

WEEKLY NEWS ANALYSIS BY JOSEPH W. LABINE

**British-Soviet Tension Grows
In Wake of Nazi-Red Treaty;
British Expedite Aid to Finns**

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

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EUROPE:

Showdown Ahead

Almost six months to the day after Germany and Russia shocked the world with their non-aggression pact, Berlin paused to hail a new phase of Nazi-Communist relations. Ratified with ceremony was a new and glistening trade treaty, which was but one part of a complex but vividly clear picture of what is happening in Europe today. Inevitably, it is believed in most chancelleries, a wedding of Russia and Germany, of Communism and Nazism, will stack these military juggernauts against the rest of Europe. Among the signs:

Marxism. Writing in *Der Angriff*, Nazi Party Chieftain Dr. Robert Ley showed how leftism has grown in Germany by using the Marxian

**HITLER'S DR. LEY***"Workers of the world, unite!"*

Communist cry: "Workers of the world, unite! . . . This war is a war of the mastery of money against labor . . . Therefore the working men and women must draw together . . ."

Allies in Finland. France and Britain were actively protesting against Scandinavia's reluctance to let allied volunteers pass through Sweden and Norway en route to the Finnish frontier, indicating a stiffening attitude toward Russian aggression. Even more pointed was parliament's decree permitting men over 27 to enter the Finnish campaign.

Near East. Arrival of 100,000 British colonial troops in the Near East coincided with an alarming growth of war talk. The Balkans, led by Turkey, were forming a strong mutual-defense frontier against Nazi-Russian penetration. Russian frontiers of Turkey, Iran, Afghanistan and India were strengthened, either for defense against the Reds or for a lightning allied stroke against Russian oil wells.

The Wars

In the West. Quiet, as usual, but continued sea warfare.

In the North. Finnish troops retreated on the Karelian isthmus, but Russia's gains were terribly costly. In mid-Finland, unreported for several weeks, a *United Press* correspondent found the Reds have suffered 50,000 casualties in the Pitskaera sector alone.

**CONGRESS:
Six Weeks Gone**

Either the President thought he had congress well in hand, or else he decided it was hopelessly rebellious. At any rate he left secretly on a 10-day fishing trip in Caribbean waters, his movements shrouded behind an army of secret service men. His last acts were to (1) okay the \$250,000 emergency defense bill

and (2) veto a bill to raise mail carriers' salaries.

Congress meanwhile began its sixth week with members of the American Youth Congress hissing from the house gallery at everything in sight. Still unsolved were such major problems as economy, foreign relations and the reciprocal trade act, indicating another long session. But plenty of legislation was in the mill:

Neutrality. Passed by the senate 49 to 27 was a bill to boost the Export-Import bank's working capital by \$100,000,000, paving the way for non-military loans to Finland and China. Interest on foreign policy thus shifted to the house, where the G. O. P. expected to fight against loans to belligerents. Meanwhile the senate foreign relations committee kept postponing action on the proposed embargo against Japan. Congress watched with interest while Secretary of State Cordell Hull laid at Britain's door the responsibility for a German threat to torpedo U. S. ships in the war zone. Reason: Britain has detained U. S. vessels and taken them to contraband ports in the war zone.

Defense. Less than 24 hours after it had okayed a \$966,772,878 navy supply bill (cut \$111,700,000 under budget estimates), the house naval committee repented and approved a \$655,000,000 fleet expansion program. The latter bill would only authorize new construction; actual funds must come from separate legislation. Primarily concerned about the big supply bill, the house expected to re-store part of the cut.

Agriculture. The house agriculture committee okayed a \$350,000,000 bill to expand scope of the farm tenancy act, insuring mortgages of tenants who want to buy their own farms.

Labor. Chairman J. Warren Maden of NLRB told the house labor board committee that Reconstruction Finance corporation has agreed to withhold loans from firms found by NLRB to be violators of the Wagner act. This created a rumpus.

