WEEKLY NEWS ANALYSIS BY JOSEPH W. Labine

Mid-June Adjournment Fought By Congressional 'Peace Bloc'; All-Summer Session Forecast

(EDITOR'S NOTE-When opinions are expressed in these columns, they are those of the news analyst and not necessarily of this newspaper.)

CONGRESS:

Three Months to Go? Long congressional sessions hand-

icap U. S. business, but self-esteeming legislators also think their presence in Washington helps stop an impulsive President from sticking his foot into Europe's pie. When Alabama's Sen. John Bankhead offered a resolution scrapping controversial legislation to guarantee June 15 adjournment, there were enough objections to constitute a very vocal "peace bloc." Retorted Texas' Sen. 'Tom Connally: "Congress ought to stay right here . . . until all danger of involving the United States in war has disappeared . . . No one can determine the question of war or peace but congress, and I know the people do not want war."

But war is only one of several major issues confronting a congress which did little during its first four months, and which cannot hope to adjourn with anything like a good record before mid-August. Problems, and their status:

Defense. Neutrality and armament are No. 1 issues of the No. 1 may be compromised in the interproblem. After weeks of testimony,



"Congress out to stay right here."

senate and house investigators seem compromised on the administration's "cash and carry" neutrality to permit arms sales to warring nations. Probable modifications: (1) elimination of a clause forcing the President to invoke neutrality within 30 days; (2) insertion of a clause permitting continued shipping to outskirts of a belligerent's territory if outside the danger zone. Since England and France would control the Atlantic in wartime, thus being enabled to pay cash and carry off U. S. arms, the bill would subtly answer Reichsfuehrer Hitler's snub of President Roosevelt. But Japan, Hitler's friend, could control the Pacific, which neutralizes the effect of neutrality.

Defense attention focuses on aviation, the President asking congress for \$206,502,500 to expand the army's air corps and bolster Panama canal fortifications. Meanwhile, Col. Charles A. Lindbergh has urged immediate expansion of aviation research facilities, in which the U.S. now trails Germany, Britain, Italy and France. As a result, congress will probably get requests for more aviation funds.

A third defense proposal: Nevada's Sen. Key Pittman urges extension of the U.S. coastal boundary from three to twelve miles, thereby facilitating resistance to an enemy blockade.

Social Security. Recommendations of the house ways and means committee, headed by North Carolina's Rep. Robert L. Doughton: (1) a top limit of \$3,000 wages subject to payroll contributions for unemployment compensation; (2) reduction of 3 per cent unemployment compensation tax in states which have built adequate reserve funds; (3) payment of old age annuities starting in 1940 instead of 1942; (4) liberalization of U.S. grants for aid to dependent children, creating a 50-50 contributory status; (5) exemption from social security of students and nominally paid employees of non-profit organizations. Total estimated annual saving to industry and labor via the Doughton program: \$825,000,000.

Taxation. Adjournment - bound Sen. Alben W. Barkley predicts tax revision would necessitate an allsummer session, moreover says it will do business no particular good to be kept in suspense about new tax possibilities. His forecast: That the house will simply extend "nuisance" taxes and the undivided profits levy, the latter expiring this year and currently yielding about \$56,000,000. This brought retort from Mr. Doughton, whose ways and means committee has not abandoned hope of general tax revision. The problem: President Roosevelt

to small ones, also that federal revenues cannot be reduced. The only solution: Reshuffle taxes on big cor-

Relief. Rebel Democrats and all man: "It seems that the greatest Republicans are fighting the President's 1940 relief budget of \$1,750,-000,000, partly for economy's sake and partly because the White House insists on keeping WPA intact. Under several pending bills, WPA would be abolished and much of the

relief load returned to states.

Labor Act. Modifications in the Wagner act to pacify business were promised before the U.S. Chamber of Commerce by Nebraska's Sen. Edmund Burke. By early May, almost a month of committee hearings had netted nothing not already known: (1) That A. F. of L. and business oppose the present act; (2) that C. I. O. favors it.

Railroads. Though it is a major economic problem which almost caused a national crisis last fall until legislative reform promises stilled an employer-employee squabble, rail rehabilitation is well buried in committee. Some think the issue est of a shorter session.

