

News Review of Current Events the World Over

Lobby Committees Quarrel Over Magnate Hopson—President Signs Social Security Act—Tri-Power Conference on Italo-Ethiopian Question.

By EDWARD W. PICKARD
© Western Newspaper Union.

WILL ROGERS, famous actor and humorist, and Wiley Post, one of the best known flyers in the world, crashed to their death in a plane while flying from Fairbanks to Point Barrow, Alaska. The two men, close friends, had been enjoying an aerial vacation trip in the North, and Post intended later to fly to Asia. News of the fatal accident was sent to Seattle by Sgt. Stanley R. Morgan, signal corps operator at Point Barrow. He said he had recovered the bodies from the wreckage.

RIVALRY in the matter of publicity, the house and senate committees on the activities of lobbyists got into a tangle that certainly didn't enhance their dignity. Howard C. Hopson, the long sought head of the Associated Gas and Electric Utilities system, permitted the emissary of the house committee to find him, and Senator Hugo Black flew into a rage and had his committee threaten Hopson with contempt proceedings unless he appeared before it. Chairman O'Connor of the house body was angered by this and declared: "Hopson is in my custody. I've got him. Nobody else has got him. Nobody else is going to get him."

The elusive, chunky utilities magnate told the house committee about his various companies and related the saga of his travels while he was being sought. But he politely refused to answer questions concerning the sources and amount of his income. He testified that he "believed" the Associated Gas system had spent "eight or nine hundred thousand dollars" in opposition to the Wheeler-Rayburn utility control bill.

"That's just a small fraction of the \$300,000,000 equity in our companies which would be destroyed if the bill becomes law and remains law," he declared.

To one question by Cox of Georgia Hopson replied: "I resent that inquiry. No gentleman would have asked it." Whereupon Cox threatened to kick him out of the room unless he withdrew the answer, and Hopson mildly withdrew it.

O'Connor introduced in the house a resolution that severely slammed the senate, but it dropped when word came that Senator Black would wait to take Hopson after O'Connor's bunch was through with him. However, it gave opportunity for a ridiculous quarrel between the New Yorker and Rankin of Texas.

Late in the day Hopson calmly walked into Black's committee room and asked: "Is some one here looking for me?" Black and his committee then questioned the utilities man for an hour or two and got mighty little out of him except smooth sarcasm that made the chairman quite furious. At that time both Hopson and his attorney had been served with contempt citation.

GOV. MARTIN L. DAVEY of Ohio has "pulled a fast one" on the Republicans in behalf of the Democratic party. The G. O. P. leaders were demanding a state-wide election in Ohio to fill the vacancy created by the death of Representative-at-Large Charles V. Truax, believing the result would demonstrate, even more clearly than did the Rhode Island election, the waning strength of the administration. But Governor Davey went to Washington and consulted with President Roosevelt and then announced that he would not call and could not be compelled to call a special congressional election until next year. His declared reason was the cost, not fear of party defeat. Court action to force the calling of the election has been started but Davey says there is no restriction of his discretion in fixing the time of the election.

SURROUNDED by a group of notables and in the glare of photographers' flashlights, President Roosevelt put his signature on the social security act, of which he said: "If the senate and house of representatives in this long and arduous session had done nothing more than pass this bill the session would be regarded as historic for all time."

Among those who were present were Senator Robert F. Wagner of New York and Representative John Lewis of Maryland, who jointly drafted the bill; Secretary of Labor Frances Perkins, who had a hand in its making, and Senators Pat Harrison, William King and Edward P. Costigan.

In a talk intended for reproduction on the sound screens of the country, the President said:

"This social security measure gives at least some protection to 30,000,000 of our citizens who will reap direct benefits through unemployment compensation, through old age pensions and through increased services for the protection of children and the prevention of ill health.

"We can never insure 100 per cent

of the population against 100 per cent of the hazards and vicissitudes of life but we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.

"This law, too, represents a corner stone in a structure which is being built but is by no means complete—a structure intended to lessen the force of possible future depressions, to act as a protection to future administrations of the government against the necessity of going deeply into debt to furnish relief to the needy—a law to flatten out the peaks and valleys of deflation and of inflation—in other words a law that will take care of human needs and at the same time provide for the United States an economic structure of vastly greater soundness."