WHITE HOUSE:**'Missy' in Trouble**

Several days after President Roosevelt appointed State Undersecretary Sumner Welles to make a European peace junctet, arch-Republican papers like the Chicago Tribune published a juicy story. Its gist:

The peace mission was conceived by Welles himself, who slipped in through the White House back door one day and outlined his idea in glowing terms before Marguerite "Missy" LeHand, the presidential secretary "who is rated to have more influence in the throne room than anyone else." Said the Tribune story: "'Missy' thought it a grand

AGRICULTURE:
Parity for '40

While the farm bloc was busy trying to wheedle \$200,000,000 for 1941 parity payments out of an economy congress, the agriculture department began using the \$225,000,000 authorized (but not provided) for last year. Payments would be made this year, it was ruled by the last congress, if 1939 average farm prices were less than 75 per cent of parity—which is the 1909-14 average as related to farm purchasing power. Since prices were below parity, the agriculture department announced 1940 payments of 1.55 cents (\$96,000,000) per pound on cotton; 10 cents (\$7,100,000) a bushel on wheat; five cents (\$48,600,000) a bushel on corn, and 1.7 cents (\$30,000) a hundredweight on rice.

AVIATION:
Boom

When Europe went to war, and especially when cash-and-carry neutrality took effect, everyone knew the U. S. aviation industry was in for boom times. After six months of war the boom had surpassed expectations. In southern California alone there was a backlog of some \$200,000,000 in orders for the U. S. and foreign powers. But within 30 days, a survey indicated, mass delivery will begin on thousands of ships.

Whatever the facts, the President's two ace diplomats showed up in Washington next day and were reportedly displeased. Up from Miami came Joe Kennedy, ambassador to Britain. Home from Paris came Bill Bullitt, ambassador to France. Why, they allegedly asked, did the President prefer Mr. Welles' unsoosed opinions on Europe to their own painstaking studies?

Apprised of the gossip, Secretary of State Cordell Hull and White House Secretary Steve Early took pains to deny any rift. Said Mr. Hull: "I do not think a more capable person could be sent upon the European mission."

While Sumner Welles sailed for Europe to visit chancelleries in London, Berlin, Paris, Rome, etc., another presidential coup was coming home to roost. The Vatican, which holds no diplomatic status with the U. S. because of Protestant objections, nevertheless announced that Myron Taylor (whom the President named his "personal" envoy to Pope Pius XII) would be given official status as ambassador from the U. S. While Baptists fumed, the Vatican calmly pointed out that any agent must have diplomatic credentials if he is to be recognized.

**BUSINESS:
Insurance Quiz**

Under the temporary national economy committee's spotlight in Washington went U. S. insurance companies. When the examination was finished, this thriving enterprise had acquired a lot of unpleasant publicity.

First witness was Leon Henderson, securities and exchange commissioner, who charged that life insurance companies hold a first mortgage on U. S. business. He went on to prove it: SEC had studied 26 of the largest firms, finding (1) that they seem to be drifting from their original object of writing life insurance to handling investments, and (2) that their tremendous concentration of assets is probably robbing business enterprise of funds.

Facts were interesting. From 1929 to 1938, SEC found, 26 companies took in \$42 billion. Of this, 10½ billions was not disbursed but went into reserve, surplus and contingency funds. Still more interesting was the fact that SEC's 26 subjects increased their assets by 63 per cent from 1929 to 1935, yet life insurance in force went up only 10 per cent.

Next day John A. Stevenson, president of the Penn Mutual Life Insurance company, surprised TNEC and the nation by advocating a modernization of the 60-year-old mortality statistics, asserting that amounts collected for mortality have been too high in recent years. But, he added, it makes little difference in cost to the policyholder since excess income is returned in dividends.

COURTS:**3 Decisions**

In Washington the U. S. Supreme court made news by three decisions: On Lincoln's birthday, it saved four Florida Negroes from death, ruling that murder confessions were obtained by "secret, inquisitorial" police methods after five days of continuous grilling which violated the Negroes' constitutional rights.

It created a furor by ruling that federal courts have no right to change National Labor Relations Board decisions on questions of disputed facts in labor controversies.

It enjoined Arkansas from imposing a tax on gasoline (in excess of 20 gallons) carried in fuel tanks of interstate buses when the gasoline is intended for use in other states. Three justices (Frankfurter, Black and Douglas) dissented, claiming the trade barrier question is a matter for congressional action.

