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BOYD GURLEY,
Editor

ROY W. HOWARD,
President

EARL D. BAKER,
Business Manager

PHONE—Riley 5551.

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"Give Light and the People Will Find Their Own Way."

Truly Watsonian

Senator Watson comes home to Indiana, changing somewhat the note of his song, but bringing assurance that "American standard of living can never be maintained by European wages."

A few months ago, Watson stood in the senate chamber and defended the high tariff measure with the declaration that he knew that within thirty days it would bring back prosperity.

Now the senator says that we should be happy because conditions in this country are better than in other lands. He makes no more prophecy concerning the exact date when we will reach that particular corner around which good times are supposed to lurk, ready to spring upon a country fast losing hope.

Just how the American standard of living can be maintained without any wage for nearly seven millions of workers is another hiatus in the public pronouncement of the Indiana leader.

Some thousands of men and women in this city, already out of work, had hoped that there would come some definite plan for giving work. More thousands who fear for their jobs are even more interested in learning what the government may do next winter to protect them in their jobs by creating work for those now out of work.

If there are plans in the mind of Watson, leader of the senate, they are secret plans.

The morsel of consolation is that the jobless man in this country is better off than a starving Chinaman or a ragged beggar on the Thames embankment.

True, the Chinaman starves because his country is impoverished and without resources. The Briton begs because his land is without food or money to buy food. In this country the worker is on the breadline because food is too plentiful and material wealth beyond imagination.

But the senator says he has "abiding faith in Herbert Hoover." That is truly Watsonian. When all the rest of the land had such faith, he had doubts. When the rest of the land has doubts, he has faith. Just like Jim.

Cutting Taxes

If there are useless men or women in the public service, they should be discharged.

But the suggestion that those who are performing real service, who are needed to the orderly processes of life, should be put on reduced wages is wrong in principle and wrong in policy.

The property owners are quite properly exercised over the tax rate. They should have been exercised during the years of plenty when waste and extravagance added to huge bond issues on which interest is now being paid. But that is all in the past.

Every argument of self interest demands that wages be maintained and not reduced during this period of hard times, caused by a loss of purchasing power.

The wage of those who do the real work, the teacher, the policeman, the fireman, the clerk, the stenographer, should be kept at a standard high enough to furnish an example to private employers.

President Hoover has declared against wage cutting. Every economist has declared that such a practice leads to disaster. Industrialist and labor leader join in this theory, although private business may not always follow it.

Tax burdens can be reduced if some of the waste is eliminated. Such expenditure as \$64,000 for washing the state capitol was monstrous in these times. It would have been less harmful had it been done by hand instead of machines rented by a foreign corporation.

There is waste in buying in public institutions. There is waste in the higher bracketed salaries. There is no waste in paying a conscientious worker a living wage.

A Financial Racket

The federal billion-dollar bond issue looks to us like a financial racket. Millionaires and politicians will profit at the expense of the people and the government.

It is a vicious method by which the administration evades its duty of balancing the federal budget and hopes to postpone the necessary tax increase until after the presidential election.

It is an attempt to make the next generation pay for the follies and depression of this generation. It is a scheme of escape for the huge fortunes made during prosperity, which now should carry the tax base of the depression partly caused by that overconcentration of wealth.

It is indefensible on financial grounds, indefensible on economic and social grounds, and indefensible on moral grounds.

First, its financial fallacy. The government has been borrowing and can continue to borrow short-term money for less than 1 per cent in these times of credit surplus.

To put out \$800,000,000 worth of twenty-four-year bonds at 3 per cent and \$800,000,000 worth of one-year certificates at 1 1/2 per cent, as Secretary Mellon proposes, is to enrich the bankers and the bondholding class at the expense of the government, which can get money cheaper.

Second, it's economic fallacy. It increases the overconcentration of wealth in a relatively few hands, and thereby further curtails the consuming power of the mass of the people upon whose purchase a revival of prosperity depends.

The concentration of wealth in the hands of the few already is so great that they can find no immediate use for their money. Today even banks limit the size of deposits, so large is the credit surplus.

Thus the rich must hold their money idle, or put it into industry to revive business. They are not doing the latter, because the immediate profit prospects are not large enough to suit them.

So for many months the very rich have been pressing the government to take their money at an interest rate above the market. This is precisely what the government proposes to do now.

Instead of the rich helping the government make

up the depression deficit by paying more taxes, the government pays the rich in the form of interest and caps the deal by exempting the big bonds from ordinary taxes.

Earlier this year the same administration fought against a soldiers' bonus bond issue, with the argument that a large federal bond issue would ruin the private bond market, and draw off the funds which should be going into industry and construction through private bond issues. If that Hoover-Mellon argument was true then, it is true today.

Third, is the moral cost. Last year's federal deficit was almost a billion dollars. On the basis of this year's record to date, it is estimated that the current annual deficit will be upward of one and a half billion dollars, or two and a half billion dollars for the two years.

If there is such a thing as political morality, we believe that morality dictates a pay-as-you-go policy. We believe it is socially dishonest for the richest nation in the world—at the end of the highest period of prosperity ever known at any time anywhere—to load the next generation with debts resulting from our own governmental extravagances and private greed.

When great Britain faces a deficit of a mere \$600,000,000, it overthrows the government to force a balanced budget in advance. But when the United States discovers a billion-dollar deficit after the fact, the Hoover administration calmly proceeds to increase that deficit toward the two and one-half billion mark, without even a proposal to raise the money to pay the debt of 1931.

The Hoover administration simply goes on borrowing, with the easy promise that the government of 1935 will pay its debt of 1931.

