

WEEKLY NEWS ANALYSIS BY JOSEPH W. LaBINE

Higher Liquor Tax Considered To Finance Defense Program; Election-Year Levy Unpopular

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

CONGRESS: Budget Blues

What Franklin Roosevelt's budget message tossed into the congressional lap was a choice of following his recommendations and getting a deficit of only \$1,716,000,000, or defying him and making it about \$3,000,000,000. Slashed were most items, but boosted to a peacetime record was national defense. If the President's ideas are followed, and if previous authorizations are appropriated, the cost will run well over \$2,000,000,000.

Very shallow was the hope that an early European peace would obviate the defense program. It appeared, instead, that congress must enter an election year trance and decide which plan the public would swallow the easier: More taxes, to raise \$460,000,000 as the President asked, or a boost in the national debt limit?

Within a few days it was obvious that good Democrats were sparring for time. They gathered in huddles to wonder where tax money might be raised, tentatively settling on new liquor taxes and a slight boost in income levies. Mississippi's Pat Harrison, chairman of the senate finance



PAT HARRISON
Will John Barleycorn pay?

committee, publicly doubted whether the defense program was justified, yet he shied away from criticizing the President. Finally, with White House blessing, he sought more time by asking a joint legislative committee to study the Rooseveltian budget. But congress, apparently refusing, turned instead to that hardy perennial, the anti-lynching bill.

Notes

In an election year, congress and politics are intimately associated. Many G. O. P. comments were forthcoming after the President's budget message. Samples:

At Topeka, 1936 G. O. P. Candidate Alf Landon thought this about the slash in expenditures: "If the President really is serious in his budget plans, you will hear howls all over the place. He couldn't get the nomination now if he wanted it. He is too smart a politician to try it."
At Chicago, Ohio's Sen. Robert Taft accepted the President's challenge to submit a plan for balancing the budget. The Taft Plan: (1) determination by the President to balance it; (2) elimination of bureaus, reduction of employees; (3) return of relief to states, and changes in housing, agriculture and loan agencies; (4) elimination of local works grants, reduction of federal public works and reduction of subsidies; (5) elimination of budget "pets," like army and navy items.

NIBLETS

HERE'S WHY—At Moscow the magazine *Communist Internationale* explained, in answer to foreign reports that Russia had ambitions to "Sovietize" Finland: "Russia's only aim is to free Finland from a gang of oppressors and imperialistic warmongers and to safeguard Finnish democratic development."
CASEY AT BAT—At Washington and Canberra it was announced simultaneously that the U. S. and Australia will establish diplomatic relations for the first time. (Previously, Britain represented Australia here.) First Australian minister will be Richard G. Casey. Soon to be named is the U. S. minister to Canberra.

SPENDTHRIFT—Of her \$25,750 personal allowance for 1939, the 16-year-old Heiress Gloria Vanderbilt spent only \$10—for books.

BANQUET—While Democrats wined and dined throughout the U. S. in honor of President Andrew Jackson's birthday anniversary, Republicans at Indianapolis held a 25-cent milk and cracker feast honoring Abe Lincoln.

SECRET—In Hollywood died Flora Finch, co-player with John Bunny in early movie comedies. Her secret was her age, probably about 80. Her chieftains' secret: The fact that Flora Finch's contract with M-G-M was regarded by the bookkeeping department as a pension for an old trupper.

BALKANS: Squabbles

Before 1940 has gone its way the brave nation of Rumania may see trouble a-plenty. It started that way. Bucharest heard that Bulgaria, its unfriendly southern neighbor, had signed a trade pact with Russia, which wants the Rumanian province of Bessarabia. Next King Carol heard that Hungary's Count Stefan Csaky, whose nation will seize Rumanian Transylvania if Russia invades Bessarabia, was conferring in Italy with Foreign Minister Ciano.

