

Full Leased Wire Service of
the United Press Association**HOOVER SALES
TAX PLEA TO
BE REJECTED**Democrats to Answer 'No,'
Backed by Roosevelt's
Strong Opposition.**WARNS OF HUGE DEFICIT**President Declares Levies
Must Be Raised and
Expenses Reduced.BY RAYMOND CLAPPER
United Press CorrespondentWASHINGTON, Jan. 18.—Despite
President Hoover's new budget
warning, Democratic house leaders
still are opposed to the general
manufacturers sales tax.They are having trouble in making
major reductions in expenses.So it is largely on deaf ears that
President Hoover, in his latest budget
message, released late Tuesday, thundered a call to make both ends meet
by joining new taxes and
economics.Unless President-Elect Roosevelt
should reverse himself in his conference
with his legislative generals here Thursday, the Hoover program
for handing the government over to his successor with expenses and
income balanced appeared today to be doomed.

Roosevelt Is "Horrified"

When Democratic leaders recently
decided the sales tax would have to be
resorted to, and it was intimated that
Mr. Roosevelt was sympathetic, word
came back that he was "horrified" at the thought. Hints that
income taxes would be made more
drastic brought such a quick cry of
anguish that this idea promptly was
disowned by all parties.President Hoover's warning, dispatched to congress within a few
minutes after the senate had joined him
in house in overriding his veto of the
Philippine independence bill, was to the effect that unless taxes
are raised and expenses reduced there
will be a deficit of \$920,000,000 to
\$1,120,000,000 next year.It is this period for which con-
gress now is making the annual de-
partmental appropriations. He would
raise half of the deficit by new
taxes and wipe out the other half
by economies.This outlook confirms the picture
drawn in recent United Press dis-
patches describing where the tax-
payers' dollars goes.

Deficit Piles Up

The government ran behind \$900,-
000,000 in 1931. It fell behind
\$2,800,000,000 in 1932. This year it
is due to be \$1,100,000,000 short. Plus
the estimated deficit for next year,
this makes a total of \$5,800,000,000 in
four years.This debt makes it necessary for
the government to borrow money by
selling bonds and short-term securities.
This year it will cost \$725,-
000,000 to carry the interest alone.
Next to the \$1,000,000,000 veteran
cost, this interest charge is the largest
single item in the national budget.To reduce it, Mr. Hoover suggested
converting high rate Liberty bonds
to lower interest bonds.These are large, faraway figures
to the average person. They will,
however, come home with sharp impact
on those who make out income
tax returns between now and March
15 and discover that while their
earnings have dropped their taxes
have multiplied.**Three Essentials Mentioned**In his message, Mr. Hoover set
three essentials:1. Maximum economies urged in
his budget message should be ad-
hered to by congress.2. No new authorizations or ap-
propriations should be made.3. Even appropriations recom-
mended should be cut at every pos-
sible point.I regret to say that the same
forces are at work which thwarted
the saving of several hundred millions
we sought to effect at the last
session of congress," Mr. Hoover said.He added that in appropriation
bills already acted upon by the
house, an appearance of saving had
been made, but that actually the
amounts ran \$35,000,000 more than
budget recommendations.**Democrats Strike Back**Democrats immediately accused
Mr. Hoover of misrepresenting the
facts. Chairman Byrnes of the ap-
propriations committee told the
house that five appropriation bills
had been cut \$62,735,000 more than
Mr. Hoover asked last December."Instead of spreading it over a few
scores of commodities and services
at irregular rates, which cause
discrimination and hardship be-
tween industries," Mr. Hoover said,
"it would seem the essence of good
statesmanship to apply such a tax
generally at a low rate upon all
manufactures except upon food and
cheaper grades of clothing, and
thereby give the federal government
a stable basis of income during
the period of depression."**F. H. McCREA IS DEAD**Veteran of Spanish War Was High
School Military Supply Officer.Following an illness of six days,
Frank F. McCrea, 83, Spink-Arms,
an army captain in the Spanish
American war, died Tuesday in the
Methodist hospital.Mr. McCrea, for the last twelve
years had been military supply officer
for Indianapolis high schools
stationed in the old powder magazine
on the Technical high school
campus.**Falls In Suicide Attempt**After grieving over estrangement
from his wife, William Williams, 21,
of 1025 West Twenty-eighth street,
attempted suicide Tuesday night by
drinking poison. His condition is
serious.**'RUSH' BILL FOR
BONE DRY LAW
REPEAL FILED**Emergency Measure Pushed
in House; Beer Control
Draft Introduced.**NEW BANK CODE ASKED**Elimination of Receivership
Evils Are Sought by
Survey Board.The house of representatives was
handed a "surprise package of wet
goods" today, when an emergency
bill for outright repeal of the
Wright bone dry law was intro-
duced as a companion measure to
the long-heralded administration
beer control bill.Although the repealer bore the
signatures of fifty-eight representa-
tives, several members of the
house, expecting only the beer
omnibus bill, murmured perplexedly
over the long-heralded administration
beer control bill.Today, eighty exchanges for the
bartering of labor for food and
other necessities are operating in
Los Angeles and vicinity. There
are also many others in other
sections of California feeding
many more.Men and women from virtually
all previous employment ranks are
engaged in the movement. Some of the leaders are T. W. Grubbs and H. P. Dean, former
bankers; Floyd Parker, former
contractor; A. Hayden Machon, former
office worker; Margaret Campbell, unemployed actress; and Mrs. Bessie Ball Mays, a
housewife whose husband lost his
job.Perhaps the reason for the
remarkable success of the system
is its simplicity.Immediately on the heels of the
repealer came the beer control bill,
which also carries a provision for
Wright repeal and medicinal whisky.
It bore the names of thirty-three
representatives, but three asked
have their names removed.This trio included Representa-
tives Pat J. Cain (Dem., Ft. Wayne),
Charles J. Allard and Alloysius V.
Korpal (Dems., South Bend). All
are wet from wet centers and favor
the legalization of beer.Withdrawal of their sponsorship
was due, they explained, to objections
to what they term monopolistic
features of the measure which limit the number of brew-
eries.Provisions for handling of im-
ported beers, they assert, limit the
competition that can and should be
offered by local breweries.**All Favor Repeal**Cain, Allard and Korpal all favor
immediate Wright law repeal.Submission of the Wright repeal-
er along with the beer bill was dic-
tated, it is understood, by a desire
to insure immediate action and
not have it tied up solely in the
beer bill, since the latter could not
be operative until congressional ac-
tion affecting beer legalization is
taken.Provisions of the beer bill are un-
changed from the order in which
they came from a final parity of
administration conference.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists
were persuaded to swap their
goods or services for food. A
gasoline company fell in line; even
some landlords agreed to accept produce for rent.As a result, the first branch of
the California Co-Operative Ex-
change was founded. Unemployed
men of the community went into
the fields and harvested the crops,
collected their pay in cabbages,
potatoes, parsnips, beans and the
like.Usually, the farmer and the
worker split the harvest 50-50.
Sometimes the unemployed were
given the whole surplus above that
which the farmer was able to sell
at a profit.From them on this moneyless
system of exchange moved swiftly.
Soon the jobless traded their sur-
plus produce for a truck and for
space in a warehouse in which to
store their vegetables.Exchanges multiplied. Gradually,
small merchants, barbers, butchers,
shoe repairers, doctors and dentists