CAPT. ANTHONY EDEN of England, Premier Pierre Laval of France and Baron Pompeo Aloisi of Italy met in Paris, as arranged, to see if they couldn't devise a way to avert the Italo-Ethiopian war, due to begin in September. Eden had a plan all prepared and after outlining it to Laval he laid it before Baron Aloisi. The latter, of course, had no power to assent but was compelled to submit the proposals to Premier Mussolini.

That Il Duce would accept it without change was considered unlikely, but it formed a basis for discussion.

According to the best information, the Eden plan embraced these chief points:

1. Important economic concessions for Italy in Ethiopia.
2. A proposal that Italy be given the right to colonize and exploit rich, sparsely inhabited portions of the Ethiopian uplands probably under a League of Nations mandate as is provided for former German colonies in article XXII of the League of Nations covenant.
3. The offer of an outlet direct to the sea for Ethiopia, as a measure of compensation for its concessions.

It was understood in Paris that Mussolini still demanded what would amount to a mandate over Ethiopia so that he would have political as well as economic control over the country. This Great Britain does not like, and France is rather on the fence. The British insist that in any case there must be an immediate show-down. One correspondent said if Great Britain adhered to the policy at which Eden hinted in his conversation with Laval, it would mean either dissolution of the League of Nations or else collective sanctions against Mussolini, involving the risk of a European war.

NOBODY liked the new tax bill that congress was working on, and the senate finance committee had hard work making up its mind as to the form it would recommend. First it altered almost every provision of the bill passed by the house and changed it from a "soak the rich" measure to one which would soak practically every one. This was done by lowering personal income tax exemptions and starting the surtax instead of \$50,000. The latter feature was proposed by Senator La Follette and was adopted to keep him in line. Also, the inheritance taxes which President Roosevelt had asked for were eliminated.

Protests against increasing the taxes on little incomes came immediately, from senators, representatives and the country at large. Senators Borah of Idaho and Norris of Nebraska were among the "independents" who expressed their disapproval. Mr. Borah especially was vocal in opposition.

"Families with these small incomes are now paying more than their proportionate share of taxes and at the same time are facing higher prices for food, clothes, fuel and rents," he said. So the committee suddenly reversed itself abruptly, rejected the La Follette plan by a vote of 8 to 7.

The bill which the committee reported was passed by the senate by a vote of 57 to 22. It contains new provisions to compensate for those eliminated from the house bill and the estimated revenue is only \$1,000,000 less. This is divided in the senate bill as follows:

| | |
|--|---------------|
| Graduated corporation income tax | \$ 40,000,000 |
| Corporation excess profits and capital stock taxes | 65,000,000 |
| Intercorporate dividend taxes | 39,000,000 |
| Increased estate taxes with related gift taxes | 100,000,000 |
| Increased surtaxes on incomes in excess of \$1,000,000 | 6,000,000 |
| Total | \$250,000,000 |

The bill thus more closely follows the demands of President Roosevelt than the house measure,

FIFTY commissioners representing the Methodist Episcopal church, the Methodist Episcopal church, South, and the Methodist Protestant church have been in session in Evanston, Ill., and have agreed upon a form of union that is to be submitted to the general conferences of the three churches and, if ratified by them, to all the annual conferences. The new organization, it was agreed, would be called the United Methodist church and would consist of six jurisdictional or regional conferences.

FARMERS who believe that their individual rights are being encroached upon by the administration's agricultural policies are offered a chance to get together by the organization and incorporation in Chicago of the Farmers' Independent Council of America. Dan D. Casement, a farmer of Manhattan, Kan., is president of the body. Stanley F. Morse, South Carolina farmer and consulting agriculturist, is executive vice president and Chris J. Abbott, Nebraska stockman and farmer, and Clyde O. Patterson, Illinois Jersey breeder, are incorporators. Dr. Charles W. Burkett, agricultural authority of New York and formerly director of the Kansas agricultural experiment station, and L. G. Tolles, farmer and past master of the Connecticut State Grange, are other vice presidents of the council, and Dr. E. V. Wilcox, representative of the Country Gentleman, District of Columbia, is secretary-treasurer; Fred L. Crawford, Michigan congressman and farm owner; E. E. Dorsett, farmer and past master Pennsylvania State Grange, and Kurt Greenwald, farm manager and agricultural engineer, New York, are directors.

"To me there is but one issue, whether we are going to have a constitutional government or have a dictatorial regime," said Charles E. Collins, Colorado cattleman and president of the American National Live Stock association, regional vice president of the new organization.