A political realist, Italy's Benito Mussolini knows the Balkans have a better chance of blocking Russian aggression (which would also hurt Italy) if they settle their squabbles in advance. Purpose of the Ciano-Csaky conversations, therefore, was to urge Hungary and Rumania to settle their revisionist problem immediately. In so doing, Il Duce took a hearty slap at the Soviet.

So did King Carol. Encouraged to defend Bessarabia now that the Finns are doing a remarkable job against Russian aggression, Carol and his retinue crossed into this dangerous province, defied Moscow and smiled while Bessarabian minority leaders shouted: "We pledge our lives for our beloved Rumanian fatherland."

ASIA: Wang's Ready

"The time is now ripe for establishment of a new central government in China. Careful study reveals that the objectives of Wang Ching-wei are consonant with Japan's manifest efforts toward helping in the formation and expansion of the proposed new government."

Thus, after much back-slapping, brow-beating and tutoring, Puppet Wang Ching-wei was announced ready to take over Japan's make-believe "government" in conquered parts of China.

THE WARS: Shakeup

Far bigger than the war on France's western front was the battle of London. Called to a cabinet meeting by Prime Minister Neville Chamberlain was Leslie Hore-Belisha, dynamic, Jewish minister of war who has built the British army from a stodgy and antiquated organization into one of the world's smartest. Minister Hore-Belisha was asked to sign his resignation. Also fired was Lord MacMillan, blundering minister of information. Announced purpose of the shake-up was to establish national unity.



HORE-BELISHA
Social grounds?

Neville Chamberlain did just that: There was national unity, but it was unity of opposition to the "sacking" of an efficient war minister in favor of Oliver Stanley, the 43-year-old board of trade president whose father (seventeenth earl of Derby) was a war minister in World war days.

By next morning every British paper, regardless of political leanings, was blasting against the government. Typical was the *London Star*: "If it is shown that Mr. Hore-Belisha was thrown overboard to satisfy a clique of generals who disliked him on social grounds, or because he was pressing the pace of democracy in the army too strongly, then public resentment will be wide, deep and lasting."

To both Hore-Belisha and the Prime Minister an opportunity for rebuttal was coming, but it would probably take place behind closed doors in the house of commons. Meanwhile it was rumored that Winston Churchill, first lord of the admiralty, would soon follow Stanley as war chief.

Other war news:
Western Front. Minor artillery fire. Entertainment by the fabulous Albert, French airman whose daring antics along the Luxembourg frontier keep natives in stitches.
Northern Front. Finnish destruction of still a third Russian division (the forty-fourth) near Suomussalmi at Finland's waistline. Fighting was stalemated in the far north and on the Karelian isthmus, but in the central part Finnish troops penetrated Russ lines to dynamite the Leningrad-Murmansk railroad, thus isolating the northland.

TREND

NAVY—If President Roosevelt's \$1,224,521,833 naval appropriation request (See CONGRESS) is adopted, the U. S. will become the world's No. 1 sea power, bigger than Britain, twice as big as Japan.

RAILROADS—Daniel Willard, President of the B. & O. railroad, said he wanted coach fares reduced to two cents per mile, thus meeting bus competition. Present eastern rate: 2½ cents.

AGRICULTURE—The tariff commission was told that imports of cheap Canadian wheat were keeping the domestic crop price below parity, thus threatening the success of farm aid measures.

SHIPPING—The U. S. warned Britain it will be held accountable for injuries to American vessels or crews taken into belligerent ports for searching.

LABOR: A. F. of L. Damned

By receiving more votes than either of his fellow members, NLRB's William Leiserson was ranked "least unpopular" in a poll by the magazine *Factory Management*. But all three members (Leiserson, Warren Madden and Edwin S. Smith) should be fired, said voters. This contrasted with a Supreme Court ruling which held congress, not NLRB, responsible by virtue of too much power for NLRB's unpopular decisions. Coddled and cursed by such conflicting testimony, NLRB went on trial again before the house committee appointed to investigate it. New evidence:

A discharged NLRB trial examiner said that Regional Director Robert Cowdrell of Indianapolis always speeded C. I. O. cases, but tossed aside A. F. of L. cases with the statement: "There's another damned A. F. of L. case." Commented the witness: "The A. F. of L. usually was referred to as the damned A. F. of L."

