

# News Review of Current Events the World Over

## New Deal Sighs Relief as Supreme Court O. K.'s Gold Laws—President Urges Congress to Extend NRA Two More Years.

By EDWARD W. PICKARD  
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PRESIDENT ROOSEVELT and the New Dealers breathed easier after the United States Supreme court handed down its decision sustaining invalidation of "gold clauses" in private contracts, but not on federal bonds. While it was held that the government must pay off its bonds in gold or its equivalent in devalued currency, another ruling that the Court of Claims had no jurisdiction over such cases means that it would be impossible for holders of federal bonds to collect on their old gold basis.



President Roosevelt

In other words, the holder of a \$1,000 federal bond is entitled to a technical value of \$1,000, but in reality it would be impractical to make any collection of that amount, since the Court of Claims is the only tribunal before which suits against the government may be taken, and other courts may not entertain such suits without a special act of congress.

The court also held that those who held gold certificates had no cause of action and could not sue the government. The power of congress to deal with currency was fully upheld.

Not only this country, but the entire world, awaited what the "nine lonely old men" of the Supreme court had to say about the Roosevelt monetary policies. The decision is ranked with the court's decisions in the Dartmouth college cases in 1818 which upheld the sanctity of contract, and in the Dred Scott slavery case in 1857 which had much to do with hastening the outbreak of the Civil war.

Briefly, the ruling said:

1. Congress has the power to nullify promises to pay in gold contained in the bonds of private corporations.

2. A gold certificate is worth only its face value in present devalued currency. Congressional power over the currency includes the right to establish circumstances under which gold certificates need not be redeemed in gold or its equivalent.

3. Congress has no authority under the Constitution to abrogate the payment-in-gold clause of government bonds, but, as no actual damage has been shown, therefore there is no basis for suit for recovery.

The decision was read by Chief Justice Charles Evans Hughes, who voted with Justices Brandeis, Stone, Roberts and Cardozo in the majority. Dissenters were Justices McReynolds, Van Devanter, Sutherland and Butler, the four so-called conservatives.

Satisfaction within the administration was evident at once. Justice McReynolds was spokesman for the dissenters. He unleashed a scathing attack on the majority views. His voice vibrant, he said:

"The Constitution as we have known it is gone."  
"If given effect, the enactments here challenged will bring about confiscation of property rights and repudiation of national obligations."  
"Just men regard spoliation of citizens by their sovereign with abhorrence, but we are asked to affirm that the Constitution has granted power to accomplish both."

"No definite delegation of such a power exists; and we cannot believe the farseeing framers, who labored with hope of establishing justice and securing the blessings of liberty, intended that the expected government should have authority to annihilate its own obligations and destroy the very rights which they were endeavoring to protect."

Notified that Chief Justice Hughes was reading the decision, President Roosevelt went to the cabinet room, where he listened to telephone reports from an aid. Three cabinet officers were at his side. The Chief Executive was prepared to take swift action to protect the credit of the government in case an adverse decision was handed down, but executive orders were unnecessary. The carefully prepared program was not needed.

TWO more years of the NRA, with clarification of policies, more effective enforcement of codes and the granting of "unquestioned power" to the federal government, were urged by the President in a message to congress.

The national recovery act terminates June 16 this year. "Abandonment would be unthinkable," he said, naming the act as "the biggest factor in giving re-employment to approximately 4,000,000 people."

He said congress must maintain the fundamental principles of the act to establish at least a minimum fair trade practice and labor relations standard, pleading that child labor must stay out and that fixing of wages and hours was practical and necessary.

Answering recent protests of labor, he said: "The rights of employees freely to organize for the purpose of collective bargaining should be fully protected."

He urged more strict application of anti-trust laws, condemned monopolies and private price fixing, opposed hindrances to fair competition, and pro-

posed further protection of small enterprises against discrimination and oppression.

His suggestions, if adopted, would keep code violators from behind the bars. "The way to enforce laws, codes and regulations relating to industrial practices is not to seek to put people in jail," he said.

Admitting some mistakes, the President was well satisfied that the NRA had done a good job considering its short existence.

"Only carping critics and those who seek political advantage and the right again to indulge in unfair practices or exploitation of labor or consumers deliberately seek to quarrel over the obvious fact that a great code of law, of order and of decent business cannot be created in a day or a year," Mr. Roosevelt declared.

