

# SCHOOL TENURE BACKERS BALK REPEAL MOVE

Teachers' Law Will Remain Applicable in All but Township Institutions.

Twelve Democratic senators participated in a bitter two and one-half hour wrangle during the senate session Monday afternoon, from which emerged a bill which would make teacher tenure applicable throughout the state except in township schools. The measure was advanced to third reading.

Senator Henry F. Schrieker (Dem., Knox), author of a bill for full repeal of the present tenure law, charged, in the course of debate, that tenure opponents were not given opportunity to present their case. "I may be thrown out of this body, but I know right from wrong," he asserted.

Amendment Is Beaten

When the repeal measure was handed down for second reading, it was amended on motion of Senator Walter S. Chambers to give tenure to cities of more than 18,000, affecting about twenty, and removing it from all other school corporations, numbering between 1,300 and 1,400. This amendment was defeated, 32 to 16.

After effort to halt further consideration until today had failed, Senators Fred A. Egan, Gary, and Thollie W. Druley, Boston (Dems.) offered the amendment now in the bill.

As the measure stands, the tenure law, now in effect, is changed only in that tenure does not apply to townships.

Schrieker, consistent advocate of outright repeal, charged that the tenure system, by which a teacher who serves continuously in one school corporation automatically gets a life contract, is undemocratic.

Defended by White

Senator E. Curtis White (Dem., Indianapolis), declared the opposite is true. He asserted a teacher under tenure does better work, because there is no worry over probable loss of a position.

Married women who teach were assailed by Schrieker and he charged "an organization," presumably the Indiana State Teachers' association, was a powerful lobby for tenure.

Senator Jacob Weiss (Dem., Indianapolis), entered the fray several times during the debate, defending the relations of township trustees and teachers, declared townships should be abolished in the interests of economy.

Senator Elias C. Swihart (Dem., Elkhart) declared he was in favor of extending tenure to township schools, but his effort to place an amendment in the bill that end was lost on a point of order.

Senators Chester A. Perkins (Dem., South Bend) and White engaged in a duel of words on the meaning of politics. Perkins was expounding the definition that "politics is the science of government," when he was interrupted by White, who indicated that when the mentions politics he means the kind that costs teachers their positions.

White and Schrieker also clashed. The Knox senator asserted that several members "down deep in their hearts know the tenure law is wrong."

"How does he know what is down deep in our hearts?" White inquired. At one point, Lieutenant-Governor M. Clifford Townsend reminded the senate of the "politics" of speakers from impugning the motives of a member. Townsend said the rule had been violated twice during debate.

Among defenders of tenure was Senator William D. Hardy (Dem., Evansville), who said it had been practiced in the schools of his city ten years before passage of the law.

**SALVATION ARMY POST CHANGES ANNOUNCED**

Reduced Budgets Result in Several Switches, Major Reveals.

Reduced budgets have resulted in several changes of personnel in local Salvation Army posts, it was announced today by Major James Murphy, commander of the Indiana-Central Illinois division.

Captain Arla Westerholm of No. 1 will be in charge of work in Kewanee, Ill., and Lieutenant Nellie Phillips of No. 3 will assist him.

Captain Katherine Young of No. 1 will take over work at Wichita, Kan., with Lieutenant Evelyn Dieter of No. 1 as an assistant.

Captain M. C. Wheatley of the Harley Gibbs settlement will go to Evansville as assistant, and Lieutenant Jeanette Harsted of Harley Gibbs division, will become an assistant in Lincoln.

Major Mrs. B. B. Isaacs, who formerly had charge of young people's work in the entire division, will have charge of the three evangelistic posts of Indianapolis, assisted by Mrs. Mabel Bengier, and Mr. and Mrs. Cliff Isaacs.

**OFFERS BILL FOR NEW DELINQUENT TAX SETUP**

Fifteen Months' Respite Before Sale of Real Estate Is Provided.

Net setup of delinquent tax fees and penalties and provisions for sale of property to satisfy taxes is provided in one of twenty-three bills introduced in the house of representatives today.

# INFLATION—WHAT IS IT?

## Shall the U. S. Try It? Argument Strong on Both Sides

For weeks the question of some form of inflation has been widely discussed in the press, in financial circles and in congress. Experience has demonstrated that uncontrolled inflation as well as uncontrolled deflation are curses of our financial structure.

History has proved that in periods of inflation or deflation some form of control is desirable.

