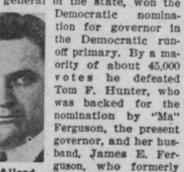
Wheat-10 per cent reduction in acreage below that of the base perlod, 1930-32 inclusive; desired acreage, about 62,000,000; desired production, 750,000,000 to 775,000,000 bushels,

Corn-Possibly a 15 to 20 per cent reduction in acreage, instead of 20 to 30 per cent as specified by the 1934

Hogs and other livestock-No direct control, supply being regulated by adjustment of feed crops.

Cotton-10 to 15 per cent acreage reduction under base period, 1928-32, inclusive, instead of about 40 per cent; desired acreage, 32,000,000 to 37,000,-000; desired production, 11,500,000 to 13,000,000 bales.

"FERGUSONISM" in Texas was struck a probably fatal blow when James V. Allred, the young attorney general of the state, won the



J. V. Allred occupied the office until ousted by the legislature. The Fergusons have controlled Democratic politics in Texas for some twenty years, but their sway probably is now coming to an end. Mr. Allred is only thirty-five years old, but has come to the top swiftly. His nomination is equivalent to election.

UPTON SINCLAIR, the Socialist author who turned Democrat in order to run for the Democratic nomination for governor of California, succeeded in his purpose. In the primaries he ran far ahead of George Creel, who was director of propaganda during the World war; Justus S. Wardell, conservative, and Milton K. Young, the Democratic candidate in 1930. Sinclair campaigned on a plan "to end poverty in California" which was set forth in a book he published. It calls for the state to take over and operate defunct factories and businesses and farms acquired because of tax delinquencies as a means of placing the unemployed. Sinclair's opponent in the election will be Frank F. Merriam, the Republican acting governor. Senator Hiram W. Johnson easily won renomination and is on the Republican, Democratic, Progressive and Commonwealth tickets; his only opponent is

George R. Kirkpatrick, Socialist. South Carolina Democrats will have to hold a runoff primary to decide between Cole L. Blease, former governor and senator, and Olin D. Johnston. young attorney of Spartansburg, for the gubernatorial nomination. In a referendum held as a guide for the legislature the drys were defeated.

Democrats of Mississippi also will hold a runoff primary to determine whether Former Governor Theodore G. Bilbo or Senator Hubert D. Stephens shall represent the state in the senate.

BRITISH people the world over re-Prince George, fourth son of the king, was engaged to wed the lovely Princess Marina, niece of

the late King Constantine of Greece. The announcement from the palace in London said: "It is with the greatest pleasure that the king and queen announce the betrothal of their dearly beloved son Prince George to Princess Marina, daughter of

Prince and Princesa Prince George Nicolas of Greece, to which union the

king has gladly given his consent." An acquaintance that dated back five years to the young couple's first meeting in London ripened into love at the summer home of Prince Paul of Jugoslavia, where Prince George and

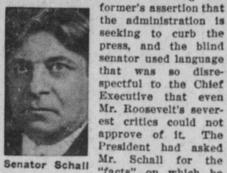
Princess Marina have been visiting. The princess, who was educated in Athens, Paris, and London, speaks fluently French, English, Greek, Russian, and German, She inherits all the beauty and charm of her Russian mother and the pleasing personal qualities of her father,

FRANCIS J. GORMAN, head of the strike committee of the United Textile Workers, sent to the sectional leaders the secret instructions for a general walk-out in the cotton textile industry on September 4. The order affects approximately 500,000 cotton mill workers; and about 300,000 more will go on strike then or soon after in the silk, rayon and woolen mills.

"I am fully convinced," Gorman told reporters, "that the strike not only will materialize but will be successful."

The administration, however, still hoped that the strike could be averted through the efforts of the national labor relations board headed by Lloyd Garrison. The union leaders have made it plain that they expect the strike will be indirectly financed by the government through the relief organizations. They admit that their unions have not sufficient funds to carry the workers through the prospective period of idleness.

SENATOR THOMAS D. SCHALL of Minnesota, Republican, engaged in an acrimonious controversy with President Roosevelt concerning the



seeking to curb the press, and the blind senator used language that was so disrespectful to the Chief Executive that even Mr. Roosevelt's severest critics could not approve of it. The President had asked Mr. Schall for the "facts" on which he

based his recent assertion that plans are under consideration for "a national press service to take the place of the Associated Press, the Hearst News service and the United Press." This service, Mr. Schall said, would "have exclusive use of all government news and be in a position to give its service only to those newspapers loyal to the Roosevelt dictatorship."

"Once these facts are in my hands," said Mr. Roosevelt, "they will receive immediate attention in order to make impossible the things you say will be done, because I am just as much opposed to them as you are."