All details of the legislation were left to congress. While this is in progress, the senate finance committee proposes to conduct the Nye-McCarran investigation of the NRA administration and codes. The Judiciary subcommittee reported no funds available, but the inquiry, which has the President's approval, will be attempted without money.

MORE than 100 men were reported killed or wounded in a skirmish in the "demilitarized" zone which lies between Manchukuo and China north of Tientsin. The clash was between the recently formed Peace Preservation corps and the Lwanchow militia. The Peace Preservation corps, which has the approval of the Chinese government, was receiving money and arms from the Japanese. It was alleged. The militia is supported by local Chinese interests.

VICTOR A. CHRISTGAU, demoted from his position of second ranking officer of the AAA in the recent shake-up which involved several alleged radicals, resigned in protest. Chester C. Davis, administrator, had not accepted the resignation and Secretary of Agriculture Wallace was attempting to persuade Christgau to change his mind.

Wallace hinted that there had been differences between Christgau and A. H. Lauterbach, chief of the AAA dairy section, over the milk policy. A protege of Undersecretary Rexford Goy Tugwell, Christgau was also supposed to have encountered "friction" with other members of the department. This gave rise to new rumors that Brain Truster Tugwell will resign before his influence in the AAA is too severely curtailed by the demotion and ouster of his conferees.

Meanwhile amendments to the Agricultural Adjustment act were declared to conceal dangerous, arbitrary and autocratic powers over farmers, manufacturers and distributors of farm products, by the legislative committee of the agricultural industries conference in Washington. The committee cited the provision that the AAA may require that a licensed processor purchase only from those who sign contracts. It charges that the amendments make no provision for the farmers, but contain provisions for price control, markets, production and purchasing. Through indirect restriction of the farmer's market, these provisions are equivalent to a licensing of the farmer, according to the committee. "The entire economic life of communities could be directed from Washington," the committee said.

BRUNO RICHARD HAUPTMANN escaped the electric chair at least temporarily when a writ of error filed by defense attorneys earned him a stay of the execution sentence which was to be carried out at Trenton, N. J., March 18. The Bronx carpenter's life is safe at least until September or October, since a further appeal can be made to the court of pardons if the court of errors and appeals fails to uphold the writ. Lloyd C. Fisher and Frederick A. Pope presented the appeal after a battle with Chief Defense Counsel Edward J. Reilly, who subsequently threatened that either he or Fisher would have to withdraw from the Hauptmann defense. The hearing will probably take place at the next session of the court, which begins May 21.

Part of the dissension among defense attorneys was thought to exist because Reilly never challenged the assumption that the body of the dead baby was that of Lindbergh's son, George H. Foster, former investigator for the defense, declared that seven autopsies were ready to show that the baby could not have been Lindy's because it was four inches taller than Charles A. Lindbergh, Jr.; was in a less identifiable condition than would have been possible in the mild weather following the kidnaping, and was embalmed.

REALM LEADER HITLER refused to exercise his prerogative of mercy and two Berlin society women were beheaded by the official executioner for divulging military secrets. Another woman and a Polish nobleman were sentenced to life imprisonment at hard work. The execution of the two women was carried out at dawn with such secrecy that it was hours before their exact fate could be learned. Officials finally admitted that the women had gone to the block where their heads were severed by a silk-hatted executioner with a medieval battle ax.

STEPS to curb the inroads of Japanese landholders in the rich hemp growing province of Davao are being taken by the Philippine government. Strict application of insular laws governing land holdings by aliens will be made, according to Eugenio Rodriguez, secretary of agriculture, who schemes a wholesale cancellation of subleases of public lands, which he maintains are illegal.

THIRTY-ONE inmates shot and killed a guard in a spectacular break from the Oklahoma state prison at Granite, the only male penal institution administered by a woman warden. Thirteen were captured shortly afterward and a man-hunt is on for the others. The fugitives used two guns which had been smuggled to them, forced a "trusty" turnkey to open up for them, corralled 20 visitors in the visitors' room and, using them for a shield, made their escape. Her prison already the subject of investigation into its moral and managerial standards, the warden, Mrs. G. A. "Mother" Waters, was ordered replaced by a man, Gov. E. W. Marland declaring that a woman "just can't manage" a prison. Defiantly, she refused to clear out until completed investigations vindicated her.

