

News Review of Current Events the World Over

Victory in Rhode Island Election Elates the Republicans—Guffey Coal Bill Undergoes Changes—Black's Probers Enrage Hurley.

By EDWARD W. PICKARD
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REPUBLICAN leaders throughout the country were immensely heartened—probably too much so—by the result of the by-election in the First district of Rhode Island.



Chas. F. Risk

Charles F. Risk, Republican and determined opponent of the New Deal, defeated Antonio Prince, Democrat, by nearly 13,000 votes, capturing the seat in congress which Francis B. Condon, Democrat, resigned to go on the State Supreme court. The reversal was so decisive that the Republicans hailed it as a clear indication that President Roosevelt would be defeated for re-election next year.

Representative B. H. Snell of New York, minority leader, made a speech about it in the house in which he said: "This is the first time the people of any part of the country have had an opportunity to pass on the reckless and extravagant expenditures of the administration. They have passed upon it in a very decisive manner. The election shows the people are beginning to think. The handwriting is on the wall. From now on we will witness similar rejections by the citizenry of the New Deal program."

Other Republican congressmen spoke in similar vein, but John J. O'Connor, New York Tammany Democrat, countered with the assertion that there was a split in the Democratic party in the Rhode Island district; while Tom Blanton of Texas shouted shame on Rhode Island because it had asked more federal aid than almost any other state. Anti-New Deal Democratic senators, like Gerry, Byrd and Tydings, agreed the election was significant, but from the White House there was no comment.

Former Senator Fess of Ohio with surprising frankness expressed the belief that the G. O. P. would have to wait until 1940 to elect a President. Voicing the opinion of many, the veteran campaigner said: "I don't see how the strongest Republican without all that money next year can beat the weakest Democrat with nearly \$5,000,000,000 at his disposal."

REPUBLICANS of the ten Midwestern states that participated in the Grass Roots conference in Springfield, Ill., have made the Grass Roots movement a permanent auxiliary of the party. Harrison E. Spengler of Iowa is its chairman, Mrs. Leslie Wheeler of Illinois the vice chairman, and Jo Ferguson of Oklahoma, the secretary. Michigan, Ohio and Kentucky, not represented at the Springfield meeting, have been invited to join in the movement.

SENATOR HUGO BLACK of Alabama may bring out a lot of facts in his inquiry into lobbying, but his way of conducting the investigation is not winning him any credit. The house has all along felt that he was trying to bully it into accepting the utilities bill "death sentence" clause and has been correspondingly resentful. Various witnesses before the senate committee have felt, seemingly with reason, that they were being treated unfairly.



P. J. Hurley

One of these witnesses who complained bitterly was Patrick J. Hurley, secretary of war in the Hoover administration. He testified that he had received \$100,000 from the Associated Gas and Electric system in the last three years, but insisted he was paid for legal advice only and had done no lobbying. Hurley was not permitted to read a prepared statement, and Black's interjections and questions so angered the witness that he rose to his feet and shouted: "Everyone knows all you gentlemen are good prosecutors! Of course, you don't know what it is to be fair or just. You try to put words into a witness' mouth. Your questions are all on the type of the 'Why don't you stop beating your wife?' query."

Joseph P. Tumulty, who was secretary to President Wilson, also was put on the stand and was not treated so roughly. He, too, admitted receiving considerable sums from utility concerns, and like Hurley he denied that he had done any lobbying. Tumulty testified that he paid former Senator George H. Moses (Rep.), N. H., \$5,000 and would pay another \$2,500 to John Walsh, a brother of the late Senator Thomas J. Walsh (Dem.), Mont. Moses and Walsh, Tumulty said, are attorneys and aided in work done for the utility clients.

THERE were strong indications that the house ways and means committee would produce an entirely new measure to replace the Guffey bituminous coal bill. Chairman Doughton revealed that the committee

had adopted a number of amendments designed to bring the measure within constitutional limits and to meet objections that it would discriminate against some coal districts. The committee still stood 14 to 11 against the bill, however. The President was said to have informed the Democratic members that he was agreeable to any changes they might wish to make provided the main objectives of the measure were maintained.

