



WHO'S NEWS THIS WEEK

By LEMUEL F. PARTON

NEW YORK.—Many years ago, this writer, quite unintentionally, aided in making Dr. Ben Reitmann of Chicago the first king of the hobo, by some newspaper stories written with no partisan or political intent. For some reason or other, my name got on the hobo mailing list as a "jungle judge" or "shack" or something and, from time to time, there comes fraternal greetings, campaign literature or news of the order. The latest, from one "Bindle Pete," is quite violently prejudiced against Jeff Davis, the present king, and says he is to be deposed because he rode to Europe on the Queen Mary and because he has been working at Hollywood, helping coach the directors in studies of hobo still-life.

This department has been quite indifferent to the hard luck of kings in recent decades, but it would seem too bad if King Jeff Davis were deposed. He has been a likeable monarch, bald and genial and diligent (perhaps that's the trouble) in the interests of his kingdom, and not making any trouble for anybody.

His father, James Davis, was a journeyman of newspaper mechanical trades in Cincinnati, and young Jeff took to the road at the age of 13, covering more than 1,000,000 miles in his subsequent 40 years of rambling. He assails radicalism in the hobo brotherhood and says he will keep it 100 per cent American. He made more than 2,000 speeches on Americanism during the World war.

How could a hobo ride these slick new chromium trains with the cat-fish faces? King Jeff probably is working on that.

WHEN she was bad, she was very, very good, and when she was good she was horrid. Not exactly, but, in a rough general way, that was the story of Bette Davis.

Bette in Scarlett Hence, while other stars shy away from the hell-cat Scarlett O'Hara, as not their type, Bette Davis may take her on. Early in her career, Miss Davis played charming hellions with great effectiveness and didn't seem to mind.

She was Ruth Elizabeth Davis, a Massachusetts school girl, changing her name to "Bette" at the age of 12 in preparation for her stage career. She later changed her hair—it is brown—and her general make-up. Entrance to the theater came easily, after a course in a dramatic school. She went to Hollywood in 1932. Her first play, "Broken Dishes," brought few cheers, but, with coaching by George Arliss and better casting, she hit the upgrade.

Trying a break-away from Warner's in London in 1936, a ruthless British court condemned her to continued servitude at a top salary. She is one of the few actresses who like unsympathetic roles and she plays them well.

UNTIL recently Franz Lehár was living in Vienna. The news that he is rewriting "The Merry Widow" makes one wonder whether he finds Vienna still merry—whether young writers still write their plays in the cafes along the Kurtenstrasse, as he did in 1905. The world has waltzed along quite a way in the interval between the original and rewritten versions.

Herr Lehár got \$300,000 from his overwhelming New York success in 1907. He waltzed it all right into the stock market and bade it good-by. He returned to his native Budapest, lost another lump sum of \$75,000 and then became a good business man. His thirty or more operettas, five of which have been produced here, have made him rich.

He is, or was a member of the Vienna Rotary club, attending luncheons faithfully, singing club adaptations of old tunes, wearing a two-inch button with his name on it and engaging in friendly back-slapping—big and gregarious, 68 years old, with his lush mustache touched with gray. He was a "knapsack child," as he put it, the son of a wandering musician. He was a child violinist. Dvorak persuaded him to hang up his fiddle and take to composing.

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The Grave of Confucius The grave of Confucius is in a large rectangle separated from the rest of the K'ung cemetery, outside the city of Q'uh-fow, in China. A magnificent gate gives admission to a fine avenue, lined with cypress trees and conducting to the tomb, a large and lofty mound, with a marble statue in front, bearing the inscription of the title given to Confucius under the Sung dynasty: "The most sagely ancient teacher; the all-accomplished, all-informed king."

Weekly News Review
Farm Problem Still Unsolved
After Five Years, Three Bills
By Joseph W. LaBine

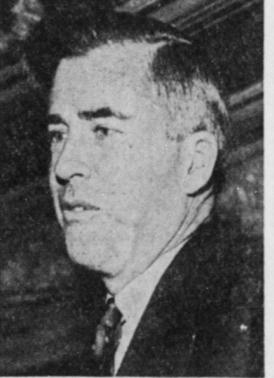
Agriculture

Since 1933, Franklin Roosevelt's administration has enacted three major agriculture laws, spending \$3,000,000,000 to end the woes of 30,000,000 people on 6,000,000 American farms. Chief victim of this headache is Iowa's onetime Republican, Henry A. Wallace, who turned New Dealer in time to become President Roosevelt's one and only secretary of agriculture.