SECRETARY of Agriculture Wallace has changed his mind about the reduction of wheat acreage for 1936. Instead of asking the farmers for a cut of 15 per cent, as was announced recently, the figure is now placed at 5 per cent.

Wallace told reporters that the change was decided upon after the government's August 1 survey of crop conditions indicated that total wheat production this year would amount to only 608,000,000 bushels as compared with domestic requirements of 635,000,000 bushels.

The step was taken, he asserted, to assure ample supplies for domestic consumers. He said that it was expected to place the country in a "strengthened position" in the export market. He added the change in policy will not result in any marked reduction in benefit payment to farmers. He did not say what the exact reductions in the payments would amount to.

AAA officials estimated that approximately 52,000,000 acres would be placed under contract this year. They asserted that the government is given "adequate powers" to deal with the situation if a bumper wheat harvest should result in 1936.

WHEN the President's social security bill was finally enacted into law, the senate adopting the conference report already agreed to by the house, probably many thousands of men and women all over the country began figuring on the pensions they would receive under its terms. It is unlikely that one in a thousand has any clear idea of how the new program's pension system will work, so we reprint here a neat summary prepared by the Associated Press showing its operation as applied to "Bill Jones":

"Suppose young Bill is twenty when the law goes into effect and makes an average monthly salary of \$100 until he is sixty-five. He will get a monthly pension, until his death, of \$53.75.

"In detail, here is what will happen to him:

"In the calendar years 1937, 1938, and 1939 he will pay a salary tax of 1 per cent, or a total of \$36 for the three years. In 1940, 1941, 1942 he will pay 1 1/2 per cent, or \$54. In 1943, 1944, and 1945 the tax will be 2 per cent, or \$72. In 1946, 1947, and 1948 the tax will be 2 1/2 per cent, or \$90. From 1949 to 1951, inclusive, the tax will be 3 per cent, or a total of \$1,188.

"Thus, in 45 years, Bill Jones will have paid in \$1,440. All the time his employer will have been matching his tax payments, so the total paid to the federal treasury will be \$2,880.

"At sixty-five Bill Jones can expect to live perhaps 10 years more. If he does, he will get back \$6,450.

"When Bill Jones dies this is what will happen:

"His average annual salary will be multiplied by the number of years he paid taxes. In other words, if he dies after he has paid taxes for 45 years, \$1,200 will be multiplied by 45—giving a total of \$54,000. Arbitrarily, the bill stipulates that Bill Jones' estate shall be entitled to 3 1/2 per cent of that, or \$1,890—less any amount he received in pensions before he died.

"If Jones dies before he gets back \$1,890 in pensions, what he actually received is deducted from \$1,890 and the remainder paid to his heirs. If he lives until he gets back all of the \$1,890 and more, his heirs get nothing.

"If Jones should die before he reaches sixty-five, his heirs would be entitled to a payment of 3 1/2 per cent of the total wages on which taxes had been paid."

SEEN and HEARD around the NATIONAL CAPITAL

By Carter Field
FAMOUS WASHINGTON CORRESPONDENT



Washington—Comments by administration leaders, including Vice Chairman Crowe of the Democratic national committee, that President Roosevelt would be re-elected by the votes of the West and South, thus virtually conceding the Northeast as enemy country, have driven political wiseacres to the electoral vote table. What they have found is highly significant.

In a nutshell, if the Democratic campaign for Roosevelt should be waged on that basis next year, New York would again be the pivotal state, as it used to be in calculations at the turn of the century. For New York has not been the decisive state since the Cleveland days. In fact, in the only close election held since Cleveland—that of Wilson versus Hughes in 1916—New York was on the losing side. She cast her electoral vote for Hughes, by the fairly tight majority of 119,000.

Talk of re-electing Roosevelt with the West and South has brought back interest in that very close election, when everyone waited for word from California to see who had been elected. An inspection of that vote, however, brings out the highly interesting fact that the real key state in that election was Ohio. The Buckeye state was the only one, so to speak, to go "out of line." Ohio voted against the trend in surrounding states, for Pennsylvania, Michigan, Indiana and West Virginia all went for Hughes.

Had Ohio gone for Hughes, no one would have waited three days to see how California went. Hughes would have been elected.