According to current report, the changes agreed upon in the committee included:

- 1. Elimination of the section forbidding the Interstate Commerce commission to issue certificates of convenience and necessity for operation of railroads to bituminous mines without prior approval by the bituminous coal commission.
- 2. Establishment of a consumers' council to safeguard the interests of consumers.
- 3. Addition of a provision for hearings to determine whether the method of fixing prices was working to the detriment of any coal producing district.
- 4. Reduction from nine to five in the number of commission members, and the addition of a stipulation that none shall have any outside connections.
- 5. Reduction from 25 to 15 per cent in the amount of the tax assessed against mine operators.
- 6. Reduction from 99 to 90 per cent in the amount of credit allowed the producers who abide by the code.

VIOLENTLY attacked from all sides and nowhere defended with enthusiasm, the President's new share-the-wealth tax bill nevertheless was put through the house because of the great administration majority and also because the congressmen are tired out and eager to go home.

Representative Treadway, Republican, of Massachusetts, made a last effort against the measure with a resolution to send it back to committee, but this was easily defeated.

As passed by the house, the bill is not quite what the President asked for. Briefly summarized, it increases taxes on individual incomes over \$50,000, substitutes a graduated corporation-income tax for the present flat levy, puts new taxes on inheritances and gifts in addition to those already borne by estates and gifts, imposes new taxes of 5 to 20 per cent on "excess" profits of corporations.

It is designed to raise revenue estimated at between \$250,000,000 and \$270,000,000. Its warmest friends couldn't explain how this would do much in the way of bringing about what the President calls "wider distribution of wealth," or in the way of balancing the budget.

The measure was handed on to the senate with dubious prospects. It was expected the senate finance committee would study it for about a week, and in the meanwhile the conservative Republicans and not a few Democrats were preparing to fight it. Senator W. W. Barbour of New Jersey, Republican, fired an opening gun with a statement in which he said: "Votes, and votes alone, are the objective of this half-baked measure."

Declaring the bill "has no relation to making income meet outgo, but is intended to accomplish some weird social objective," Barbour continued: "What this bill actually attempts is to climb upon that hard-riden steed, 'Share-the-Wealth,' and ride him away while the demagogues who have pressed him sorely in the past are looking in the other direction."

"The bill should be laid away until the next session of congress when the budget for the ensuing year will be presented. Then, in the light of carefully appropriated federal moneys, we can determine how much revenue will be needed to operate."

"Taxes can be levied deliberately as a true revenue measure. Any other program is not good business and is not good government."

One change made by the house against the President's wishes involved corporations' gifts to charities. Mr. Roosevelt was firmly against letting corporations deduct from their taxable income any gifts to charity. Just as firmly the house voted to let them deduct up to 5 per cent of their incomes.

NOT to be dismayed by the death of NRA, Senator J. C. O'Mahoney of Wyoming thinks the objectives of that contraption, high labor standards and fair competition, can be realized, and for that purpose he has drawn up a measure for the regulation of all national commerce by licensing business.

The bill creates a licensing system for businesses engaged in commerce among the states and provides a national incorporation law.

The federal trade commission, the government's business policeman in the days before NRA and the agency to which the New Deal turned after NRA codes were outlawed, would be the keystone of the new plan. O'Mahoney's bill would increase its membership from five to nine, with three commissioners representing employees, three employers, and three the general public.

NOTWITHSTANDING warnings by Dr. Hjalmar Schacht and other sane Germans, some of the Nazi leaders insist on pushing to further extremes the war on Jews and Catholics.



Paul Goebbels

For instance, Paul Joseph Goebbels, minister of propaganda, in a speech at Essen announced drastic action against all "enemies" of the Nazi state—Jews, Catholics, the foreign press and the Stahlhelm war veterans. He predicted these important developments:

- 1. Suppression of the Catholic press and intensification of the Nazi campaign against all Catholic opponents of the third reich.
- 2. Nationwide dissolution of the Stahlhelm.
- 3. An official ban in near future on marriages between Jews and Aryans.

ENGLAND and France were still trying to find the way to avert war between Italy and Ethiopia, but Premier Mussolini of Italy was so skeptical that he ordered 75,000 more men to the colors. By the first of October he will have about a million men in uniform. Haile Selassie, the Ethiopian emperor, was reported to have sanctioned the concentration of 60,000 of his troops on Italy's east African frontiers. The chiefs, it is said, are finding it increasingly difficult to restrain their warriors from overt acts that would surely precipitate warfare.