No business can live by spending alone. To match its \$3,000,000,000 outlay, Farm Relief's five-year income has been only \$969,258,000, collected in processing taxes before the Supreme court outlawed AAA in 1936. To replace AAA, congress enacted a soil conservation measure calling for periodic land retirement. Last spring this was incorporated in an intricate crop control law drafted by the Farm Bureau federation.

By last week it looked like this latest panacea was failing. To Henry Wallace in Washington came reports of good weather and bountiful crops, surpassing last spring's most fervent hopes. Prices were dropping, but that was only part of the problem. Foreign nations that once bought U. S. wheat, corn, cotton and tobacco have started buying from other surplus-producing countries. Some are even growing their own crops, approaching self-sufficiency.

That Henry Wallace deserved sympathy, was plain. Whether he would get it, was something else. To his office he called reporters, defending his department against charges that farm income has



AGRICULTURE'S WALLACE
He needed still more panaceas.

dropped back to 1932 levels. His figures: 1938 income would be \$7,500,000,000, against 1932's \$4,328,000,000. Not forgotten was the fact that this year's income is weighted with government subsidies.

Already seeking new ways of bolstering U. S. agriculture to a pre-war status, Secretary Wallace left for Montreal, there to discuss with Canadians a way of splitting the world export market between North America's two nations. When he gets back there will be more investigation into the McAdoo-Eicher bill for price fixing and export duties, generally opposed on the grounds that price fixing against processors would place a new hidden tax on consumers.

But next winter, when Farm Relief is again thrown at congress, there must be discussion of the only panacea yet remaining: export subsidies, federal price fixing and compulsory limitation.

Domestic

Since 1927, Mexico has seized \$10,000,000 in American-owned farm lands. Last spring Mexico did even better, confiscating \$200,000,000 worth of American-owned oil lands. A month ago, Secretary of State Cordell Hull addressed a courteous note to Mexican President Lazaro Cardenas, asking what his nation intended to do by way of repayment. A few days later came the blunt reply, stating in effect that there is no law or treaty making compensation obligatory, but evincing a desire to pay when, and if, it is economically feasible.

Cordell Hull mulled this unprecedented answer through his mind for two weeks, then decided to try again with another tack. Scolded he: "It is proposed to replace the rule of just compensation by the rule of confiscation. Adoption . . . of any such theory . . . would result in the immediate breakdown of confidence and trust between nations."

Politics

Not since early July had Franklin Roosevelt seen James A. Farley. Since then the former had made a cross-country tour, fished the Pacific and wished for the defeat of anti-New Deal legislators in Georgia, South Carolina, Maryland, New York. The other had been on his own fence-mending expedition, soothing ruffled New Deal nerves as only Jim Farley can do it.

Last week Teacher Farley came to Hyde Park to see his most successful political student once more. Behind closed doors the President and postmaster general talked all afternoon, all evening, part of the next morning. Though no early official

announcement was forthcoming, newsmen got their heads together, decided Jim Farley had urged the President to push his "purge" of Maryland's Sen. Millard E. Tydings. Less enthusiastic, thought newsmen, was Jim Farley's reaction to "purge" efforts against Georgia's Sen. Walter F. George and South Carolina's Sen. Ellison D. ("Cotton Ed") Smith.

● In Mississippi, where Democratic nomination is tantamount to election, all seven incumbent congressmen were renominated by primary voters.

Religion

In a cabin near Merced, Calif., Mrs. Ola Irene Harwell sat reading the Bible to her husband and two small sons. In the Book of Matthew, Chapter XVIII, she read the eighth verse:

"Therefore if thy hand or thy foot offend thee cut them off and cast them from thee; it is better for thee to enter life halt or maimed than having two hands or feet to be cast into everlasting fire."

She read the ninth verse: "And if thine eye offend thee pluck it out and cast it from thee; it is better for thee to enter life with one eye rather than having two eyes to be cast into hell fire."

Finishing, Mrs. Harwell picked up her scissors, walked to the woodshed and gouged out one eye, hacked off one hand. Next day at a Merced hospital physicians said she would live.