The senator immediately sent to the President and made public a 650 word letter in which he said in part: "You ask me for 'information' con-

cerning what you yourself have done. Are you attempting to secure the facts so that you may be in a position to refute yourself? "Your telegram to me bears out the

suggestion of the constant effort to mislead and fool the public. Your desire to make yourself appear before the people of the United States as champion of a free press may be as insincere as your promises to the people when you accepted the Democratic nomination at Chicago with the statement that you were for their pl 100 per cent.

"To date you have not kept one of the covenants you pledged the people at that time. Let me recall your testy anger at your disappointment in keeping out of the press code the expression of a free press."

Schall went on to cite what he called "specific evidence" of an intention by the President to force a censorship of the press so that "your acts and the acts of your Communistic bureaucrats might be hidden from public gaze."

Mr. Roosevelt sent the senator an answer sharply rebuking him for his "vituperative" letter "which gives no facts and does not answer my simple request." In conclusion he said: "The Incident is closed."

Schall retorted in somewhat milder language that he as a representative of the people could not let the affair

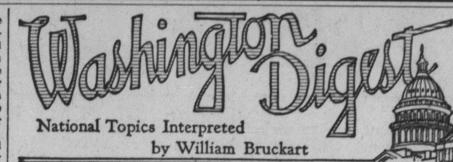
MORE electricity for more people at lower rates is the aim of the federal power commission in a national survey which has just been started. According to Basil Manley, vice chairman of the commission, the survey will. enable that body to compile and submit to the next congress the "most comprehensive and authentic exhibit of our power resources and possibilities ever made in this or any other country." To obtain the data required the commission has sent a questionnaire to every private and municipally owned power plant in the land.

"Determining the nation's power requirements and how they can be most economically and advantageously supplied is the primary purpose," Mr. Manley explained. "Markets must be considered, as well as power sites that can be developed at reasonable cost, either by governmental enterprise or

private capital. "One purpose is to establish and maintain that balance between steam and hydro-electric power which will give America the most dependable sources of energy at the lowest possible rates."

DESPITE the Polish denials that a secret pact has been concluded between Germany and Poland, La Liberte, nationalist newspaper of Paris, charges that such a treaty has been signed, and gives its alleged stipulations which provide that Poland shall relinquish the Polish corridor to the reich in exchange for German support of a Polish attempt to gain control of Lithuania, peaceably or other-

The nationalist organ reports in addition five military and territorial articles and the fact that the treaty contains a series of economic agree The chief of the latter calls for furnishing raw materials to Germany by Poland, even in time of war, in return for German exports to Poland.



Washington.-Recent developments in the Nation's Capital tend to indicate. in the opinion of Campaign long time observers, Issues that the issues of the coming election cam-

paign and for the next session of congress are being sharply drawn. It is recognized here that the line of cleavage will be whether the Roosevelt administration shall go further to the radical side or whether it shall be forced to a more conservative be-

There has been so much confusion in administration affairs that the issue is being forced. Each time heretofore that conservatives have fought against proposals by the Roosevelt administration or have criticized acts performed under the discretionary authority granted the President by congress, the conservative element has been badly defeated. It should be said that the conservatives have lacked any particular punch, nor have they had leaders worthwhile. Consequently their attacks have lacked virility and have amounted to the same thing as an attempt to kill a bear with birdshot.

Now, however, there seems to be a stiffening of backbone on the part of the conservatives, both Democratic and Republican, as is evidenced by the formation of the American Liberty league. This group, headed by such men as Jouett Shouse, former Democratic national committee head, former United States Senator James M. Wadsworth, a New York Republican, and Alfred E. Smith, one time Democratic candidate for President, has announced its purpose to fight in defense of the Constitution. It also is prepared to make war on radicalism. Mr. Shouse, who will be the league's president, declared it was not anti-Roosevelt, or anti-administration but that it admittedly will be against some features of the New Deal.

Thus, for the first time since Mr. Roosevelt became President, he is confronted with frank outright opposition of a serious kind on those parts of his program which the league and other conservatives believe go beyond traditions of American history. My information is that the league is well supplied with funds and that it will be able to disseminate its views in extensive fashion. The purpose, it is said, is to make sure that the rank and file of voters hear all sides to the various questions.

The non-partisan character of the work to be done is being emphasized. organization are advanced as proof of the statement that it will not dabble in partisan politics. It remains, nevertheless, that this group naturally must oppose a good many of the New Deal plans and in some quarters it is believed the New Dealers will attempt to catalogue it purely as an anti-administration propaganda machine. It is to be seen thus that Mr. Shouse and his associates have a battle on their hands in addition to defense of the Constitution. But those factors do not change the bellef of many here that in the American Liberty league we actually are seeing the birth of a new political party. It is this manner that parties are born.