The point of which now is that the entire South and West are not enough, unless the candidate carrying them can also carry one of the big states, at least, east of the Mississippi and north of the Ohio. New York, with all the West and all the South, would be enough. So would Ohio, or Illinois. Or a combination of Indiana and Wisconsin.

New Vital State

All this, too, it must be remembered, is on the assumption that the candidate carrying the South and West carries California. That state is now vital, far more important, with its heavily increased electoral vote, than it was in 1916—before election day of that year.

Rumblings from California are that the Golden Gate state today is no more friendly to the New Deal than is Rhode Island, whose vote precipitated all this talk. Washington attorneys who attended the bar association meeting in Los Angeles, most of whom also visited San Francisco, and some of whom visited San Diego, bring back these reports. They say California has been so frightened by radicals that it has swung all the way conservative.

Add to this possibility, the fact that Ohio never was a strong Roosevelt state—that even in 1932 its majority for him was only about 73,000—and since then it has had many squabbles—that both its senators voted against the AAA amendments—and it becomes clearer why New York's 47 electoral votes are apt to be absolutely essential to Roosevelt next year.

Which again brings up the question of Tammany. So far the Tiger has not put a stone in the President's path. It rolled up a tremendous majority for him in 1932. Its delegation in the house has voted almost solidly for everything he wanted—in many obvious instances against the local selfish interests of the New York taxpayers. Whereas Tammany has gotten very little. Farley's backing of McKee for mayor of New York resulted in the election of La Guardia, which deprived the Wigwag of local plunder, and it has fared very badly on federal patronage.

Now, no one accused the Tammany chieftains of being stupid about this sort of thing. And there will be no forced municipal election in November, 1936, as there was in 1932, following the resignation of Mayor Walker. So do not be surprised if suddenly there should be manifested a much more kindly spirit toward Tammany at the White House.

Churches and Charities

Sudden realization of what the Roosevelt tax ideals would do to their sources of incomes—not to mention endowments—has been driven home to prominent churchmen as well as those interested in hospitals and other charities.

Up to about a month ago the attitude toward the New Deal of most persons, whose chief interest was in churches, educational and charitable enterprises, had been rather benevolent. They were glad—especially those interested primarily in church and charity—to see the federal government take so much of their burdens from them. This was especially true because the New Deal program began at a time when for several years contributions had shrunk and expenditures skyrocketed, both due to the depression.

But suddenly their interest was forced on the whole subject of where the New Deal policies would lead—with respect to contributions and bequests by the rich—by President Roosevelt's firm stand against ex-

emption of corporation contributions to charities from corporation income taxes.

Churches have long been beneficiaries from the wills of the rich. So have universities, hospitals and charities. And while some of the shrewder leaders in such circles had been somewhat alarmed by the heavy imposts on big fortunes proposed in the Roosevelt tax message of June, they had not taken any public stand. In fact, if they bothered to write to their senators and representatives during the last days of June or early in July, it escaped general notice.

Then the President made his position clear on corporation gifts to charities, which brought the people interested up standing, and resulted in an immediate barrage of protests being received on Capitol Hill.

Started Them Thinking

This got them to thinking about the whole tax program, and its possible effect not only on the things in which they were interested but, in many cases, on their jobs.

Church leaders began to realize that if the heavier income taxes on big incomes, and heavy imposts on inheritances proposed by the President, were imposed—there might be a serious falling off in their donations and bequests, as the first place the rich would start to cut would be on their charities, when it came to readjusting their expenses to conform to the new taxes.

Very prominent churchmen of four of the largest denominations in this country have already moved into action, writing their senators and members of the house at length about what the new taxes would do to their churches. In many instances these letters were the second to be received by the same legislators from the same writers within a month.

First came the protests about the President's desire to eliminate the exemption for corporation gifts to charities. Then, within three or four weeks, came the second letters protesting about the higher taxes on the big incomes and inheritances.

One very important figure in church circles in this country wrote his senator that he believed the whole system of financing his church, and for that matter all other churches in this country, would have to be changed if the policy of "sharing the wealth" is carried out.

Incidentally, a few of these protest letters also strike at the idea of the sliding scale corporation taxes, pointing out that the same curtailment of gifts to church and charities would follow reduction of corporate dividends as would follow higher income and inheritance taxes.

Indications are that if the tax bill fight is long drawn out in the senate, this church and charities influence may become one of the potent elements in the final votes on amendments.

