

INFLATION OF CURRENCY IS URGED, ON PREMISE THAT BUYING WILL BE SPURRED

Money Would Be Based on Commodity Other Than Gold, or More Would Be Printed Backed by Less Gold.

This is the third of a series of stories on the problem of inflation.

BY HERBERT LITTLE
Times Staff Writer

WASHINGTON, Feb. 7.—The word "inflation" describes certain methods used in an effort to accelerate business, raise prices, and so bring prosperity. It is in this sense that some politicians, statesmen, and economists now are looking to it as one way out of our present serious situation.

Nearly everyone agrees on the necessity for "inflation," but opinion is split fifty ways, at least, on how to do it and which of the methods will succeed. Nearly 100 inflation bills have been introduced in congress.

There are three general methods now discussed:

1. Currency inflation, which is involved in bi-metalism, printing of more money backed by less gold per dollar, basing money on other commodities than gold, and other current plans.

Credit Inflation Considered

2. Credit inflation, involved in lending by the federal reserve banks and the Reconstruction Finance Corporation to augment cash reserves of banks and stimulate private investment.

Bond Inflation—government floating big bond issues and using the money in operations designed to stimulate business or provide for the common need, as the Liberty bond issues in the World war or the proposed La Follette plan for a huge public works program.

Pressure of inflationists now is chiefly for currency inflation, their plans being based on two ideas: To create a larger volume of currency and to force it into circulation.

The theory is that this additional money will increase demands for goods, thereby increasing prices—the owners of the goods knowing that there is more money available—thereby also increasing business volume, creating jobs and restoring prosperity.

Emphasized by Inflationists

The necessity of resorting to this process of pumping life-blood into business and simultaneously solving the key problem of the debt burden is emphasized by inflationists. They hold that conversion downward of debts and interest thereon is a piecemeal job, which amounts to bankrupting most of the nation.

They believe the present process of "deflating" creditors, through wiping out of debts, will continue for two or three years more at least. Some even fear it undermining our capitalist system. The wiping out of eleven billion dollars in bank credits in three years is cited.

The currency inflationists point out that the government already has tried credit inflation on a modest scale, and it has not worked. Three ways were tried. Commercial credit paper—discounted business notes and the like—were made available as the basis of currency under the Glass-Steagall act.

The Borah amendment to the home loan bank act authorized issuance of national bank notes—money—of up to about one billion. The federal reserve board bought up hundreds of millions in government securities, taking them off the open market in an attempt to force the money hoarded in banks into business investments.

Business Fails to React

These should have succeeded, on the theory that credit, not money, is what makes our wheels go around. Nine-tenths of American business is transacted by credit—check or draft—without a single dollar-bill changing hands.

But there was no stimulation of business. The banks merely held the money for their own protection, the same as they had done when loaned huge sums by the Reconstruction Finance corporation.

Either the bankers were timid, or the business men hadn't enough confidence in their future to borrow. As private credit has become stagnant, the government's credit has become better and better. A quarter-billion dollar treasury note issue the other day was over-subscribed thirty-one times, more than seven billion dollars being offered to the treasury for the issue. This is one of the inflationists' favorite talking points.

The foreign trade issue is another.

"BOOP-BOOP-A-DOOP—I DO!"



Helen Kane, the "boop-boop-a-doop" girl, is Mrs. Max Hoffman Jr. now. Here you see her as she was married in Washington, D. C., by Judge Mattingly, to Hoffman (right), stage and screen actor of Freeport, N. Y. Miss Kane, who gave her age as 23, was divorced in January from Joe Kane. Hoffman has been wed twice before.

Hurley's Building to Be Clearing House of G. O. P.

Republican Leaders Rent Quarters to Be Used in Comeback Drive.