. . . The lack of co-ordination in governmental agencies is giving the President fresh concern Richberg's and a new program is being considered in order to fend off partisan attacks. Donald Richberg.

Chicago lawyer and former general counsel for the NRA, has the job in charge. He will attempt, where his predecessor Frank Walker failed, to straighten out the tangled skein that has resulted in many of the agencies of the New Deal running counter to each other.

Mr. Roosevelt wants "balanced control" among these agencies. That is, he wants to see that the various units whose functions may overlap are not working at cross purposes and he wants to see the recovery machine settled down so that there may be harmony among the officials of the administration. *

For an example of what I mean, take the case of NRA and AAA. It has been recognized for some months that the purpose behind these two groups and upon which they have been attempting to expand government supervision of agriculture on the one hand and industry on the other have led officials in different directions. It has resulted in an undercurrent of dissatisfaction each with the other. Mr. Richberg thinks that some way must be found for this to be eliminated.

Then we have the Public Works administration, the Reconstruction Finance corporation, and the Home Owners Loan corporation and now the Federal Housing administration. It is easy to see how many times any one of these may cross up the plans of the others. The result obviously has been difficulties and embarrassn that ought never occur and would have been avoided had the machinery been geared together when the programs were worked out.

Mr, Richberg's job, therefore, plainly is one fraught with great difficulties and one that is fraught with potential fireworks if his program steps on toes, If he does not succeed in revamping and reorganizing the various set ups,

observers here think they foresee a more serious disagreement among ad-

ministration leaders than has yet taken

If he succeeds in accomplishing the purpose assigned to him by the President, Mr. Richberg will face the opposition of the newly formed American Liberty league and the conservative element throughout the country with a well oiled machine to carry out his policies.

The critics of Gen. Hugh S. Johnson, national recovery administrator, have had their turn Their Turn to laugh. The gento Laugh eral, who has become famous for his

frequent threats to "crack down" where industry failed to live up to the codes which the administration laid down, has run afoul of one of his own agencies, the national labor rela-

Some months ago the general fired John L. Donovan, a labor board advisor apparently because Mr. Donovan had been active in organizing a union among employees of the NRA of whom there were some 2,000. Mr. Donovan was dismissed officially for being "inefficient" and for "insubordination," but few observers ever accepted that as the explanation.

Now, General Johnson has been directed by the labor board to re-employ Mr. Donovan, and told that if he did not reinstate the dismissed worker he would be violating one of the provisions of his own law and one which he had used many times in his threats to crack down.

The incident has a further significance, however, as observers here There is much discussion around Washington to the effect that General Johnson in the Donovan case was reaping the crop which he had sown in his many promises to organized labor. In other words, it is made to appear in the opinion of many persons that the general promised too much and when he found the vulnerable spots in his own program he sought to get away from his oft repeated preachments only to be confronted with the ruling made by his own labor board after that body had made an investigation of the merits of

No one can tell at this time how far-reaching the Donovan case decision may prove to be. Some observers organization later but if that takes place it seems assured that organized labor itself will rise up and there will be not one group but many to tell General Johnson of their interpretation of the labor provisions in the recovery act. Suggestions have been heard likewise to the effect that if an employer, private or public, is not permitted to discharge a worker for inefficiency or insubordination, employers of labor through the country, subservient to the national recovery act and the codes, are faced with a situation the scope of which cannot now even be hinted.

It has been anticipated generally that the administration will have greater difficulty in House May the house of repre-Make Trouble sentatives next winter with the new crop of members than obtained during the last session of congress when the house was quite subservient to the White House orders. Advance notice of the difficulties already has appeared in the shape of a four-cornered race for the speakership made vacant by the death of Henry T. Rainey of Illinois. It is said now that the White House is prepared to stay out of the fight because, traditionally, the Chief Executive has not messed with the choice of house leaders. It is a fact nevertheless that the present list of entries for the speakership assure a battle between the friends of the brain trust and the more conservative. practical politicians in the house mem-

To date Joseph W. Byrns, the present floor leader and long time representative from Tennessee, appears to have the jump on the other candidates. It cannot be overlooked, nevertheless, that Representative Sam' Ravburn of Texas, chairman of the powerful committee on Interstate commerce, and Representative William Bankhead, of Alabama, are very much in the race. Representative John Rankin, of Mississippi, must be considered also because Mr. Rankin has been active in assisting the Democratic organization in the house in the last two sessions and he has many friends.