Earl Spaulding, in a series of articles, the first of which is printed today, presents a high-light history of inflation.

BY EARL SPARLING

AMERICA faces a paradox today.

Here, theoretically, is the richest nation on earth, possessed of 42 per cent of the monetary gold stock of the entire world.

And yet millions of Americans are in want. America finds herself poorer in many ways than other nations which have so little gold they are unable to keep their money stabilized on the gold standard.

Which has become a ribald international joke, pointed by a recent British cartoon depicting a tattered John Bull handing a much more substantial Uncle Sam a debt payment, with the caption, "You need it more than I do, Sam."

More men are without work in America in proportion to population than in any other land—12,500,000, according to an estimate last week.

It is claimed there are only 30,000,000 unemployed in the world. Those who still work in America have had their wages cut 20 to 70 per cent, the average for all pay rolls being 56.5 per cent.

Those who live by dividends have been shorn, too. Common stocks with an indicated value of \$36,000,000,000 in 1929 are down now to \$23,000,000,000, an incredible 96.2 per cent collapse.

Now this shrunken earning power is partly compensated for by the increased value of the dollar. The cost of living has dropped 22 per cent since 1929.

In general purchasing power, the urban dollar is worth \$1.33 with the 1929 dollar. The farmer's dollar is now worth \$1.52. In short, one has less money than three years ago, but the scarce dollar will buy more.

But what about debts? There has been no drop in the cost of debts. Indeed, debts cost more today than ever.

Consider the citizen who mortgaged his home in 1928-1929, or the corporation that borrowed a million. The 6 per cent interest goes marching right on. The urban dweller or corporation must pay that interest on dollars worth \$1.33 each.

Thus in purchasing power the debtor must pay his creditor nearly 8 per cent interest instead of the 6 per cent contracted for. And when the loan comes due the debtor must pay back the borrowed money at a premium in buying power, \$1.33 for every \$1 obtained.

The farmer is even worse off. The farmer is paying 9.12 per cent interest on every 6 per cent contracted before the great smash, and he faces the hopeless task of paying \$1.52 for every dollar he is loaned.

If he borrowed \$10,000 in 1929, he must now pay back \$15,200 in purchasing power, and in purchasing power, of course, is all that money means.

SO that everywhere in America men are beginning to wonder whether it is the republic drifting and to suggest ways of doing something about it.

More and more those who want to do something are turning their thoughts to that 42 per cent of all the world's gold which America has. Has not gold always made rich and powerful the nation which possessed it in the past?

Do not other nations claim today that they are not prosperous, because America has drained their gold from them? Why does not this gold, this metal which all nations have struggled to obtain throughout history, why does it not do more work for America now?

Thus, more and more insistent, there arises a cry for inflation of the currency—that is, for the government to use that gold some way to put more money in circulation, so that each citizen will have more money and spend more and prices will increase and industry revive and good days will come again.

Many currency plans are being

talked in the nation today, but all seem to fit two patterns. The government is urged on one hand money to print two or three million dollars, backed only by the government's authority to make it legal tender.

It is urged, on the other hand, that the government change the value of the gold ounce.

The gold ounce by congressional act was valued at \$20.67 in 1873, a valuation arrived at necessarily by considering the international state of trade and the value of products at that time.

The state of trade and the value of products have changed; and, therefore, it is argued there is no reason why a man-made valuation can not be changed.

If the gold ounce were revalued at \$41.34, twice as many dollars of currency could be issued. The new dollar, on this basis, would be worth only half as much as the one we now have, but there would be increased spending and prices would rise, and in the end the whole thing would reach an equilibrium at a new level, except that we would meanwhile have turned the worst depression in our history into a trade revival and a boom.

THAT, in general, is the argument. And what every man wants to know is what inflation would mean to him. What would it mean to the laborer? Consider the man earning \$30 a week today. If the value of the dollar is decreased by half, how long will it be before his wage is increased to \$60 so that he can have the same buying power as under present conditions. Would his wage increase as fast as the increase in prices the inflationists promise?

And what would inflation mean to the man living on dividends from stock investments? How much time would elapse before increased prices would reach an equilibrium at a new level, except that we would meanwhile have turned the worst depression in our history into a trade revival and a boom.

And what would happen to those who have money in savings banks? If money is suddenly having in value how shall they protect the present value of the money they have saved?