**AGRICULTURE:
Parity for '40**

As far as the play has progressed on the open stage, the economy-minded members of the house and the senate appear to dominate the scene. They have cut deeply into several of the President's pet projects. They have cut, or have proposed to cut, deeply into the President's program for national defense for which Mr. Roosevelt had ideas costing billions as against former years when the cost of army and navy development was measured in hundreds of millions. Moreover, the legislators have shown courage in nicking agricultural spending for a good many millions, and that hurt Secretary Wallace and his crew.

Now all of this has been going on when the "inner circle" of New Dealers still are clamoring for continuation of the fun they have been having in spending taxpayers' money. There is some doubt, too, that Mr. Roosevelt has changed over completely.

Attention might be called in this connection to the fact that, in the national budget itself, Mr. Roosevelt left numerous avenues of escape from what appeared to be a definite commitment towards retrenchment as stated in the budget message. Secretary Wallace touched off the match on one of these. Mr. Roosevelt said the agriculture "appropriations had been squeezed down by the budget bureau to the very limit. If the funds were sufficient, according to the President, there had to be a continuation of good business. A good many of the folks in the department of agriculture have been saying both publicly and privately that the volume of business is going to slide off during the late winter and spring. Thus, more money will be needed.

**Wallace Wants Share
Of Government Spending**

In the complaints by Secretary Wallace is another tipoff. The secretary feels that there is no logic in cutting the total expenses of the government completely out of his share of the swag. He fails to understand

MISCELLANY:
Import From Poland

At Berlin, Field Marshal Hermann Goering announced 1,000,000 Poles will be imported to work German farms, bolstering the Nazi larder without taking men from the front lines.

At Albany, N. Y., 8,000 taxpayers protested, apparently with success, a proposed \$15,000,000 personal income tax boost, also demanding reduction in the pending \$396,700,000 budget.

Bruckart's Washington Digest**1940 Congress Sets the Stage
For Executive-Legislative Battle**

Both Republican and Democratic Congressional Members Are Ready for Tussle Over President Roosevelt's Budget and Spending Plans.

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

WASHINGTON.—Congress soon will have completed the second month of its 1940 meeting and the most significant thing to come out of the session is a situation containing all of the elements necessary for another good battle between the legislative and executive branches of the government.

It is much too early to enter a forecast that President Roosevelt and his opponents—Democrats and Republicans—will come to grips. But a slip of even small caliber on the President's part would throw him into the path of a substantial section of the congressional membership. That is exactly what some of the opponents hope will happen. It is, conceivably, a thing which Mr. Roosevelt and the New Dealers hope will be avoided.

The condition stems from Mr. Roosevelt's budget message. As I reported to you early in January, the President's budget declarations sounded real. A good many folks suggested, however, that these pronouncements had come at the very beginning of the session and predicted a change in the scenery before the end. Those observers appeared to feel that the

President was playing a bit of politics with the general subject of economy—spending.

But congress, generally, decided to take the President at his word. "If," they appeared to be saying, "the President really wants economy; if he wants to reduce government spending, boy, oh! boy, we will be with him in a big way."

So it has come to pass that the President's own proposal conceivably can throw him into a place where plainly he does not wish to be, at least from a political standpoint. Heretofore, it will be recalled, there have been frequent declarations for reduction in government spending and each time it has been overcome by backdoor operations of New Dealers.

Economy-Minded Legislators Dominate Scene

As far as the play has progressed on the open stage, the economy-minded members of the house and the senate appear to dominate the scene. They have cut deeply into several of the President's pet projects. They have cut, or have proposed to cut, deeply into the President's program for national defense for which Mr. Roosevelt had ideas costing billions as against former years when the cost of army and navy development was measured in hundreds of millions. Moreover, the legislators have shown courage in nicking agricultural spending for a good many millions, and that hurt Secretary Wallace and his crew.

These things present a picture which seems to show that the President's strategy may have failed. That is to say, he may have expected that congress would take the proposition of raising the debt limit as the easiest way out of his dilemma. It is sheer conjecture, of course; yet it has a basis in any sound analysis of what has happened.