Cut Relief Costs

Real pressure to cut the relief costs of federal government has been under way since May, and effects are beginning to show. This is not being accomplished, as some seem to think, by any surveys the federal men are making. On the contrary it is being accomplished exclusively—so far—by state and local agencies.

But it is being done because of federal pressure. Very few people realize what a czar the four-billion-dollar relief bill made of Harry Hopkins—all ways allowing for the fact that President Roosevelt can tell him what to do. But he has the power to say to any state: "Cut your relief rolls by so many by the first of the month, or next month you get no federal money whatever."

When congress was passing the relief bill, giving the President four billion dollars to prevent suffering and spend our way out of the depression, the senators and representatives were much concerned about how part of the money should be apportioned as between the states. They laid down the old, exacting formula arrived at in days of good roads aid appropriations. They applied this not only to such money as should be spent for roads, but also to the money to be spent for eliminating grade crossings.

It simply did not occur to them that it might be a pious idea to decide how the relief money should be distributed. The idea was, if people were hungry they would be fed. That is still the idea, of course, but the national legislators never thought of the possibilities of Harry Hopkins' saying to their state governments that if they did not proceed according to his ideas, he would cut off their federal aid.

All this really goes back to President Roosevelt's ideas in January, when he was explaining his 1936 budget (for year beginning July 1, 1935) and talking about the four-billion-dollar appropriation he was then asking.

At that time the idea of the White House was that everybody who could work would be given work, and everybody who could not work would be thrown back on the states and local communities for support. In short, that the federal government would be taken out of the relief business as soon as the works-relief projects got under way.

Housewife's Idea Box



Care of Brooms

With a little care a broom will last a long time. Here is one precaution to take: Make sure that your broom is dry after it has been used in water. If you put it away with the handle down (which is the best way), and it is not dry, the water will work its way down to the handle and reach the wire. The wire will rust and the handle will fall out.

THE HOUSEWIFE
© Public Ledger, Inc.—WNU Service.

Court Defines Speed Limit

Motor speed law was thus summed up by Lord Justice Scrutton in the Court of Appeals, London, in connection with a court case arising as the result of a motor car accident, says the Canadian Press: "This court has said three times, and I want it to be generally known, that if you are going at such a speed that you cannot pull up within the limits of your vision, and an accident happens, you are in the wrong."

Week's Supply of Postum Free

Read the offer made by the Postum Company in another part of this paper. They will send a full week's supply of health giving Postum free to anyone who writes for it—Advt.

Cat Likes to Travel

Tommy, a cat which makes his headquarters in the restaurant of the station in Carlisle, England, likes to travel on trains.

alotabs
BILIOUSNESS

Had the Habit
Bryan was not the most-defeated Presidential candidate. Debs ran five times.

MOSQUITOES Inject Poison

Mosquitoes live on human blood. Before she can draw your blood, however, the mosquito must first thin it by injecting a poison. Thus mosquitoes annoy—are dangerous, spread serious disease epidemics. Don't take chances. Kill mosquitoes, flies, spiders with FLY-TOX—proved best by 10,000 tests. Accept no substitutes... Demand

FLY-TOX

Homesteaders Interested in Tropical South Florida—its new \$5,000 tax exemption—are invited to write Pioneer Developer, George E. Merrick, Inc., Coral Gables-Miami.

\$ PER DAY
2
SINGLE ROOM AND PRIVATE BATH

A new hotel on 42nd Street 2 blocks east of Grand Central Station.

HOTEL TUDOR

NEW YORK CITY

When in NEW YORK Live at... HOTEL EDISON

NEWEST MOST MODERN HOTEL IN THE HEART OF EVERYTHING
All Outside Rooms—BATH—TUB—SHOWER—Ice Water in each Room—Hot and Cold—Famous Green Room—Bar and Cafe...
to 47 St. West of Broadway...
RATES from \$2.50

WNU-4 34-35

Watch Your Kidneys!

Be Sure They Properly Cleanse the Blood

YOUR kidneys are constantly filtering waste matter from the blood stream. But kidneys sometimes lag in their work—do not act as nature intended—fail to remove impurities that poison the system when retained.

Then you may suffer nagging backache, dizziness, scanty or too frequent urination, getting up at night, swollen limbs, feel nervous, miserable—all upset.

Don't delay! Use Doan's Pills. Doan's are especially for poorly functioning kidneys. They are recommended by grateful users the country over. Get them from any druggist.

DOAN'S PILLS