EUROPE:

Appeasement Again

Moons may come and go before the world knows exactly why Russian Foreign Minister Maxim Litvinoff "retired" at the crucial moment of Anglo-French-Soviet solidarity conversations. But there is every reason to believe French-British treachery is responsible. The argu-

Russia sought an all-embracing military alliance with the two democracies, meaning all three must march if Adolf Hitler carried out his threat to occupy Danzig in defiance of the Poles. But Britain and France have never opposed German occupation of Danzig; indeed a growing appeasement bloc (allegedly including Prime Minister Chamberlain) has hoped the Reich would satisfy its thirst by taking Danzig. Thus the broadest pact France and Britain would offer Russia was a series of unilateral guarantees to Poland and Rumania, the Soviet to aid laws; (3) revise tax laws to follow only if the other two powers had al- the rule of revenue purposes rather those countries. Hence it was ob- spending "to bring approach" to a vious that Anglo-French offers were | balanced budget; (5) modify rehesitant, half-hearted and a product of necessity rather than desire.

Maxim Litvinoff's release was the answer. Litvinoff is part Jew, hated by Germany for his anti-Nazi and pro-League of Nations beliefs. His successor, 49-year-old Premier Vyacheslaff Molotoff, is a militaryminded No. 1 aide to Joseph Stalin. Thus, the development Paris and London fear most becomes significantly possible: A Russo-German alliance which would dominate all Europe. Since Dictator Stalin recently charged capitalistic powers are trying to force Germany and Russia into a needless war, and since Hitler's latest speech lacked its usual strong attack on the Soviet,



VYACHESLAFF MOLOTOFF A change of policy, too?

this possibility is the more important.

Adding to democratic woe is the Reich's notable success in neutralizing all Scandinavia and the Baltic states. Though Denmark, Finland, Norway and Sweden will probably refuse non-aggression pacts as superfluous, these countries have given neutrality assurances and thus helped crack the "encirclement" ring which Britain and France thought they had thrown around the Reich. Lithuania's neutrality was guaranteed at the time Memel went back to Germany, and other tiny Baltic states (Estonia and Latvia)

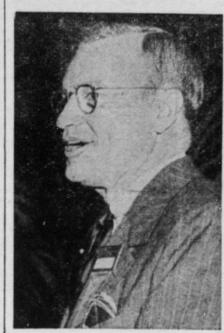
are expected to fall in line. In the Balkans, collapse of Russian-English negotiations would leave anti-Nazi Rumania, Greece and Turkey insecure, probably forcing them into the German sphere of influence. Observers believe the outcome may now be German occupation of Danzig in return for territorial integrity guarantees to all the Reich's neighbors, which is exand his cohorts have agreed not to actly what Hitler offered in his shift the load from large shoulders | Reichstag speech.

BUSINESS:

Chamber Complains

Early this spring President Roose velt declined a bid to address the U. S. Chamber of Commerce convention, knowing full well his New Deal would be hung in effigy. The President's idea was right; after five days of speech-making during which New York's New Dealish Rep. Sol Bloom was booed from the dinner table because he said business men should be glad to pay taxes for the privilege of living in a free country, the schism between White House and Big Business was wider than ever.

Keynoted Chamber President George H. Davis, Kansas City grain



"Divisions . . . discord . . . antagonism."

concern is to create divisions between groups, to incite discord between management and worker, antagonism between 'Haves' and 'Have-Nots.'

Followed Hugh S. Magill of Chicago, president of the American Federation of Investors: "I am convinced that the great body of prudent, hard-working men and women for whom I would speak are refusing to put their dollars to work because they know from experience that when debts are incurred they must be paid if credit is to be main-

A good sample of several "programs" which chambermen will offer direct to congress, stepping over the President, was the five-point plan of Chairman John W. O'Leary of the executive committee: (1) remove "uncertainties" caused by superfluous government control; (2) ready gone to the assistance of than reform; (4) stop needless strictive laws to restore flow of capi-

Chambermen presented their plans to congress over the banquet table. Announced as the convention opened was a series of 26 dinners in which representatives of various branches of industry laid their complaints directly before well-fed congressmen and senators.

PEOPLE:

Latest Chapter

Most thoroughly bandied-about international rumor the past two years has been that the duke and duchess of Windsor would either return to England or visit the U. S., probably both. Latest chapter: On leaving a Paris showing of the American movie "Wuthering Heights," the duke was overheard to tell Son James Roosevelt: "Well, we will be seeing you in New York."

POLITICS: Farley Forecast Verified

A master politician, Jim Farley called the turn in 1936 when hopeless Republicans carried but two states in the presidential election. Recently the master spoke again, warning his Democratic colleagues that 1940 will bring a hard fight and that no landslide may be expected. Verification of the Farley forecast came but a few days later when the American Institute of Public Opinion, headed by Dr. George Gallup, polled the nation to discover that 52 per cent expect Republicans to win in 1940.