No one can tell, of course, what kind of a jam will result and what trading will be initiated between the various candidates in order to get the most political advantage out of the situation. Trading always features selection of the speakership and in this instance, as in all previous speakership fights, it is safe to say that there will be trading done which will allow one of the number to be speaker and his choice to be floor leader.

It is considered that Mr. Byrns has the best chance at this time because ordinarily the floor leader of the party in power has been elevated to the speakership in event of a vacancy in the high office in the house, 6. Western Newspaper Union.

Oats Grown With Alfalfa Advised

Serves as Good Nurse Crop, Protects During Winter. Halts Erosion.

By C. H. Farnham, Assistant in Soil Experi-ment Fields, University of Illinois—WNU

Damage from dust storms, which proved so devastating to young alfalfa seedings in some sections, can be practically eliminated if oats is sown as a nurse crop with the new alfalfa seedings this fall.

Largely as a result of the poor stands of forage caused by the drouth and the provisions of the AAA programs, it is anticipated that an exceptionally large acreage of alfalfa will be seeded during the next few weeks. An appreciable amount of these seedings will be on sandy or light windblown soils which are subject to wind erosion capable of ruining seedings made during the latter part of the summer.

Tests at the Oquawka soil experiment field, maintained in Henderson county by the University of Illinois College of Agriculture, show that this damage may be largely done away with by the use of oats as a combination nurse and cover crop for failseeded alfalfa on sandy land. Observations made at the Oquawka field disclosed no damage to alfalfa seeded last fall where surrounded by good oats growth. However, a few feet away where no oats had grown the alfalfa was either badly damaged or entirely killed by the wind-blown sand. In a larger unprotected area on the field, sand had drifted several inches deep, completely burying a strip of bluegrass.

In addition to preventing the movement of the soil by high winds, oats sown as a nurse crop with alfalfa this fall supplies at least three other advantages. Grasshoppers prefer the oats to the young alfalfa plants and thus are not so likely to feed upon the legume; oats is less of a competitive companion for the alfalfa than weeds would be, and oats aids in protecting the alfalfa against the winter

Sweet Clover Hay Rated

High in Minnesota Tests Steers will fatten practically as well on sweet clover hay as on alfalfa of similar quality, according to Minnesota experiment station trials recently completed. Other university farm trials showed that the two kinds of hay were about equal also for winter beef cows and helfers. Trials have given like results with lambs,

Cutting the cured sweet clover with an ensilage cutter was found advisfigure that a way will be found to able for cattle feeding but there was eliminate Mr. Donovan from the NRA no apparent advantage in cutting it Tattening lambs. Fine grinding of roughage makes the feed too expen-

sive for cattle. Cut corn fodder also was found a fairly satisfactory roughage for dry beef cows and helfers, when fed in limited quantities with corn silage and cut sweet clover hay and when fed with shelled corn to fattening lambs. The heifers lost some flesh on a ration of roughage only, and it was found necessary to add a little grain to keep them gaining. Adding linseed meal to the lamb ration of shelled corn and cut corn fodder improved it slightly

but decreased the feeding profit. Prairie hay, even though of excellent quality and supplemented with linseed meal and limestone, proved an unsatisfactory roughage for fattening yearling steer calves and lambs.

Give Pastures Start

Good pastures are an asset to any farm, and particularly to a good live stock farm. Many farmers damage their pastures by turning stock on them during the early days of spring. The ground is usually soft and tramping damages the plants. The worst damage, however, comes through close grazing of the young plants before they have a chance to get started. Plants require a reasonable top growth in order that their roots become firmly established. The young, tender grass of early spring does not have as much nutritive value as it will have a few weeks later. It is best for the live stock and much the best for pastures if they are given a chance to get a good start.

Use Planes to Fight Hoppers The adoption of airplanes to fight grasshoppers is another illustration of the resourcefulness of the western Canada farmer. Spreading of poison for grasshoppers has been so successful in one or two areas in southern Alberta that it will probably be adopted as a regular method in future. The planes were used in flying at 100-feet elevation, using four pounds of bait to the acre. The cost per section was \$8 to \$10, and the distribution thinly and evenly done, and so effective. with the use of oiled balt, that hoppers were still dying a week after the bait was spread.

Turn to Pasture

Farmers in the corn belt are taking a leaf from the book of experience of the British farmers after the Napoleonic wars. The latter, finding themselves unable to compete with cheas foreign grain, which came in after hostilities ended, turned their fields back into pasture land. Pasture land offers many advantages because it provides a rotation which is beneficial to the soil. It requires plowing each year. Many of the grasses used are annuals which do not reseed.