Inflation raises a thousand questions and nowhere is there an answer. But on one question there seems to be agreement. In the past, as Dr. Edwin R. A. Seaman has demonstrated, inflation usually has been associated with public debts.



Time after time, if unable to obtain money any other way, nations have paid their internal debts in fiat money—paper money backed with only the government's power to decree it legal tender.

And if a government pays its internal debt in inflated currency, so will the people pay their debts in the same currency. Thus the debtor class benefits, the creditor class loses.

WE have seen that debtors are now paying 33 to 52 cents premium on every dollar borrowed in 1928 and 1929. The private and commercial debt of the country totals \$108,000,000,000 today, including \$44,000,000,000 owed by urban home owners, \$12,000,000,000 owed by farmers.

The bulk of this debt was borrowed before the Great Smash. Manufacturers and business men find themselves caught in the same ever-tightening grip as the small home owner and the farmer.

All got cheap dollars and are paying off in hard dollars. Thus the nation groans under an intolerable weight. The national income, \$65,000,000,000 in 1929, has shrunk to \$57,000,000,000 in 1932, and it is estimated that nearly one-fifth of it was absorbed in 1932 by fixed interest charges.

In addition to the private debt the federal government owed \$20,806,000,000 up to last November 30, an increase of \$3,875,000,000 since 1929.

Private business could not borrow more. Thus the federal government had to borrow to finance the Reconstruction Finance corporation, while in turn the industry.

With the budget unbalanced, with an \$850,000,000 deficit already piled up this fiscal year, the federal debt is increasing hourly. It, too, must be paid in dollars that are thirty-three cents more valuable than in 1929, and the dollars it pays must come from taxes.

Like the cost of debts, taxes, too, have gone up during this time when everything else has been going down. And in addition to the federal debt there is a \$17,000,000,000 state and municipal debt.

IS inflation the way out? If debtors are paying their creditors 33 to 52 cents premium on every dollar, should the nation solve that problem by arbitrarily decreasing the value of the dollar?

Next: Spaulding writes of inflation in Colonial times.

Thoughtful men are beginning to ponder the problem—conservative business men as well as small owners. There is a growing feeling that uncontrolled deflation must be controlled. Is inflation the only way to do it?

The bankers, being the chief creditors of the nation, naturally are opposed to inflation. But conservative business men plainly are beginning to pause at the idea.

They are beginning to feel, apparently, that some inflation, a firmly controlled inflation, might not be bad.

Bradstreet's Weekly, in the issue of Jan. 7, stated it had found eleven commercial indications that "substantial inflationary forces of a passive character already are at work," and concluded "concerning inflation" that American business men would be inclined "to treat such a plan with indulgence if it were reasonably freed from mischief."

But how shall inflation be freed from mischief? How shall it be controlled? What are its stages and where does it first get out of hand?

Senator Borah favors some form of inflation. Treasury Secretary Mills opposes inflation. And so it goes over the nation.

INFLATION is no new thing. It has been tried at various times by nearly every country in the world during the last 300 years. It has been resorted to twice in this country, during the War of the Revolution and the war between the states.

Indeed, the colonists tried it before there was a country, when there was only a wilderness. It was tried in France in 1720, when John Law, a Frenchman, showed the astonished French how to pay off the national debt with thin air.

France tried inflation again after the first revolution and still again after the World War. Italy, Russia, Austria, Spain, Great Britain, and nearly all the Central and South America countries—these nations have tried inflation at various times with varied results.

It is still within memory how Germany inflated the mark after the World War until a truckload of paper scarcely would buy a loaf of bread. The history of men is a history of money and the history of money is one of inflation and deflation.

Next: Spaulding writes of inflation in Colonial times.

# MUNCIE PASTOR IS INDICTED ON GIRL'S CHARGE

Accused of Attempting to Attack 18-Year-Old Church Member.

MUNCIE, Ind., Jan. 31.—The Rev. G. Lemuel Conway, pastor of the Madison Street Methodist church, and the father of five children, secluded himself at his parsonage today while awaiting arraignment on charges of attempting to attack Helen Huffman, an 18-year-old high school girl.

A few hours after his indictment by the Delaware county grand jury, the minister provided bond of \$3,000 on the attack charge and \$500 on another indictment charging him with assaulting his choir leader, William Aund.

Invited Into Auto

Miss Huffman told members of the grand jury that she was invited into the minister's automobile while on her way downtown.