Trend

How the wind is blowing . . . MONEY-Income payments to

U. S. individuals during 1939's first quarter totaled \$16,105,000,-000, an increase of 2 per cent over 1938's comparable period aggregate of \$15,788,000,000. RELIEF-WPA plans to cut

900,000 from relief rolls this summer to compensate for next fiscal year's reduced budget. Total expected clientele on June 30, 1940: 1,500,000. NAMES - Smiths, 418,000 strong, head "first 50 families"

on social security rolls, followed by Johnsons, Browns, Williamses, Millers and Jonses in order. tion is gaining at expense of co-coa and tea, 1938 imports reach-

DRINK-U. S. coffee consumping record volume of 1,987,127,-018 pounds while cocoa dropped from 619,050,789 pounds in 1937 to 453,096,547 pounds in 1938. Tea import for 1937: 95,000,000 pounds; for 1938: 81,372,424 pounds.

Bruckart's Washington Digest

Government Reorganization Plan Fails to Merge Similar Agencies

Presidential Plan Will Perpetuate All Agencies Created In Last Ten Years; Taxpayer Will Save Little From Proposed Consolidation Move.

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

observed in these columns, our fed- criticism ought to be applied. There eral government is such a huge oc- is no doubt in my mind at all that topus that it is difficult for one in- the President's advisors, in drafting dividual to gain a correct perspec- the consolidation plan, or the Presitive of the machinery. That is to dent himself, dodged responsibility. say it is mighty hard to sit down, I suppose it may have been too thumb through the list and say much to expect, yet it does seem a which agencies are worthwhile and better job could have been done in which are just another set of jobs. that direction. Why, for example, The thing is incomprehensible.

And so it is that when Mr. Roosevelt, exercising powers for reorgani- with nothing to show in the way of zation of the government given him abolition of some of these numerous by the last congress, submitted agencies? It appears to me that if 'plan No. 1" the other day, few there were who grasped the scope of the move. Equally, it is true that few persons were able, even after study, to point out all of the good points and all of the bad points, so complex is plan No. 1. I believe, however, after talking with many authorities, it should be said that there are both good and bad points, and nobody ought to be so silly as to deny the statement.

The President's executive order has established three new major units of government. They are the federal security agency, the federal works agency and the federal loan agency. Into these three groups it is proposed to bring some 20 boards, bureaus and commissions, some great, some unimportant, but most of which, in the last few years, have been dangling at loose ends.



South Carolina's Sen. James F. Byrnes, whose bill to place relief administration back in the states' hands is, according to Mr. Bruckart, jeopardized by President Roosevelt's governmental reorganization plan for unifying and strengthening federal relief agencies.

Nearly all of them have been responsible directly to the President, or to the President and congress. Many of them worked at cross purposes; many overlapped, and there was the attendant jealousy, conflicts of authority, foolish resentment at each other's attempts to function.

It was evident that Mr. Roosevelt | Security Agency Is hoped the corralling of these mavaerick agencies would add to the efficiency of the machinery. That must be accepted as the fact because he told congress there would be a saving of only about \$20,000,000 annually. The anemic taxpayer, therefore, gets nothing out of the picture.

Faults Will Accompany Virtues in Mass Move

But what of those who previously headed the independent, dangling, wandering type of bureau or board or commission? The plan proposes to make them subject to a new boss -somebody in between them and the President. It does nothing more than that. Close examination of plan No. 1 seems, therefore, to amount to a bodily transfer of each of these setups, taking with them all of their faults as well as all of their good qualities. At the same time, it is possible that such a grouping will accomplish something not visible on its surface. When several agencies, now operating in their own spheres. are brought under one general head, there is a chance that some of the overlapping of work will be eliminated. I mentioned at the outset the difficulty of discovering these conflicts. If they are brought together, therefore, someone surely will find them and eliminate them. If that is done, as it should be, there is just a twinkling light of a possible saving to the taxpayer. One should always remember, however, that few government agencies once created have ever been abandoned. The jobholders are the best lobbyists in

the world. Which brings us to the one definite objection that I have heard about the President's plan No. 1. That objection is that nowhere in it is there any effort made to reduce the scope of government. Or, to express the same thought in an affirmative manner: Plan No. 1 will perpetuate without exception every agency created in the last 10 years under the guise of emergency legislation, relief for the destitute and business reform.

WASHINGTON .- As I have often | That is the one factor to which was the reorganization of this phase of government activities worked out the eight or ten separate units that have been brought into the federal security agency were so closely related, then some of those units could have been disbanded and such functions as necessary could have been lodged in the jurisdiction of the re-

maining bureaus. The same obser-

vation applies to the federal works

agency and the federal loan agency.