If the explanation of this unwise and unjust policy is not partisan political expediency we wish some one who knows would broadcast the true explanation. It will take a lot of explaining to convince the country that this is not a racket of the politicians and the big campaign contributors.

Children Get the Jobs

Abolition of child labor, which used to be urged as a reform measure for the benefit of young people, is being insisted upon now for the sake of unemployed men and women, and it is going to be interesting to watch whether more is accomplished with this new and compelling motive animating the fight.

The United States children's bureau reports that, in twenty-three states alone, 103,000 14 and 15-year-old children left school last year to work, because of necessity; while the number of unemployed men and women exceeded 6,000,000.

Accordingly, the President's unemployment committee will begin a radio campaign this week, urging that children of school age be kept in school.

But this winter where a young person is able to get a job of which an unemployed father or mother has been deprived, that child probably will leave school as it did last winter—to keep the family from starvation or charity.

Child labor never will be cured, the children's bureau said a few months ago, until every family has an assured income. In other words, though it did not say so, child labor never will be cured until everything possible has been done to prevent unemployment, and insurance funds have assured a steady income for those occasionally out of work.

That means a long fight ahead. In the meantime, whenever a breathing spell occurs in the present struggle to keep people fed somehow through the winter, it undoubtedly would be wise to fight for the first the child labor amendment to the Constitution.

A Chicago woman wants a divorce because her husband passes out "only one kiss a week." Passing out always has been a disagreeable experience.

Well, they've found the spring where Solomon drags. With these 300 wives, there must have been an awful rush at springtime.

When that Tammany chief testified for the horse doctor, he was probably figuring they'd need him for the Democratic mule in 1932.

Pangborn and Herndon were fined \$1,000 in Japan. Maybe that was higher than they expected to go.

If abolishing prohibition would bring back good times, Germany's not much of a glowing example.

By their deeds ye shall know them. Even if they're real estate men.

Talk is cheap, except when you talk back to the judge.

Dempsey knocked out his opponent in his first "exhibition bout." The victim probably wouldn't quibble about the title.

Just Every Day Sense

BY MRS. WALTER FERGUSON

WHEN a San Francisco judge apologized to 100 unemployed men who had been arrested for sleeping in box cars on the water front, he did a great deal to bring honor upon himself and the courts.

Nearly 50 per cent of all arrests are made upon the unfortunate. And certainly during this period, when so many honest men and women are without work or hope, the police should curb their enthusiasm for bringing in a catch.

The ardor with which the law hops upon the helpless, and the poor is one of the disgraces of our civilization. One need only live in a community where there is a large Negro population to observe this phase of our enforcement. At the slightest excuse the black man is hauled to jail.

Once I witnessed the disgraceful incident of an old country Negro recently come to the city who was clapped into a cell for complicity in a coal stealing raid. His master, when the sole evidence against him was that the thief previously had stolen his horses to haul off their loot.

NOR did the policeman or the judge see the sordid humor of the affair, the culprits escaping entirely and the innocent old addle pate going to jail, where he probably still would be if his wife had not happened to cook in a family who came to his rescue. As it was, it took \$8 to pay the cost of this unjust arrest and imprisonment.

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Thus the rich must hold their money idle, or put it into industry to revive business. They are not doing the latter, because the immediate profit prospects are not large enough to suit them.

The fact that he was turned loose next morning with a muttered apology does not excuse such haw-hawed behavior from the arresting officers.

It takes us eight or ten years to apprehend a man like Al Capone, but somehow the less moneyed individual too often is an object of suspicion with the courts.

So for many months the very rich have been pressing the government to take their money at an interest rate above the market. This is precisely what the government proposes to do now.

Instead of the rich helping the government make

M. E. Tracy

SAYS:

Too Many People Have Assumed They Have Come to Live in a Fool-Proof World and Do Very Little Thinking on Their Own Account.

NEW YORK, Sept. 1.—Sir Henri Deterding makes the proposal to destroy cotton as an excuse for reiterating his faith in greater consumption as the one sure remedy for our economic ills.

No one who has given the matter thought will disagree with him.

Increased consumption is, and always has been, the basis of progress, whether in overcoming depressions, or spreading prosperity.

It is only fair to say, however, that increased consumption along general lines and as applied to specific commodities is not the same thing.

The Product Changes

MORE often than not, progress by changing the product consumed.

Sir Henri Deterding deals in oil.

Greater consumption of oil has led to a reduced consumption of coal.

People keep warmer and travel faster because of oil, but that does not help the coal business.

If Sir Henri could restore England's coal markets, he would have gone a long way toward overcoming her social and political troubles.

On Solid Ground

WHEN it comes to silver and wheat, Sir Henri is on solid ground. There can be no justification for destroying food while people are starving.

The very people who are starving could buy food if they only had some of the silver which we can't use.

This is just one of many examples of what could be done to encourage and increase trade.

Forget 'Bad' Omens

AS a general proposition, we are thinking too much about bad omens. Six months ago there was just as wild talk of a crisis in Italy as there is of a crisis in England today, but Mussolini and the people have found it possible to reach an agreement.

Why not accept that as a sign of the times? Why harp so continually about evil portents? Why take every breeze to mean a hurricane?

Haven't we trouble enough, without crossing so many bridges before we come to them?

Quit Singing Blues

TO hear some people talk, you'd think there was nothing ahead but pestilence, famine and war, probably war.

Supposing it's true, do we gain anything by dying on imaginary battlefields?

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If they can't conscientiously prophesy better times, they at least can be nonconformist.

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