She said Mr. Conway drove through the business district, stopping on a side road in the country where he attempted to attack her. A passing motorist halted his advances, she said.

Miss Huffman declared that she got into the pastor's automobile willingly, because she had become acquainted with him through one of his daughters.

Miss Huffman's parents subsequently preferred misconduct charges against the minister with Dr. Frank K. Dougherty, district superintendent.

Church Trial Faced

Testimony was turned over to Bishop Edgar Blake, Detroit, and will be presented to an ecclesiastical court soon. Members of the court will be selected at a church meeting in Ft. Wayne, Feb. 7.

The girl's charges brought disension in Mr. Conway's church and Jan. 22 it led to a fight between him and Aund. The latter was knocked over the fence rail, after failing to obey the pastor's command not to lead the choir.

Mr. Conway, who is about 55, has refused to comment other than to blame the gossip of church members for his troubles.

Former Chief Dead

John B. Solitt, Peru, Is Laid to Rest; Two Sons Survive Him.

PERU, Ind., Jan. 31.—Funeral services were to be held here today for John B. Solitt, 89, former local police chief. He is survived by two sons, Ralph V. New York, president of the Lord & Thomas Advertising Agency, and Elmer A. St. Louis, general superintendent of the Wash-bash railroad.

He's Going Home With Three Other Indian Companions; More Coming.

Because Short Man is long on wives—he has three of them—he's getting homesick. And because he's homesick, he's infected three other companion Indians with him, with the result that the Navajos and Pueblos weaving and displaying their arts at L. S. Ayres Company this week have gone on a mute strike.

"We want to go home," is the request they've made to their manager, Wick Miller, and led by the man of three wives, Short Man, otherwise known as Dineh Yazze, the strike has succeeded.

On Wednesday four new Indians will supplant Short Man and his companions in the group. Six that demonstrate their arts on the second floor of Ayres' between 10:30 and 5:30 daily.

"No Can Do," Says Joe

But the rub in bringing four others to take their place has resulted in a second impasse with Tail Walker, alias Joe Toledo, the silver-smith.

Miller wanted to bring Joe's mother-in-law to take the place of one of the squaw weavers. "No want! No can do!" says Joe to the mother-in-law visit.

For Joe knows that, according to tribal custom, his mother-in-law comes he'll not be permitted to look her in the eye, and how, he asks, can any one display one's self in public with one's mother-in-law without once in a while looking her in the eye—even if it's only a nasty or he's throwing her away.

Joe, too, is irked by a letter he received from his wife's sister at a government school on the reservation near San Ysidro, New Mexico.

But He'll Stay On

The sister has been steppped with modern petting ways and love-letter writing, so she ends her letter with, "Your wife says many love and 3 X. Close twice goodbye, bye."

Joe's found out that 3X isn't a cattle brand, but only a way of sending kisses by mail and, as his tribe doesn't know a kiss from a coyote, he's afraid his wife has fallen up the white man's way of love.

But Joe says he'll stay on and let Short Man go back to his three wives with the eleven children, for he figures on having Short Man watching over his wife, too, seeing that he knows so much about collecting them.

And Wednesday he'll give an Indian "so-long" to Short Man, Herding Woman, Born Late and Joe Taya, and go back to enjoying his kidney stew in an apartment house with new companions and no mother-in-law.

Midget Bible Owned

CANON CITY, Cal., Jan. 31.—A midget edition of the Holy Bible is owned by Roy J. Wheeler, pastor of the First Christian church. It is two and a quarter by three and a half inches in size. It is three-quarters of an inch thick and has full marginal references.

# PICTURE BOOSTS HER



Working in Chicago as a commercial artist, Miss Margaret O'Connell of Kewanee, Ill., posed for a fellow artist and her picture was used in an advertisement. A Hollywood producer saw it, admired her beauty and now Miss O'Connell has been offered a screen test with the possibility of a movie contract.

# DEMANDS STIFF BUS REGULATION

Railway Age Editor Flays Competition: Attacks 'Toll Costs.'

Scoring competition of busses and trucks with the railroads, Samuel O. Dunn of Chicago, editor of Railway Age, speaking Monday night before 8,000 persons in Cadle tabernacle, declared "there can be no full recovery from this depression until the earning capacity of the railroads is restored." The session was sponsored by the Railway Employees' and Citizens' League.

Dunn claimed that the highways were built for public use.