ANANDA, the eleven-year-old king of Siam, nearly lost his throne the other day. A widespread plot was formed under the leadership of non-commissioned officers of the regular army to overthrow the government. But loyalists uncovered it and effectually smashed it. The plotters intended to seize and kill their superior officers and oust the regency council that rules the country.

SUDDEN death put an end to the career of Nathan P. Bryan of Jacksonville, Fla., presiding judge of the United States Circuit Court of Appeals, Fifth Judicial circuit. Judge Bryan, who was sixty-three years old, was formerly United States senator from Florida.

Frank H. Hitchcock, publisher of the Daily Citizen of Tucson, Ariz., succumbed to pneumonia after several months of ill health. Prominent in Republican party politics all his mature life, Mr. Hitchcock managed Taft's Presidential campaign in 1908 both before and after the convention and was postmaster general in the Taft cabinet. For years he was actively interested in the progress of aviation.

JOE LOUIS, negro pugilist of Detroit who hopes some day to be the heavyweight champion of the world, advanced another step toward that goal by defeating "King" Levinsky in the first round of a scheduled ten round bout in Chicago. Levinsky was knocked down four times in little more than two minutes, and the referee then gave the fight to Joe on a technical knockout. Louis and Max Baer, former champion, have signed for a battle in September.

SAMUEL INSULL's annual pension of \$21,000 has been restored by vote of the directors of the Chicago utility companies which he formerly headed, and he also receives about \$33,250 to cover payments accruing since the beginning of last year when payments were suspended by the companies. Insull previously announced he had made no effort to regain his pensions. Agitation to restore the payments was begun after Insull had been freed in the federal and state courts of all criminal charges growing out of his management of his former properties.

SEEN and HEARD around the NATIONAL CAPITAL By Carter Field

Washington.—Down in South Carolina, where cotton benefit payments abound and which is so regular in its Democracy that even the Bishop Cannon movement did not affect it in 1928, there are said to be rumblings against the New Deal.

There are enough rumblings to decide Col. William C. Harlee, retired, of the Marine corps, to throw his hat in the ring for the senate. And against none other than Senator James F. Byrnes, generally regarded as the closest follower President Roosevelt has in the senate, if not in congress. So close, in fact, that until Joe Robinson simply turned himself into a White House rubber stamp there was very serious talk of making Byrnes leader in his place.

Colonel Harlee, who is a graduate of West Point but whose the marines instead of the army and has seen service in nearly every martial theater in which the devil dogs burned powder, thinks Byrnes is too New Dealish to suit the South Carolina folks. And judging from some newspaper clippings which have come to Washington there are at least a few editors in the Palmetto state who agree.

Professor Tutwell seems to be the colonel's chief target, but he insists that he is not a John Raskob Democrat either—just a plain, old-fashioned, Jeffersonian, nullificationist, pro-Calhoun and anti-Jackson, states' rights, low tariff, Democrat.

In fact, he is not for any tariff at all, sticking strongly by the old nullificationist doctrine, when South Carolina held that the federal government at Washington had no right to rear tariff barriers which would keep foreign goods out of her ports.

Some very shrewd observers think that Colonel Harlee just might make a lot of trouble for the administration's fair-haired senator. They say that the people who put the money up for Byrnes' campaigns in the past are very disappointed in him. Particularly on his sticking by the administration on the processing taxes, and on his fight for the death sentence in the public utility holding bill.

Now They Doubt

It just so happens that many of the interests that supported Byrnes in his several races were of the conservative variety. They liked Byrnes, all right, but what they were really anxious to do was to defeat Cole Blaise. Now some of them are wondering if Blaise would not have voted more often in their interests, as they see them.

"What do you think of Senators Byrd and Glass of Virginia?" the writer asked Colonel Harlee. "Especially of the way they have opposed the administration on a number of important measures?"

"I wish you would tell your readers that I will out-Byrd Harry and out-Glass Carter," grinned the colonel. "A great many of our people are getting tired of this relief thing. They want to get people to work, and find them on relief, buying cheap new cars on time with the relief money, and just stepping on the gas. I think Washington is going to be surprised at some of the primaries and elections to come, if the feeling in South Carolina is any indication."