By Scripps-Horard Newspaper Alliance
WASHINGTON, Feb. 7.—Lawrence Richey, President Hoover's confidential secretary and assistant since 1919, has rented a suite of four rooms here in the Shoreham office building, effective March 1. An unconfirmed report is that within a year the suite will be expanded to make room for "Herbert Hoover, consulting engineer."

Meanwhile, it is expected that the office will be Mr. Hoover's Washington clearing house, from which discreet activities intended to help bring about his renomination in 1936 may be directed.

Charles D. Hamill, former chairman of the board of tax appeals, is expected to be located in the sixteen-room law offices of retiring Secretary of War Patrick J. Hurley and his yet unannounced partner.

Ray Benjamin, California lawyer and scout for Mr. Hoover, has taken offices in the same building, to be associated with the law firm of Charles D. Hamill, former chairman of the board of tax appeals.

Everett Sanders, chairman of the Republican national committee, has an office in the Shoreham building, as also have Mrs. Mabel Walker Willebrandt and William J. Donovan, former assistant attorney-general under President Coolidge.

Nugent Dodds, retiring assistant attorney-general, and his assistant, Neil Burkinshaw, are opening law offices in the building.

Secretary Hurley and Joseph O. Cromwell of Oklahoma are owners of the building, which is expected to become the center of Republican activity in Washington after Mr. Roosevelt becomes President.

DEMOCRATS 'SURE' OF NEXT LEGISLATURE

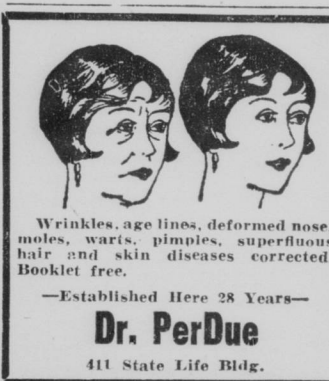
Only Republican Landslide Could Oust Party from Control.

Win, lose or draw in the 1934 elections, the Democrats appear to be reasonably sure of a majority in the 1935 assembly so far as the senate is concerned.

Out of twenty-five senators elected in 1932 for four-year terms, twenty-three are Democrats who will hold over for the 1935 assembly.

Only three of the twenty-five senators to be elected in 1934 need to be Democrats to give that party the necessary twenty-six votes required by the state constitution to pass proposed laws.

Considering the customary Democratic victories turned in by the voters in many southern Indiana counties, only a Republican landslide of unusual proportions could upset the political complexion of the upper house.



Dr. PerDue
411 State Life Bldg.

AUTO IS USED AS POWER TO PRINT PAPER

Electricity and Telephone Cut Off; Trouble Bunches on Huntington Man.

By United Press
HUNTINGTON, Ind., Feb. 7.—Adversity overtook C. W. H. Bangs, editor of the Huntington News, all at once.

He now is forced to publish his daily newspaper with a jacked-up automobile as his power source and without the convenience of a telephone.

Facing seven charges of criminal libel and slander on the first state bank of Huntington, he is under \$5,000 bond after spending an hour in jail a week ago.

With his telephone and electricity disconnected because the bills were overdue, Bangs connected the automobile with his press to run it. He bought oil burners to heat his linotype melting pot, and has a small electric generating plant to provide lights in his office.

Attacked Bank Policies

Besides that, his employees, claiming that their pay is long overdue, are causing him trouble.

A former college president and attorney and a specialist in international law study, Bangs has not given up. He took over editorship of the paper about a year ago, making his law practice his avocation.

Recently he began attacks on Huntington banks in his newspaper. Local residents said he owed the banks, they were pressing him for loans and he was retreating.

John R. Emly, president of the First State bank, brought charges against Bangs. Six of them alleged criminal libel and the seventh charged slander, asserting that Bangs had circulated verbally false rumors against the bank.

Former College President

That followed closing of another Huntington bank. Now the two remaining institutions, including the First State bank, are both closed temporarily in a business moratorium.

They will reopen if 80 per cent of the depositors of both banks sign a pledge not to withdraw more than a specified percentage of their deposits.