"When busses and trucks use the roads for private enterprise," he declared, "the money they pay for license and gasoline taxes is not tax. It is toll just as money paid by ships going through Panama canal is toll."

Dunn urged that interstate bus and truck traffic be placed under the control of the interstate commerce commission, and be subjected to the same regulation as are the railroads and the air lines.

Depression has meant loss of jobs to 640,000 railroad men, Dunn said.

Share Heavy Earnings

Lincoln National Life Pays \$4.05 for Each \$10 Holding.

FT. WAYNE, Ind., Jan. 31.—Earnings of \$4.05 on each \$10 share for 1932 were announced by directors of the Lincoln National Life Insurance Company here today. Byron D. Miller, president of the F. W. Woolworth Company, was elected to the board of directors.

Shoe Sale!

All This Week All Shoes Displayed on Tables

Sport Oxfords and Dress Shoes

99¢ Each Pair

THE MILLER-WOHL CO. 45 E. WASHINGTON ST.

They are wonderful KOLOIDAL IRON & COD LIVER OIL EXTRACT TABLETS

Laura Oberlin, 602 South Noble street, city, says: "Regarding the merits of Koloidal Iron Tablets, after taking only two boxes, I can only speak the very highest of them; they not only quiet the nerves, but sleep and filled with new life. Their results amazed me. I advise any one troubled with nervousness, underweight and loss of pep to give them a trial, and you will never be without this wonderful medicine."

KOLOIDAL IRON AND COD LIVER OIL EXTRACT TABLETS. LETS A BUILDER OF NERVE AND MUSCLE.

HEALTH DIRECT TO YOU HAAG'S

SAVE 15% Cash and Carry

Fame Laundry Co. Lincoln 6575

TREAT COLDS IN THE FIRST STAGE!

—and You Nip Them in the Bud!

A cold ordinarily progresses through three stages: The Dry Stage, the first 24 hours; the Watery Secretion Stage, 1 to 3 days; the Mucous Secretion Stage. Relief in the first stage is far easier than in the later stages. In fact, it is taking chances to let a cold run beyond 24 hours.

For prompt relief of a cold take Grove's Laxative Bromo Quinine. This famous tablet stops a cold quickly because it does the four things necessary. It opens the bowels. It kills the cold germs and fever in the system. It relieves the headache and grippiness. It tones the entire system and fortifies against further attack. That is the treatment a cold requires! Grove's Laxative Bromo Quinine contains nothing harmful. May be safely taken by young and old and whether you stay indoors or go out. There is absolutely no penalty attached to its use. For more than 40 years it has been the standard cold and grippiness tablet of the world, the formula keeping pace with Modern Medicine. Grove's Laxative Bromo Quinine now comes in two sizes—30c and 50c. For safety's sake get your supply a package today. Beware of any dealer who offers a substitute.

# BANK RECEIVER IS QUIZZED BY CIRCUIT JUDGE

Admits Diverting Insurance to Own Firm: Rival Attorneys Clash.

(Continued from Page One)

to Henry T. Hotel, former manager of the bank's realty department.

It was brought out that Hotel's bid for \$600 was the only one received. When Cox asked if the sale was made with approval of the court, Downey replied: "Yes. It was a matter of common knowledge."

Martin M. Hugg, attorney for the Cruse company, brought out that, in previous years, insurance business on the \$2,000,000 worth of property managed by the bank had resulted in approximately 20,000 commissions.

Damages are asked from Downey for commissions lost on renewal business, because the Cruse company was not permitted to write the policies, according to Hugg. A contract between the Cruse company and Downey, dated Dec. 9, 1930, was introduced.

Hugg declared the Cruse company received numerous letters asking them to write insurance, but were prevented from doing so because the policies had been diverted to other companies.

Earl Conder, Downey's attorney, clashed with Hugg during the hearing, when he alleged Hugg was "not courteous." Conder was instructed by Cox to show the court the petition for sale of the realty department.

Aiming at closer supervision of bank and other receiverships, Cox today had ordered all receivers under his jurisdiction to file monthly reports with the court.

This is Cox' first move toward putting the receiverships on a business and financial basis.

It is in keeping with his theory that the public should know the status of receiverships, especially those of banks having thousands of creditors.

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NOTE: During Epidemics a tablet or two of Grove's Laxative Bromo Quinine every morning and night will do much to keep your system immune.—Advertisement.