Miscellany

By seven o'clock one night last week, Chicago's mammoth Soldier field was filled with 100,000 jitterbugs come to enjoy a jam session. Outside, as police closed the gates, milled thousands of other swing addicts who could not get in to hear 20 prominent dance orchestras or watch amateur swingers swing it. The mob grew, stormed the gates, tore across the carefully sodded turf where bedlam reigned until early next morning. When the last of 200,000 music-mad youngsters had gone home, sad-eyed city officials found Soldier field needed re-sodding, many other repairs.

● In Rome, the Imperial Japanese empire bestowed on Benito Mussolini its highest decoration for a foreigner, the Supreme Order of the Chrysanthemum.

Foreign

To cope with military-mad Adolf Hitler has been France's biggest problem since the Nazi war leader quit the League of Nations. As Germany advanced her fortifications along the French frontier, Paris took counter steps, designed her magnificent Maginot line. But fortnight ago when Adolf Hitler began drilling 1,300,000 troops in Germany's largest peacetime war games, Premier Edouard Daladier was frightened.

Jerking vacationing Frenchmen from their midsummer sluggishness, he suddenly proposed extending the 40-hour week to 48 hours, thereby boosting war industries, increasing general manufacturing output and aiding recovery.

If he expected radical France to take this pronouncement quietly, M. Daladier was badly mistaken. Two cabinet members quickly resigned. Next day, Socialist Leader Leon Blum, whose cabinet was over-



SOCIALIST LEON BLUM
"The hour is too grave . . ."

thrown last spring, threatened to withdraw government support of his party. Paris labor unions met, planning a countermove. Two hundred thousand miners threatened to strike by September 15. Along the Mediterranean coast, all stevedores struck and troops took their places.

By week's end a potentially dangerous situation was apparently smoothed out. Said Leon Blum's party newspaper: "We do not exploit the difficulties which Daladier himself has created. The hour is too grave for that. Next evening M. Blum and M. Daladier talked half an hour over the telephone, seeking conciliation to avoid a crisis while Germany is strutting her military strength. Still unsolved, however, was the problem of finding jobs for 340,000 unemployed now on relief—30,000 more than a year ago. Apparently a longer week would only make this number larger."

Labor

Last week American workers could look to September as the biggest month of their year. That widely observed Labor day falls in September was incidental. What promised to make news was another outbreak of the tiff between William Green's American Federation of Labor and John Lewis' Committee for Industrial Organization.

At Atlantic City, A. F. of L.'s executive council made plans for its annual meeting in Houston. At Washington, C. I. O. thought about



C. I. O.'S JOHN LEWIS
Will he bow to the ladies?

its first constitutional convention scheduled tentatively in September or October. That each group would lambast the other was a certainty, but the biggest lambasting could be expected not at Houston or Washington, but at Mexico City. There, on September 5, Mexican and South Central American labor unions meet under leadership of Vincente Lombardo Toledano, a Mexican labor chief, whom Mr. Green says is "either communist or extremely radical."

Since Mr. Lewis will attend the Mexico City affair, his A. F. of L. foes decided last week that C. I. O. plans expansion into new fields, competing with the dormant Pan-American Federation of Labor, which has Mr. Green's blessing.

Only one ray of hope appeared for labor peace. To Washington's C. I. O. headquarters came David Dubinsky, whose International Ladies Garment Workers are still technically affiliated with A. F. of L. despite their suspension in August, 1936. Since the garment workers decided last May to make one more overture to close the breach between labor's two battling factions, observers thought Mr. Dubinsky and Mr. Lewis had talked of peace. If so, perhaps garment-making ladies can succeed where war-making labor leaders have failed.

War

Sweltering in 140-degree heat, Japanese troops captured Juichang for their first notable victory since the occupation of Kiukiang on July 26. Still 110 miles from their objective, Hankow, Nipponese warriors could anticipate strong resistance from 1,000,000 soldiers and 200,000 civilians which China had reportedly mobilized.

● For more than one year England has labored to perfect a 27-nation plan for withdrawal of foreign troops from war-torn Spain. Last Easter, the Anglo-Italian friendship pact carried an "unwritten agreement" that Benito Mussolini would co-operate in this ambitious plan. But fortnight ago Rebel Generalissimo Francisco Franco bluntly rejected the non-intervention idea, effectively shattering the Anglo-Italian pact.