ON THE heels of the Supreme court's gold ruling, former President Herbert Hoover demanded re-establishment of the gold standard in the United States as the only way "to restore confidence in our currency." This could only be done by making the dollar immediately convertible at the present 59 cents of gold—the "modern method of specie payment."



Herbert Hoover

The only living ex-President said that such action would put more of the 12,000,000 unemployed men back to work than any other step. The United States should take the lead in returning to the standard, he said, declaring that, "There is no need to wait on foreign nations before we re-establish the gold standard and restore confidence in our currency. They would be bound to follow some time. They are more afraid of our doing just this than they are of any American 'managed currency.'"

DR. F. E. TOWNSEND of California, whose pension plan for the aged has gained the support of many thousands of America's citizens, went before the senate finance committee and tried to explain how the government could get out of its economic troubles by paying \$200 monthly pensions to all persons over sixty, provided each one must spend his \$200 for commodities or services within the country each month. The senators didn't treat the proposition with much seriousness.

Chairman Harrison said that with 10,000,000 or more aged, the plan would cost \$24,000,000,000 a year. But a 2 per cent tax would raise only \$3,000,000,000, leaving a deficit of \$19,000,000,000 a year.

"Yes," Townsend said, "but we will not be able to put 10,000,000 on the pension immediately. It took two years to get 4,000,000 men into the army. We would have to examine each citizen for his citizenship and age, as we examined applicants for the army."

A NEW assault on Germany's unemployment problem is announced by Nazi leaders, who will put their plan into effect on April 1. The scheme, the most drastic yet announced, will force most young people to give up their paying jobs and join the government labor service which will send them to construction projects, "voluntary" labor camps, and to farms.

In this way, positions will be opened for older men and those with dependents. All jobs for persons under twenty-five will be state-controlled, and the entire labor market will be under Nazi domination. Jobless at the present time are estimated at 2,000,000. Another feature of the campaign is the setting of a definite goal of 800,000 as the number to be left without work as "chronically unemployed."

GERMANY'S reply to the Anglo-French proposals for a European security pact was not very specific but "welcomed the spirit of trustful discussion between the individual governments" and promised that the reich would examine thoroughly "the whole document concerning the European questions contained in it." The note declared the air agreement might be one step toward solution of other problems, and promised that Germany would examine the question of how to avoid the danger of an armaments race. No mention was made of the proposed Danubian and Eastern pacts.

The German conciliatory attitude toward a pact which recognizes its rearmament was generally considered to put the French in an uncomfortable position, since it was believed that the pact was drawn in terms that were expected to find quick German refusal.

Every indication now is that President Roosevelt's social program—old age pensions and unemployment insurance—will go through in very much the form proposed, despite the loud cries of the insurgents about a government subsidy.

The idea of taking all the money for unemployment payments, and old age pensions, out of the federal treasury, is very appealing in some directions. People would like to dodge the direct deductions from their pay envelopes. Argument is made that this tax on pay rolls, which, if both bills are counted, runs gradually up to 5 per cent, would heavily increase the cost of production—assuming it is passed on to the consumer. Or else heavily cut into the spending power of the workers.

But the great advantage that President Roosevelt has had right along, and gives every prospect of continuing to hold—always excepting World court, St. Lawrence seaway, and the bonus—is that his opponents cannot agree.

For example, the ten senators on the appropriations committee who a few days back voted to substitute the dole for work relief, with the avowed pur-

## SEEN and HEARD around the National Capital

By CARTER FIELD

Washington.—Probability that some compromise on the so-called 30-hour week bill, probably limiting the hours of work in any industry to 36 or 48 hours, but with perhaps a few special exemptions, will be enacted by the present congress is growing. Flat prediction that such a compromise would be enacted is made privately by half a dozen of the more important figures in the house, and by an equal number of influential senators.

The importance of this prediction would be enormously enhanced if the names of the senators and members of the house could be mentioned, with their exact views. Incidentally some of those making the prediction said that they personally opposed the idea; they were merely giving their opinion as to what would happen, not what they wanted.