The Ethiopian Mess

Italy will have no difficulty in defeating the Abyssinians in whatever battles may occur in the approaching war, in the opinion of high military experts both in our own War department and in various embassies here. The trouble will come after that, they believe, as they fully expect there will be a constant guerrilla warfare for years during Italian efforts at colonization.

Hence it is expected that the Ethiopian mess, which the rest of the world is so anxious to avert, but Italy is so determined to push, will prove highly costly to the Italian treasury for many a long day to come. Experts here figure that Italy will have to garrison the country, so to speak, with strong forces at strategic points, and this, of course, will prove expensive.

Confidentially, for no officer dares speak on such a situation for publication, our army officers are comparing the situation to that which existed for a time after the Spanish-American war in the Philippines. They expect Italy to have more trouble than the United States did for several reasons.

For example, some of them say, it is not likely that any Abyssinian leader would walk into any such trap as clamped Aguinaldo in American custody. Incidentally, there is no great pride, even to this day, in our army over that episode. It smacked a little too much of bad faith. Of treachery.

Then, too, our military experts do not believe that any one man in Abyssinia means as much to the fighters of that land as Aguinaldo did to the

Are Good Fighters

But the most important distinction of all, no army officer would dare whisper, save on the deepest pledge of secrecy. But the truth is that our army officers do not believe the Filipinos are in the same class with the Abyssinians as fighters. Either physically, morally or mentally. Opinion here is that the followers of the King of Kings are pretty fine specimens, capable of great hardships and valor, and that in addition they are, at least, approaching the fanatic class. Which makes them very difficult to handle. And which promises little in the direction of their submitting to the inevitable after a few spectacular Italian victories.

That there will be these spectacular Italian victories no one here doubts very much. Opinion is that no such force as that of the Abyssinians, no matter how brave or how well directed, could possibly be a match for the well drilled, well equipped army the Italians will send against them. Especially as Mussolini is apparently taking no chances. He is not sending out the forlorn hope type of expedition. He is pouring men to the vicinity of the Abyssinian border in numbers that have amazed the military experts of the remainder of the world.

Meanwhile the answer to why nothing happens is simply one thing—water. The Italians are waiting for the rainy season.

Shaves Hoary Legend

Just when the public, for the first time in a generation, had a chance to get a liberal education on the value of seniority in congress—just why the mink-service-striped boys always run the machine—Cactus Jack Garner comes along and shaves the hoary whiskered legend!

He is appointing conferees on important controversies between the house and senate to suit himself! Or more accurately, to reflect what he regards as the majority view of the senate. There has been no particular protest about this, for in every instance his appointees represented the majority view. Had it been otherwise, in any instance, a mere motion would have resulted in the senate's naming the conferees by vote. Which explains why the senate takes this upsetting of an old tradition lying down.

Seldom before has the country had such a vivid picture of how legislation is really settled—not on the floor of the house or senate—not even in the house or senate committees prior to bringing the measures on the floor—but in the conference between the two houses. After the conferees get through, assuming they ever agree—and the probability is that conferees will agree on all bills this time) there is nothing much for the mere memberships of the house and senate to do except take it or leave it. And generally, it has always been take it. Will be this time.

Which brings us to the time-honored rule, now somewhat lacerated. Technically the speaker of the house appoints five members of the house, and the Vice President five members of the senate, to confer and adjust the differences in texts and ideas in the measure which the two houses have just passed. Sometimes it is only three. In very important measures, particularly tax bills, it is seven. Always the majority party has one more conferee from each house than the minority.

Absurd Rule

Vice President Garner had an early illustration of the absurdities this rule sometimes effects. For instance, when he was naming conferees on the pink slip income tax publicity repeal bill, he named the three ranking Democrats of the senate finance committee, Harrison, King and George. Also the two ranking Republicans, Couzens and Keyes. So far strictly according to Hoyle.

But Couzens didn't like the senate's position—was not in sympathy with the repeal, as a matter of fact. So he announced his resignation from the floor. Garner at once appointed the next ranking Republican, La Follette. The Wisconsin man shared Couzens' views—also resigned. So Garner appointed the next ranking Republican, Metcalf.