At Rome one day last week, British Charge d'Affaires Sir Noel Charles paid a visit to Count Galeazzo Ciano, Italian foreign minister. Surprise stole across his face as Count Ciano formally announced that Rome is sending new reinforcements to Generalissimo Franco, hoping to end the war before winter.

Simultaneously, 80,000 rebels were hurled against Catalonia's western boundary, driving back eight loyalist divisions.

Aviation

At East Aurora, N. Y., Aviator Frank Hawks and Broker J. Hazard Campbell entered an airplane, delayed their takeoff while a friend gave Commander Hawks a four-leaf clover for "good luck." Minutes later their ship soared, tripped over telephone wires, crashed. At a Buffalo hospital died the man who set a non-stop Los Angeles to New York record in 1929. Later, Broker Campbell also died.

● Forty-five per cent of the stock in China National Aviation company belongs to Pan-American Airways. One day last week, Pilot Hugh L. Woods was flying a China National liner near Canton when Japanese warplanes hove into sight, forcing him to the ground. While Pilot Woods watched, helpless, 14 Chinese passengers were machine-gunned to death. Next day Pan-American asked the United States government for protection.

People

In January, 1937, Columbia university's Roswell Magill left his academic post, became the United States treasury's chief tax expert. Last week Roswell Magill made use of his previous understanding with Franklin Roosevelt, resigning to teach law once more.

Bruckart's Washington Digest

New Taxes Sure to Come, Senator Harrison Warns

Another Federal Deficit of Four Billion Dollars Faces Country; New Sources of Revenue Sought; More Persons to Be Hit.

By WILLIAM BRUCKART
WNU Service, National Press Bldg., Washington, D. C.

WASHINGTON. — It requires a considerable amount of courage for an active politician to talk about more taxes in an election year, and it is a hopeful sign when one tells the truth about such a politically delicate matter. When Sen. Pat Harrison, the veteran Mississippi Democrat, announced the other day that new taxes are coming, therefore, it became a matter of moment. It was significant first that Senator Harrison, speaking as chairman of the powerful senate finance committee, should boldly say there must be new taxes, and it was significant in the second place because Senator Harrison has not always stood shoulder to shoulder with the New Dealers.

But there is another federal treasury deficit of something like \$4,000,000,000 staring us in the face, and the size of it indicates that no progress has been made whatsoever in curtailing federal spending. It tells us, too, that the much ballyhooed business recovery of a year ago is yielding less in taxes than had been calculated by the wishful thinkers.

Thirdly, the probable deficit seems to show there was at least some merit in the assertions by Senator Harrison and others in congress last winter that some of the New Deal policies are driving the country further into a hole instead of bringing it out.

Senator Harrison's statements constitute a warning that federal taxes must dig deeper. In effect, he told the country that the government has been taxing to the point where it can not expect any increased returns from the present sources, however heavy the levies, and that the scope of taxes must be extended and expanded.

More Persons to Be Hit by Federal Taxes

What does that mean? Simply, it means that in any new tax laws that are enacted, congress will include a greater number of persons within the realm of federal tax sources; people who never have paid taxes to the federal government before are going to pay them hereafter. I am referring to income taxes, directly, but the picture looks to me, there will be more taxes that are indirect—and they hit everybody. If congress doesn't extend the scope of federal taxation, there will never be any chance of a balanced budget, and if the future does not bring forth a balanced budget, we may as well kiss our democratic form of government good-by.

The reason I say there must be additional "hidden taxes," levies that are included in the cost to the consumer such as the cigarette tax, is that Senator Harrison's own statement shows there will be insufficient revenue raised by lowering the personal exemptions under the income tax laws or by making the tax heavier on those of, say, \$10,000 annual income and above. There can not be any very large addition to the revenue gained in that field for the very good and sufficient reason that there are not enough of those taxpayers. Bureau of internal revenue statistics prove that about 60 per cent of the country's income earners have less than \$2,000 per family. As the laws now stand, a person who is married and has an income of \$2,000 or less need pay no tax. So it is seen that only a mere drop in the bucket of new revenue can be obtained in that direction, wholly because if all of them were taxed the amount still would be small. Yet, any serious attempt to raise revenue to balance federal expenses must include levies on the lower incomes as well as other new taxes that apply generally.