Nor were these just personal conversations. In each case the statements were made to a group of men who came to Washington seeking to find out what the prospect was—men who wanted to adjust their situations to the probabilities. They did not come to argue for or against the measure, though all of them, for private reasons, happen to be opposed to it.

The tremendous pressure for the measure does not result primarily from the fact that the American Federation of Labor is strongly for it. Nor from the fact that virtually every other labor group is for it. It comes from the evidences that though business has picked up somewhat unemployment has not diminished by anything like the same extent.

So, in short, the thought is a "share the work" idea, rather than a social betterment idea.

It is aimed at reducing unemployment, not at bettering living conditions. In fact, there is some talk of amending the proposal of the Federation of Labor, as embodied in the Connery bill, in a way that would be very displeasing indeed to labor, and which labor, both organized and unorganized, would oppose violently.

### Just a Possibility

This is to change the idea so that instead of reducing the number of hours per week, but requiring—as the Connery bill does—that the same amount of dollars be paid each week for the shorter number of hours that is now paid for the present work week, the bill would reduce the number of hours with no mention of what the rate of pay should be. In short, leaving to employers, and to the revision of NRA codes which would follow, what the wages for the shorter work week would be.

This is not mentioned as a probability. Only as a possibility. Actually, it is highly improbable. The measure will probably pass, if it passes at all, with the requirement that the same wages be continued regardless of the cut in hours. And, of course, the compromise, raising the number of hours from the 30 proposed in the Connery bill to at least 36, will soften this blow as far as employers are concerned.

But, as a matter of fact, economists do not regard the question of wages here as very important, except in so far as they apply to inflation. They reason that if the hours are reduced, and the pay per hour increased, the result will be inflation just as surely as by any possible expedient proposed by the followers of Senator Elmer Thomas.

They reason that a wholesale vertical boost in wages, forced by law, would result promptly and almost mathematically in an increase in prices, reducing the purchasing power of the dollars earned by the workers. Hence, the laborious arguments by the opponents of the 30-hour week, or any compromise of it, that it would result in lowering the standard of living in America, either by a smaller number of dollars to spend by each worker, if the pay is maintained at the same hourly rate, or by the smaller purchasing power of the dollars if the wage rate per week is maintained.

The reasoning that is expected to put the compromise over is not concerned with this. It is concerned with getting more people to work, and cutting down the need for the dole and for work relief.

Another phase of the present post office situation, which is very distressing to civil service advocates, is that barring anyone from an examination for postmaster who does not receive his mail at the particular office for which he is a candidate. In many western and other thinly populated states there is some point to this. But there is very little merit in it, civil service people contend, in and around the big cities.

The Norris plan would delight the civil service people if they thought there was a Chinaman's chance of its going over. The idea of a postmaster general divorced from politics, serving President after President on a long term appointment just as Comptroller McCarl has served in auditing expenditures, is, in the opinion of the civil service folks, just too good to be true. And therefore not likely to happen.

Real friends of civil service are far more interested in an immediate reform, which would require only an executive order, than in either the proposal of Senator George W. Norris of Nebraska, or of Senator C. O'Mahoney of Wyoming.

What they would like to see is elimination of the prohibition, imposed by an executive order, which prevents any present employee of a post office from taking the examination for the postmastership. This provision, which seems rather hard to explain on any ground other than pure spoils politics, strikes at the heart of the whole civil service idea. It bars advancement to the top in any particular office.

It is this situation which plays into the hands of the Curley faction in Massachusetts, preventing Postmaster Hurley from taking an examination—unless he should resign in the meantime—for appointment to the very job he now holds!

This merely happens to be what seems to many a ridiculous side of the situation. For it might naturally be thought that the man who had been postmaster for a period of years, who had come up through the ranks just as if he had been employed in some private business, and who, according to the testimony of business firms in the city of Boston, had been giving satisfaction, would and should stand a better show of passing first in an examination for his own job than anyone outside the office.

But actually the present law—for that is what an executive order amounts to—not only prevents Postmaster Hurley from competing in an examination for the place he now holds, but it prevents any other employee of the Boston post office from competing.

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pose of saving the treasury two billion dollars, have maneuvered themselves into a position where it will be rather difficult for them to vote against the President on the social security bills. Or at least vote against him on the only roll-call where the President's position might otherwise have been in jeopardy.