Next came a dramatic paper prepared by Mrs. Elinore M. Herrick, New York regional NLRB director, complaining about delays in procedure. Said her paper: "We must wait! Wait! Wait! . . . How long, oh Lord! How long must we wait!"

NAVY: New Boss
Cannon roared aboard dreadnaughts in San Pedro harbor. Finally, after much saluting, six-foot Admiral James Richardson from Paris, Texas, strode down the Pennsylvania's quarterdeck to shake hands with Admiral Claude Stoy. Admiral Richardson stayed as commander-in-chief of the U. S. navy; Admiral Bloch went ashore as a rear admiral in retirement. Ahead lay commandership of Pearl Harbor naval base in Hawaii.

COMMERCE: Game?
In far-away Buenos Aires took place a show that may have been staged for the benefit of the U. S. congress. Broken off suddenly were reciprocal trade treaty talks between Ambassador Norman Armour and President Roberto M. Ortiz. Reasons given: (1) influence of Britain, No. 1 importer of Argentine beef; (2) a forthcoming election in Argentina; (3) refusal of Argentina to remove discriminations against U. S. goods, and most important (4) refusal of the U. S. to import Argentine canned beef and flaxseed from Argentina without quota limitations.

Maybe yes and maybe no, but it was possible that U. S. insistence on quota limitations, even at the price of sacrificing a treaty, was designed to allay the fears of western farmers and their congressmen. Up for renewal this year is the reciprocal trade act, basis of the administration's entire low tariff program. Already faced with enough opposition to either destroy the act or give ratification power back to the senate, the state department is eager to show farmers that the trade program won't be allowed to hurt them.

PEOPLE: Dawes Death

At Chicago died Rufus C. Dawes, 72, president of A Century of Progress Exposition, financier, brother of former Vice President Charles G. Dawes.

Last November Son Elliott Roosevelt fathered the Transcontinental Broadcasting System which first planned to start operations with 100 stations on December 15, then January 1, then February 1. In Fort Worth, where he heads the Texas State Radio network, Elliott announced his resignation from TBS.

At Boston died Mrs. Effie I. Canning Carlton, about 84, who once made up an impromptu tune to lull to sleep the restless baby of a neighbor. The song: "Rock-a-bye Baby."

At New York, W. Alton Jones was named head of Cities Service Co.

Bruckart's Washington Digest

Roosevelt's Latest Budget Has Congress Pretty Badly Muddled

Arguments, 'ifs,' Suggestions and Suppositions Leave Solons in Daze; Leaders in Congress to Seek Facts for Themselves.

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

WASHINGTON.—Congress is pretty badly muddled up over the latest Roosevelt budget of estimated expenditures and receipts for the government's next fiscal year. And well it may be. There were thousands of greater and lesser items of government cost dumped into its legislative lap at once the other day, but these were not alone. There were arguments and "ifs" and suggestions and suppositions and an official defense of the policy that for 11 years has seen government income fall far behind the expenses—these things came a proposal by the President to add a special tax, or a tax for a special purpose—national defense.

In view of the fact that few persons have been able to arrive at an absolute conclusion on the financial problem submitted by Mr. Roosevelt, some of the more influential leaders of congress have taken the lead in a plan to find out for themselves. Men like Senator Pat Harrison, the old Mississippi w r-horse, who has been chairman of the senate committee on finance for years and who once missed being Democratic leader of the senate because President Roosevelt wrote a letter to "Dear Alben" Barkley of Kentucky. Senator Harrison has support in the move and I am told that he is determined to get affirmative action.

The Harrison plan calls for something new in congressional policy. He would have a joint committee of 12 senators and 12 representatives, divided equally among two senate and two house committees, to do some spadework on the new budget—the budget for the year beginning next July 1. It is a thing never attempted before and may or may not be a wise course since it smacks of utilizing a great new power by congress. But this much can be said: for the first time, if the Harrison plan eventually is adopted, congress will get some information through its own channels instead of accepting the unsupported statements, the wishful thinking and the planned extension of power by the bureaucrats intent upon preserving their agencies.