Still according to Hoyle. But there was the idea, and Garner announced he would exercise his own discretion in the future.

Contrary to some newspaper accounts, he has not tried to use this power to impose White House will. It seemed so in the death sentence of the public utility holding company bill. But the senate had voted for a majority of one. So Garner threw seniority to the winds. He appointed Wheeler, the chairman, skipped Smith of South Carolina and Wagner of New York, to pick administration wheel horse Barkley, and then skipped Neely, Dieterich, Lonergan and Long, to pick Brown of New Hampshire.

On the minority side he skipped ranking members Couzens, Metcalf and Hastings, and picked White. Then he ignored Davis and picked Shipstead, who is not a Republican at all. On the TVA bill Garner took the list of conferees from George Norris, daddy of Muskie Shoals. But on the banking bill he permitted Carter Glass to name the conferees.

"QUOTES"

COMMENTS ON CURRENT TOPICS BY NATIONAL CHARACTERS

NOTE OF DISSENT
By ARTHUR A. BALLANTINE
Asst. Secretary of the Treasury.

WITH a limit set by the Supreme court on government experimentation with industry by regulation, the President has made a sudden turn to experimentation through taxation. The Supreme court early declared that the constitutional power to tax is power to destroy, and the President now advocates use of this drastic power for purposes very different from that of raising revenue.

If such experiments are made, their effects on industry will be costly, not merely to those immediately affected but to the average man and woman concerned with employment and promotion. It seems inconceivable that such a program should be railroaded through without real discussion, as seems to be proposed.

CRY FOR PEACE
By HAILE SELASSIE
Emperor of Ethiopia.

ETHIOPIA wants peace. She needs it for completion of the work of modernization which has been going on for several years and which a war would destroy. We want to spread education throughout the whole empire, to build roads for commerce and to develop that commerce so as to give work to the liberated slaves, whose interest are our own.

We are building radio stations so that Ethiopia can participate in the intellectual life of the rest of the world. Any threat of war from Italy would interfere with this work, on which we wish to spend our whole time and energy. Ethiopia wants to go freely and peacefully forward on her way of progress.

STABILIZING INFLUENCE
By HARRY HINES WOODRING
Asst. Secretary of War.

THE army is no longer the stranger to the average American that it was in the decades immediately preceding the World War. Today we find elements of our land forces, either of the regular or civilian components, in almost every community. Truly, the army has become an intimate part of the American people whom it serves in peace and war. I say without fear of contradiction that our armed forces constitute the greatest stabilizing influence in our country today. Although small in numbers and having been considerably handicapped by the lack of sufficient modern equipment, our army personnel, through an extensive educational system, has become without doubt as efficient as any military personnel in the world.

SIR ROBERT BORDEN
Former Premier of Canada.

NO ONE can deny that conditions confront the nations today, but even at my advanced age I am still a confirmed optimist, and I not only trust but believe that all will yet be well with the world. This is quite consistent with my belief that certain anomalies in our social order ought to be and will be corrected.

The conditions today call for active participation in public affairs by the best elements of our people. This is a principle that I have maintained throughout my public career, and 30 years ago I declared I would rather see a young man actively engaged in opposition to my party than remain inactive as a drone without interest in the public affairs of our country.

JAPAN'S WAR SPIRIT
By KANJU KATO
Representing Japan's Trade Unions.

THE danger of war in China is spreading. The war spirit has been inspired by imperialists and is being carefully nourished by them. The ambition for territorial expansion in Japan belongs to the Japanese capitalists. They are pushing war preparation in spite of all we can do. The imperialistic policy of the United States and the Far Eastern policy of Japan cannot be reconciled. They meet in direct conflict in China. England is gradually fading into the background, so that the chief conflict of interests is developing between the United States and Japan.

KEEP UP WAGES
By HENRY FORD
Automobile Manufacturer.

BUSINESS must keep up wages. If that isn't done, some business men will find that they are out of business. Our system is dependent upon paying wages so the working people can buy.

WAGE FIXING
By WILLIAM E. BORAH
U. S. Senator from Idaho.

IF THE government can fix the wages of a man on works-relief projects at \$19 a month and monopoly can fix the price of what the worker must buy in order to live, you have pretty nearly squeezed out of existence the manhood of the American citizen. You have made him a peon.