When the roll-call comes on the question of paying all the cost out of the federal treasury—which will be the big test vote—those ten senators would be rather embarrassed to vote to make the treasury carry the load—after all their loud cries in the appropriations committee about the strain on the federal credit of spending nearly five billion dollars on work relief.

### Local Interest

Which is highly interesting because some of those ten senators were not worried in the slightest about the federal credit when they voted against the President on that bill in committee. They followed Glass and Adams, who made that issue. But some of them were just voting on that excuse in the hope of getting their states, and the counties and cities back home, out of a jam. They wanted a direct federal gift to the unemployed as against a work project, which contemplates that the local governments shall pay a considerable percentage of the work relief money back to the federal treasury, with interest.

Which is very different, especially if the credit of their states, or local communities in their states which need relief work badly, feel that they have already strained their credit to the breaking point.

But every senator who publicly took the position that the five-billion-dollar bill was too great a strain on federal credit has put his vote on the social security bill in pawn, as far as the only real test vote is concerned. For there is expected to be only one roll-call of importance on those bills which will really be significant. And that is the one which will attempt to shift the entire financial burden on to the federal treasury.

Some contend that the President has already taken one beating on this social security legislation. Their argument is that he wanted both bills enacted prior to the adjournment of the many legislatures which are in session this winter. He did express a hope for that. But it was a hope, not a conviction. It put the stigma of delay on anyone holding up the procession, but the President really never expected any such quick action, and has expressed no disappointment about it.

Actually many advisers of the President thought it would have been very unfortunate if the bills had gone through, and been forced into operation, so speedily. The known fact that manufacturing costs are going to rise has always been a stimulus to business.

### Civil Service

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### Favor Norris Plan

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## Birds Display Enmity at Sight of Airplane

Birds are more frightened of airplanes than are big game, an English aviator reports. When flying over Britain I have noticed that the pheasant, partridge, and even the domesticated hen, are thoroughly scared when an airplane dunes in their direction. They appear to think that a plane is a giant hawk about to swoop down on them. It is a curious assertion among people who lived on the east coast of Britain during the World war that they received their first warning of impending Zeppelin raids from pheasants. These pheasants invariably awoke, began calling to each other and scattered away in fright long before the noise of aero engines became apparent to human ears.

There are several cases of condors attacking airplanes crossing the Andes. Once, it is told, a large condor espied an all-metal airplane winging through the blue. Immediately the huge bird swooped down and struck the intruder with stunning force on the wing. All that was left to tell of the encounter was a large rent in the wing, some feathers, and a condor's leg complete with its foot.

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

The Final Argument  
War will no longer be inevitable when mankind wakes up to the fact that wars are inevitably disastrous even to the winner.—Harry Elmer Barnes.

Constipated?  
The doctors say... Use liquid treatment

Here is the soundest advice anyone can give on the subject of laxatives. It is based on medical opinion. We want you to have the benefit of this information no matter what laxative you may buy:

The secret of real relief from constipation is reduced dosage. You can't regulate the bowels unless you can regulate the help you give them. That is why doctors use a liquid laxative; the dose can be measured to a drop.

Avoid laxatives that you can't cut down in dosage; especially those that seem to require larger doses than when you began their use.

Under the doctor's care, you usually get a liquid laxative. The right liquid laxative gives the right kind of help, and the right amount of help. Smaller and smaller doses—until you don't need any.

The liquid laxative generally used is Dr. Caldwell's Syrup Pepsin. It contains senna and cascara—natural laxatives that form no habit.

Dr. Caldwell's SYRUP PEPSIN

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Weigh well your words, for 'tis the words that make the things.

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"He's always giggling, that fellow."  
"A real he-he man, eh?"—Tit-Bits Magazine.

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Your own druggist is authorized to cheerfully refund your money on the spot if you are not relieved by Cremulsion.

ECZEMA...  
To quickly relieve the itching and burning, and help nature restore skin comfort, freely apply Resinol

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If your kidneys function badly and you have a lame, aching back, with attacks of dizziness, burning, scanty or too frequent urination, getting up at night, swollen feet and ankles, rheumatic pains... use Doan's Pills.

DOAN'S PILLS  
Doan's are especially for poorly functioning kidneys. Millions of boxes are used every year. They are recommended the country over. Ask your neighbor!

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