Federal Relief System Remains Sore Spot

I believe the creation of a federal works agency will accomplish a great deal of good, but it does not solve one of the festering sores, now and long since showing on the body politic. I refer to the federal relief system. While there will probably be no more of the fighting over the back-yard fence like tomcats, as did Secretary Ickes and Harry Hop-kins, the plan No. 1 does nothing to wipe out the pernicious political racketeering that Hopkins permit-ted as head of WPA. Nor does it keep government money from being literally forced down the throats of towns for building public power plants or for other uses, only to create debt upon the shoulders of those taxpayers, as Harold Ickes did.

There is nothing in the program either that will eliminate the use of federal funds, either through PWA or WPA, in spreading the effect of federal policies into state governments. I have written before of how federal officials actually "govern" states or counties or municipalities by laying down rules which must be met before the money has been handed over.

It is certain, therefore, that as far as public works is concerned and as far as public relief from the federal treasury is concerned, Mr. Roosevelt has accomplished almost nothing at all-except to make the heads of the two units report to one administrator who, in turn, will report to the President. This makes it appear, moreover, that a real need exists for passage of the bill drafted by Senator Byrnes, South Carolina Democrat and one-time staunch New Dealer, that would place relief back in the hands of the states.

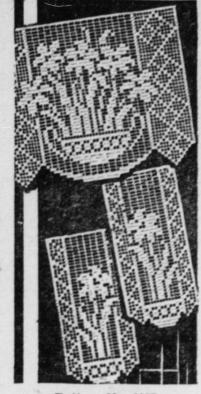
Concerning a federal loan agency, however, there ought to be praise. That is, there can be better administration, better co-ordination of policy, if the President selects a sound man to serve as its head.

The federal security agency, if we have to have such stuff, is the hot potato of the whole collection in plan No. 1. Into that group, there will be placed the social security board, the national youth administration, the Civilian Conservation corps, the United States employment service, the public health service and the office of education. Just why such things as the public health service and the office of education should be tossed into that madhouse, no one seems to know.

Under the reorganization act, congress has 60 days in which to examine the President's plan, and approve or disapprove. That is to say, congress must vote a resolution of disapproval within two months, or the plan becomes operative. There isn't the slightest chance that it will be rejected. One reason the proposal will not be rejected, if there was ever any chance of it, is that one of the Republican members of the house played dumb. Representative Taber of New York could not wait: he introduced a resolution of rejection on the day following submission of the plan No. 1, and he has just as much chance of accomplishing his purpose as a snowball has in the nether regions.

I do not infer that the President's proposal ought to be rejected. That might be the conclusion after experts have gone through it with a finetoothed comb. On the surface, however, Mr. Taber provided no basis of prestige for the Republicans by his act, nor did he demonstrate his value as a national legislator. As for Republican tactics, especially on such matters as government reorganization, they ought to distinguish between issues and making noise. I have a suspicion that Mr. Taber's resolution was as much welcomed by Democratic Leader Rayburn as it was disliked by the Republican side of the house. Certainly, it will provide a measure of Democratic

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A Limit to Tact

Be careful that the tact you practice doesn't develop into plain

The town saunterer may saunter along to the age of 95, while the hurrier gets to the cemetery 30 years earlier. People may be childish, but the innocence of a child generally is

It Drags Him Down

A man doesn't improve his own reputation by spoiling somebody

Experience is all very well, but it robs us of many thrills. crowd requires ingenuity and a lot of money.

Life Is a Parade

A procession should never get boggled up and stand still. When a parade isn't moving, it isn't a parade.

If salesmanship sells you something you don't want, all salesmanship suffers.

Don't get angry and say things -then your anger won't be no-



Gird Misfortune Yield not to misfortune, but advance all the more boldly against them.-Vergil.



Vain Assumption All silencing of discussion is an assumption of infallibility.-J. S.

Watch Your Kidneys!

Help Them Cleanse the Blood of Harmful Body Waste Your kidneys are constantly filte waste matter from the blood stream. kidneys sometimes lag in their worknot act as Nature intended—fail to move impurities that, if retained, poison the system and upset the whody machinery.

Symptoms may be passing backet.

solson the system and upper the cody machinery.

Symptoms may be nagging backar persistent headache, attacks of dizzin getting up nights, swelling, puffit under the eyes—a feeling of ner anxiety and loss of pep and stren. Other signs of kidney or bladder order may be burning, scanty or frament uringtion.