President Is Missing Economy 'Sound Waves'

Undoubtedly, however, the President's advisors have failed to catch the sound waves that are reaching congress from "back home." There is a tremendously heavy mail on the subject of waste and spending and debt, arriving in congressional offices. This reaction is highly important.

It reveals something more than just a desire on the part of many voters to see the government spending brought within bounds. It discloses, I believe, quite a definite trend away from New Deal ideals, because somehow, there is a growing conviction in many sections of the country that it is the reforms that are costing money.

This word from home has resulted, thus far in offsetting the great pressure of various groups who are vociferous in their demands for more money. We had a flock of young voters—the American Youth Congress—around town ten days ago, and their leaders were unanimous in their calls for more money.

They were as well trained as any college cheering section that I ever have seen. Of course, they may win out yet, but at the moment they are not winning much support for added money.

As of this time, then, congress surely has gone forward in a most determined fashion to cut off some of the excess spending. It has resisted pressure thus far. The battle lines are well formed—thus far.

But, as I said at the beginning,

one cannot predict with finality concerning the course of congressional temper when primaries are getting closer.

The things to watch for are these: as time goes on and the days of the session become fewer, will there be a lot of messages from the President, asking a few hundred thousand here, a few millions for over there, a hundred-odd million for something else? Such as these were not included in the budget. They will be an extra, added attraction, as the circus press agent says.

STAGE IS SET

While William Bruckart feels it is a bit too early to make a definite forecast that the President and congress will come to blows over governmental items like the budget, economy, waste, and spending, he feels that congress has set the stage for such a battle. Naturally, the President doesn't want such a battle but his opponents don't mind, says Bruckart.

**Beauty Treatment
For an Old Chair**

By RUTH WYETH SPEARS

HERE is proof of what a beauty treatment and a new costume will do for an out-of-date chair. Its new dress is very chic. The material is a soft old red cotton, crumpled with seam cordings and binding for the scalloped skirt in dove gray.

An inch was cut from the back legs to tilt the chair for greater comfort. The carving at the top



and the upholstery on the back and arms were left in place, but the lines of the chair were completely changed by padding with cotton batting. Unbleached muslin was then stretched over the padding to make all perfectly smooth.

NOTE: Mrs. Spears has prepared four booklets for our readers containing a total of 128 thrifty homemaking ideas; with step-by-step illustrated directions. Each book contains an assortment of curtains; slip-covers; household furnishings; rag rugs; toys; gifts and novelties for bazaars. Books may be ordered one at a time at 10 cents each; but if you enclose 40 cents with your order for four books (No. 1, 2, 3 and 4) you will receive a FREE set of three quilt block patterns of Mrs. Spears' favorite Early American designs. Address: Mrs. Spears, Drawer 10, Bedford Hills, New York.

Largest Open-Air Theater

The Roman theater at Vienne, France, is said to be the largest open-air theater in the world. Built some 2,000 years ago, it was unknown to the present generation until a railroad wreck dislodged some earth and revealed the upper tier of seats. Archaeologists excavated and the ancient theater was uncovered.

It has now been restored and has a seating capacity of 9,000 spectators.

FIGHT COLDS

by helping nature build up your cold-fighting resistance

If you suffer one cold right after another, here's sensational news! Mrs. Elizabeth Vickery writes: "I used to catch colds easily. Dr. Pierce's Golden Medical Discovery helped to strengthen me just splendidly. I never catch a cold again, and am treated very little with colds."

This great medicine, formulated by a practicing physician, helps combat colds this way: (1) It increases the appetite. (2) It stimulates the action of gastric juices. (3) It gives you eat more; your digestion improves; your body gets greater nourishment which helps build up your cold-fighting resistance.

So successful has Dr. Pierce's Golden Medical Discovery been that over 30,000 bottles have already been used. Proof of its remarkable benefits: Get Dr. Pierce's Golden Medical Discovery from your druggist today, or write Dr. Pierce, Dept. N-100, Bedford Hills, N. Y., for generous free samples. Don't suffer unnecessarily from colds.

Needed One

No one is useless in this world who lightens the burden of another.—Charles Dickens.

OLD FOLKS

Here is Amazing Relief of Conditions Due to Sluggish Bow