Annual Federal Budget Once Comparatively Simple Thing
In years gone by, the annual federal budget was a comparatively simple thing, or as simple as messes of figures could be made. Its proposed items of expense were set down and totaled. The anticipated revenue was calculated. But such is not the case with the current budget, nor any in the last few years since operations of the federal government have become as general as flies around the barn in midsummer.

Times have changed, indeed. Here is a budget that covers the astounding total of \$8,424,191,570. It is smaller by \$670,000,000 than the last one and that reduction was described by Mr. Roosevelt as a first step toward gradual accomplishment of a balanced budget.

But the total of proposed expenditures shown was circumscribed with a handful of "ifs." The amount of \$8,424,191,570 will remain that way if cuts are made (from last year's totals) in public works, in federal jobs, in CCC camps, in relief and farm benefits and if there are no other increases voted except for a vast program of expansion in the army and navy.

On the basis of the budget calculation, the government's income will be \$5,547,960,000 in the next fiscal year if congress will lay a special tax for paying the cost of a part of the cost of expanding the army and navy. The President said this tax should be made to yield \$460,000,000. Thus, on the basis of the budget, the government will be in the red next year, if all things remain as planned to this point, by a total of \$2,416,231,000. The President intends, however, to cut that 'way down by using up some odds and ends of money lying around among the government-owned corporations. By executive order, the President can restore to the federal treasury funds loaned by it to the various corporations. He said there was something like \$700,000,000 in this pot of gold and that will be used to reduce the deficit further.

Budgets These Days Merit Earnest Consideration
And there you have it. If all of the things go through as planned and if there is not another request from any office or agency of government and if there is as much tax collected next year as calculated

and if the proposed "national defense tax" is passed and collected, the government deficit for the fiscal year that ends June 30, 1941, will be \$1,716,231,000.

Senator Harrison may be wrong or he may be right in his proposal to have congress do something about understanding this and subsequent budgets; but it must be said there is something about the condition of budgets these days that merits earnest consideration. These latter day budgets somehow remind me of the broomstick horse that I used to ride when I was a kid. That broomstick had at least 20 different names, but it was always the same broomstick, and my imagination was never successful in transforming it.

There was merited applause from congress for Mr. Roosevelt's declaration that he was prepared to curtail spending. He tossed some cold water on that enthusiasm, however, by a statement of policy that he did not favor too much curtailment at one time. Rather, "government support" for the many functions now a part of the federal structure ought "to be tapered off." There was not too much pleasure about that among the real supporters of an economy policy, and there was considerably less when attempts were made to analyze the true results.

I have a hunch that more disappointment is due. The budget that was sent to congress the other day, in my opinion, is not going to be nearly all that will be needed in the way of money.

It is just a guess that I here make: the totals for relief and for agricultural benefits and public works, etc., are not nearly large enough for 12 months if an election

BRUCKART ON THE BUDGET

Finds congress badly muddled over the latest estimates.

Harrison plans for congress to get information about the budget through its own channels. Something new.

Present estimates will leave the government in the red \$2,416,231,000.

Condition of budgets these days merits earnest consideration. Possibilities cause wonder as to the future.

falls within that year. So, the forecast I offer is that requests will be in the hands of congress, in January, 1941, for deficiency appropriations to cover expenditures that have run short.

Present National Debt Runs Right Close to Line

There is, however, still another "if" to be considered. Mr. Roosevelt advised congress that if all conditions materialized as he expected, the national debt on June 30, 1941, would be \$44,938,577,622. That is right close to the line, for the present law limits the national debt to \$45,000,000,000. It was suggested that the administration was able to stay under the limit only by taking away some of the funds from the in-laws and stepchildren, known as government corporations. That probably is proper, for the government gave each of them money with which to set up housekeeping. It was more important to the administration, however, since it thereby became necessary to ask congress to raise the limit of the national debt—a request that was sure to raise a row.