Bangs is a former president of Huntington college, a United Brethren supported institution here. Since then he practiced law. Daily he rode a bicycle, carrying his lunch, from his outlying home to his law office.

He studied international law in Paris for several years. He took a small son there with him once, and when the child returned here, after two years, he could speak no English.

To get a repairman or sell an electric stove... Times want ads will do the job.

SHOE SALE

ALL THIS WEEK

Over 32 Styles in dress pumps and sport oxfords.

\$1

Each Pair

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

COLDS GO THROUGH 3 STAGES!

And They are Far Easier Stopped in the First than in the Second or Third!

A cold ordinarily passes through three stages—the Dry Stage, the first 24 hours; the Watery Secretion Stage, from 1 to 3 days; and the Mucous Secretion Stage. Relief is twice as easy in the first stage.

For prompt relief, take a couple of Groves' Laxative Bromo Quinine immediately upon catching cold. This will usually expel the cold overnight and thus prevent the spread of the infection within your system.

Groves' Laxative Bromo Quinine is effective because it does the four things necessary. It opens the bowels. Kills the cold germs and fever in the system. Relieves the headache and grippy feeling. Tones the entire system and fortifies against further attack.

Groves' 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 grippy tablet of the world, the formula keeping pace with Modern Medicine. Groves' Laxative Bromo Quinine now comes in two sizes—30c and 50c. Get yourself a package today and be ready for any cold that may come along. Say "NO" to a substitute!

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

SPECIAL PAINLESS EXTRACTION 50¢

THE PEOPLES DENTISTS
38 1/2 W. WASH. ST.

Rush Jobs Make Us Smile

Hendren Printing Co.
Incorporated
470 Century Bldg. Rte. 553

Pair Large Size Blankets 69¢

Heavy plaid blankets in blue, gold, rose or green.

THE FAIR

311-325 WEST WASHINGTON ST.

RAYON SPORT Satin 22¢

Fine Lustrous rayon sport satin.

FEBRUARY CLEARANCE

WOMEN'S SMART FUR-TRIMMED Coats

\$15 and \$10 VALUES

Sizes 14 to 50 While They Last

Winter Coats at less than makers' cost.

Second Floor

NEW WASH Dresses

29¢

Reg. 50c Value

Sizes 16 to 46

Gay new colors, smart new styles, lovely prints. In sleeveless and short sleeve styles. All attractively trimmed.

Blue Corduroys BOYS' KNICKERS

Knit bottom blue corduroy knickers, full lined. Sizes 7 to 16 years.

77¢

Boys' Leatherette HELMETS

Boys' nice warm black leatherette helmets.—Main Floor.

5¢

Boys' All-Wool LUMBER JACKS

Boys' fine all wool plaid lumberjacks. Sizes 6 to 18 years.

69¢

BOYS' TIES

Very smart patterns in boys' four-in-hand or dandy bow ties.

10¢

Girls' \$1.00 Sweaters

Button or Slip-Over

49¢

Girls' dandy new button or slip-over style sweaters. In sizes 2 to 14 years.

Women's Smart New SPRING VEILS

Here they are, newest spring veils, in attractive colors.

10¢

25c Infants' Rubberized RAYON PANTS

Infants' first quality rubberized rayon pants. All sizes.

5¢

Girls' Rayon or Broadcloth 19c BLOOMERS

5¢ PAIR

Pair 2nd Floor

Girls' rayon and broadcloth pink or white bloomers. Sizes 6 to 14 years.

Women's Broadcloth PAJAMAS

One-piece styles in pretty patterns. Regular sizes.

39¢

Infants' White or Biege 15c HOSE

Infants' fine quality, white or beige hose, in all sizes.

5¢ Pair

Button or Fold Over 25c RUBENS VESTS

Infants' button or foldover rayon stripe vests, in all sizes.