To Search for New Tax Possibilities

Senator Harrison's committee will search through all of the various tax possibilities in the next three or four months. It will have to do that. The house committee on ways and means, which considers tax legislation in the house, will have the courage to go as far in adding to the tax burden. It never has had that much courage for the reason that its members come up for election every two years—and, again, taxes are unpopular things for a politician. Thus, we will have to look to the Harrison committee if progress is made in bringing the nation's tax receipts into some relation with its spending.

The addition of new taxes is a serious matter, yet it appears that new taxes cannot be avoided. We have had our play time, our fun. We have danced; now, the fiddler must be paid. When new taxes are added, the buying power of every person paying the tax is reduced by that amount. But through five years, money has been spent by the government in ways that put to shame the famed drunken sailor ashore for the first time in a year.

Waste, wreckage, nit-wit plans and programs—all have cost billions of dollars.

As everyone knows, when new taxes are added, a greater percentage of the country's voting inhabitants are included.

So, maybe the veteran Senator Harrison has a two-fold purpose in mind, and it takes courage for him to have either one of the two ideas because he is in politics. Maybe he sees the necessity for substantial curtailment of federal spending and realizes at the same time that the life of a politician who opposes spending is a hard road. But if the average citizen is touched by some new taxes, he will not be half as anxious to support the candidate who promises pork, projects and patronage—anything that sends money back into the home district. I would just hazard a guess that the amiable and very clever Senator Harrison is going about the latter job in the only way that it can be accomplished.

I give him praise and wish him success, for preservation of our government is of considerably more moment than a few political lives.

This Is No Joke to Bankers of Country

Some time ago, I reported the existence within administration policies of quite contradictory plans. Here is a new one, and one that to me is quite laughable. It probably is not at all humorous to the bankers of the country, whether they be big bankers or little bankers in small towns. Of course, bankers do not always have a sense of humor; nevertheless, I believe they may be forgiven for failing to laugh at this new condition.

To have a clear understanding of the circumstance, it is necessary to line up the several developments in the order of their appearance as government or administration policy.

First, it will be remembered how President Roosevelt ordered all banks closed (and some stayed closed) at the beginning of his administration. He followed that with legislation by congress that placed new restrictions on how the banks could loan money. It was a pretty good law since it prevented some sharp practices of which some bankers had been guilty.

On top of this law, some 10 or 12 months later, Mr. Roosevelt lambasted the bankers for not making loans to business. He charged them with locking their vaults, called them cowards and what-nots, trying to force money out into the channels of trade when there were few business men doing enough business to pay interest on the money they were using.

Then, the urge came for deposit insurance. Mr. Roosevelt was not enthusiastic about any federal deposit insurance scheme, but Senator Vandenberg, Michigan Republican, had developed a terrible desire to have it. He forced it through congress, and Mr. Roosevelt signed the bill. I think the time will come when the country will regret that law, but that is neither here nor there. It is on the statute books, and the federal deposit insurance corporation has a function to see that banks are properly run.

Another Depression Was the Result

There came the time when Mr. Roosevelt's policies failed to work any better than those under President Hoover, and we had another depression on our hands. Mr. Jesse Jones, chairman of the Reconstruction Finance corporation, either of his own volition or by White House urging, made several speeches and statements to the bankers as the depression got really bad. He sought to stem the tide by persuading the bankers to make more loans. Some of us here got the impression that Mr. Jones wanted the bankers to shove out the money and ask later on whether they could get it back. Anyway, the sum and substance of the situation was that Mr. Jones was urging the banks to find ways to loan money.

Then came the climax, the peak, and the laugh. Hardly had Mr. Jones concluded his series of lectures to the bankers (who, according to the Jones picture, really did not want to make money) when another government agency gets into the play. The Federal Deposit Insurance corporation had something to say about the bankers, and Chairman Crowley issued a statement to all and sundry bankers.

Said Mr. Crowley, in substance: Bankers, the FDIC insures your deposits up to \$5,000 per depositor; thus they are protected. But that does not mean you can take a chance on unsound loans. You can't take any greater risk than you would if there was no insurance of the deposits. Just remember that, boys; be careful and don't stub your toes!

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