One cannot survey the budget and all of its possibilities and probabilities without wondering what lies in the future.
Whether this is the reason behind the action of the conservatives in congress who seek to end this spending spree of seven long years or whether the conservatives are worried about future burdens of taxes, the fact remains there should be some tangible policy laid down. And that policy must come from congress. The present administration will not do it. Each year, there have been statements about a balanced budget—in the future.

Take a look at this general division of where the federal money is being spent, and I think you will agree there is a critical need for a general revamping of the functions of the government at Washington:
National Defense, \$1,800,000,000.
Work Relief Programs, \$1,300,000,000.
Agricultural Programs, \$900,000,000.
Public Works and Investments, \$1,100,000,000.
Interest on the Public Debt, \$1,100,000,000.
Pensions, Retirements and Assistances, \$1,200,000,000.
Regular Operating Expenses, \$1,000,000,000.

Our Old-Time Couch Is Made Streamline

By RUTH WYETH SPEARS

WAS there a couch like the picture at the top of this sketch, in the family "sitting room" when you were a child? Let's get it down from the attic, for just see what can be done with it! Properly streamlined it will look like the middle picture.

First paint the front of frame; then cover well up onto the head portion with cotton batting; next use bright cotton upholstery material. Remove stuffing at high



end. Now, make box-like end tables like those illustrated. The dotted lines indicate how the couch fits under these box tables and how a partition and shelves are put in the one at the lower end. Paint tables to harmonize with fabric. The final touch is the back and end cushions covered with the upholstery material.

NOTE: Full directions for changing an old iron bed into the latest style, are given in Mrs. Spears' Book No. 3; also step-by-step directions for making "The Rug That Grew Up With the Family." Thirty-two pages of fascinating ideas for Homemakers. Ask for Book 3, enclosing 10 cents in coin to cover cost. Address: Mrs. Spears, Drawer 10, Bedford Hills, New York.

Wise and Otherwise

WISE words: Those you don't say when you want to tell the boss what you think of him.

"Husbands," declares a woman writer, "should all wear a ring on their hand." This will come as a welcome change to many who wear one through the nose!

Some people stick to the truth so closely that nobody can get it out of them.

"What would you do if you won \$30,000?" asks a correspondent. Nothing, for one year. We always thought exercise reduced flesh—until we saw a woman with a double chin.

SANDPAPER
THROAT
Has a cold made it hurt even to talk? Throat rough and scratchy? Get a box of LUDEN'S. You'll find LUDEN'S special ingredients, with cooling menthol, a great aid in helping soothe that "sandy throat!"
LUDEN'S 5¢
Menthol Cough Drops

Hollow Glory
The paths of glory lead but to the grave.

The Better Way to Correct Constipation

One way to treat constipation is to endure it first and "cure" it afterward. The other way is to avoid having it by getting at its cause. So why not save yourself those dull headache days, plus the inevitable trips to the medicine chest, if you can do it by a simple common-sense "ounce of prevention"?

If your trouble, like that of millions, is due to lack of "bulk" in the diet, "the better way" is to eat Kellogg's All-Bran. This crunchy, toasted, ready-to-eat cereal has just the "bulk" you need. If you eat it regularly—and drink plenty of water—you can not only get regular but keep regular, day after day and month after month! All-Bran is made by Kellogg's in Battle Creek. If your condition is chronic, it is wise to consult a physician.

WNU-4 3-40

Strength From Cause
A good cause maketh a strong arm.

Miserable with backache?

WHEN kidneys function badly and you suffer a nagging backache, with dizziness, burning, scanty or too frequent urination and getting up at night when you feel tired, nervous, all upset, . . . use Doan's Pills.

Doan's are especially for poorly working kidneys. Millions of boxes are used every year. They are recommended the country over. Ask your neighbor!

DOAN'S PILLS