15¢

15c Infants' Receiving BLANKETS, EACH

Infants' white receiving blankets, trimmed in pink or blue.

5¢

Infants' "Flannelette" 15c KIMONOS

Infants' nice warm flannelette kimonos.

6¢

Infants' "Flannelette" 15c GOWNS

Fine quality flannelette gowns.

6¢

HOPE MUSLIN

This is one of the best bleached muslins made. Per yard—

6¢

Girls' and Boys' Navy Chinchilla COATS AND BERETS

Good warm coats, well made. Ideal for school wear. Size 2 to 6 yrs.

\$1.39

Second Floor

Bleached PILLOW TUBING

Fine woven pillow tubing, with smooth finish. Per yard—

14¢

WHITE OUTING

Soft finish white outing. 27 inches wide. Per yd.

5¢

\$1.50 and \$1.95 Men's Fine Quality Pajamas

These men's pajamas are made of fine fabrics, but are slightly soiled.

59¢

Part Linen Bordered TOWELING

Nice soft part linen toweling, with colored borders.

5¢

Men's Suede Cloth ZIPPER JACKETS

Good quality suede cloth, with zipper front and knit bottoms.

\$1.29

Men's Four-in-Hand \$1.45 SILK TIES

The choice of any \$1.45 four-in-hand silk lined and hand tailored ties.

65¢

Mens' Fancy 25c HOSE

Brand new fancy hose with reinforced heels and toes.

12 1/2¢

Tu-Way Stretch ELASTIC GIRDLES

Tu-way stretch back, rayon figured cloth, bonded front, semi step-in style, all sizes.

97¢

Women's Cup Model BANDEAUX

Flesh-Cup model, assortment. All sizes.

19¢

Smart New Spring HANDBAGS

Smart styles, black or brown. All beautifully lined.

88¢

3 (5c) Bars Health SOAP 10c 2 (7c) Bars Lifebuoy Soap 10c 3 (5c) Bars Olive-Glo Soap 10c

A Special Sale Women's Novelty SHOES

Sizes 4 to 9, width A to D, Cuban and Spike Heels.

94¢ and \$1.39

An opportunity to buy good shoes at greatly reduced prices. A real value for quick clearance.

Rayon Undies

- Panties
- Step-ins

14¢

Beautiful "non-run" rayon undies, step-ins. In regular sizes.

Women's Knit Slips Built-Up Shoulder

Women's built-up shoulder style. Knit slips in wanted colors.

39¢

WOMEN'S SMART Spring Gloves

Smart slip-on style, applied or plain, in all sizes.

29¢

Silk SCARFS \$1.00 Values

New colorful silk scarfs that sell regularly for \$1.00.

29¢

Now! Rayon FRENCH CREPE UNDIES

- Chemise
- Panties
- Dancettes
- Step-ins

39¢

Trimmed in imported lace. Regular sizes.

Women's First Quality Chardonease Hose

First quality service weight hose. All sizes.

19¢

Women's Slips

Women's slips, made of good quality materials. In wanted sizes. Regular sizes.

19¢

Women's Full-Fashioned Silk Hose

- Chiffon Weight
- Service Weight

44¢

Silk hose, reinforced at seating points with fish. Wanted colors.

Women's Bloomers Reg. & Stout

Fine quality broadcloth or rayon bloomers. Regular and stout sizes.

19¢

Women's Flannelette GOWNS—PAJAMAS

Full cut, one-piece striped pajamas. Also GOWNS.

39¢

81x105 Beautiful RAYON BEDSPREAD

Pretty rayon broadcloth bedspreads, all colors.

77¢

59c Felt HOUSE SLIPPERS

With heels and leather soles, all wanted colors, 3 to 8.

29¢

Men's Worst Pattern WORK PANTS

Fine dark worsted patterns and well tailored.

48¢

BED PILLOWS

Covered with good quality ticking and filled with nice feathers.

39¢

PENNIES

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