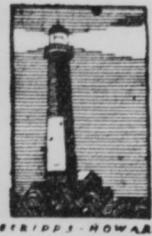


The Indianapolis Times

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ROY W. HOWARD President
TALCOTT POWELL Editor
EARL D. BAKER Business Manager
Phone—Riley 8551



Give Light and the People Will Find Their Own Way

THURSDAY, JUNE 1, 1933.

BE RIGHT — VOTE FOR REPEAL

NEXT Tuesday Indiana will speak its mind on repeal of the eighteenth amendment. There is little doubt of how the citizens actually feel about prohibition. They demonstrated disgust with it pretty thoroughly last November.

But convictions are worthless unless they are acted upon. The voters must go to the polls and vote. Otherwise a small minority of zealous drys may throw the state into the dry column.

Never have the people faced a more important issue. President Roosevelt needs \$220,000 extra a year for the next two years if he is to meet the tremendous problem of unemployment.

To raise this money, he will have to increase the gasoline tax by three-quarters of a cent a gallon and income taxes must be jumped by 2 to 4 per cent. These additional taxes would add almost intolerably to an already crushing load on the man of moderate means.

There is an alternative and the President has pointed it out. That is the legislation and taxation of liquor. Every one but the most ignorant and bigoted know that prohibition has failed to prohibit. Well-informed drys, while admitting the truth of this, plead for another chance:

“Three years is long enough for an experiment, no matter how ‘noble in purpose.’ The nation no longer can afford to spend millions of dollars a year to enforce a law which has become an idle gesture. Nor can it any more tolerate the flouting of its laws by millionaire racketeers, whose henchmen patrol the streets of the principal cities with machine gun and bomb.

The issue on Tuesday is clear-cut. Shall liquor profits continue to go to the bootleggers? Or shall they go to the relief of wage earners and to the feeding of the millions of worthy unemployed and their families?

Indiana common sense already has decided. Make sure that the decision is put into force at the polls.

WHAT DID MR. MORGAN GET?

MR. WOODIN and the 299 other favorites appearing on the third Morgan cut-rate stock list received in 1929 a gift of \$7,000,000. That is they could have sold their stock at once for that much profit. And this was only one of many such Morgan benefactions.

The House of Morgan, which latterly has posed as too poor to pay income taxes, was rich enough to throw away money by the millions. But did it throw the money away?

If a man stood on a street corner and handed out \$700, the police would take him to the observation ward. No one has suggested that Mr. Morgan is insane—and yet he handed out 10,000 times \$700 in just one deal.

Mr. Morgan's sanity is not questioned, because every one assumes he had a good reason—well, at least, a reason—for giving money away. The word used by Mr. Raskob, one of the beneficiaries in his letter of thanks, was “reciprocate.” Mr. Morgan stood a good chance to get something in return.

And if he got something in exchange, the transaction was not charity, but a business deal; he had bought something.

What could Mr. Morgan expect to get in return? Apparently the answer varied. If there was to be any reciprocity, he must have expected one kind of return from bank presidents, such as Mr. Mitchell of National City and Mr. Wiggin of Chase National, and another kind of debtors like Chairman Raskob of the Democratic national committee and Hilles and Boroback, Republican national committee; one kind from Mr. Woodin, at that time head of a corporation, and yet another kind from Mr. Rickard, the reputed representative of Herbert Hoover.

If the senate committee can not get the answers from Mr. Morgan, it should ask some of those who took what Mr. Morgan had to give or to trade. The committee might begin with Mr. Woodin.

VISION OF A NEW ERA

IT would take a series of uncommon ability to tell just where we are going to be when the present time of trial is over; but now and then even the least prophetic of men must feel a thrill of excitement at the enormous possibilities inherent in the situation.

In our fight to get out of the depression, start the wheels moving and put men back to work, there is more than a chance that we shall take a longer stride along the road toward genuine freedom and happiness than would have seemed possible half a decade ago.

Frances Perkins, secretary of labor, touched on this in a speech before the girls' work section of the New York Welfare council not long ago.

“As we go about building up the purchasing power of the American people in the next year,” she said, “we may find that we have built up a new kind of civilization. We recognize that our mass production system can not go on unless we consciously build up the purchasing power of the people who work in this country, and we are recognizing that out of the building up of this purchasing power—by artificial or other means—may come a blessing beyond anything we in our generation have ever dared to dream of.”

Words are often deceptive things. That little expression, “building up purchasing power,” for instance, we say it glibly, and we think of manufacturers' ledgers and busy salesrooms as we say it, but back of it there are human values which are simply dazzling to contemplate.

Suppose, for instance, that we succeed in building up this purchasing power, by one means and another, for one of those large

'And So Takes Men Unawares'

AN EDITORIAL

DEMOCRACY has no more persistent or insidious foe than the money power, to which it may say, as Dante said when he reached in his journey through Hell the dwelling of the God of Riches, “Here we found Wealth, the great enemy.” That enemy is formidable because he works secretly, by persuasion or deceit, rather than by force, and so makes men unawares

The truth seems to be that democracy has only one marked advantage over other governments in defending itself against the submarine warfare which wealth can wage, viz: Publicity and the force of Public Opinion So long as the press is free to call attention to alleged scandals and require explanations from persons suspected of an improper use of money or an improper submission to its influence, so long will the people be at least warned of the dangers that threaten them.

If they refuse to take the warning then they are already untrue to the duties freedom prescribes.

Thus wrote the late James (Viscount) Bryce in his “Modern Democracies,” published twelve years ago. The present vigorous comments of large part of the American press and public upon revelations of how the great private banking house of J. P. Morgan & Co., by substantial money favors, created a sense of obligation in prominent and influential persons, seem to us fine proof that Lord Bryce was right in holding public opinion capable of discerning the meaning and menace of such practices.

Nor do we think a few inevitable crudities and exaggerations in the popular judgment detract from its essential soundness. Failure of hasty thinkers to distinguish between what is unethical and what actually is illegal in no wise weakens the force and fairness of general public feeling that the House of Morgan was making wrong use of the power of wealth, and that those who accepted its favors were accepting a reciprocal obligation only too likely to influence their private attitude toward public disclosure, its legitimacy, its timeliness, and its plain ethical meaning.

Criticism of Attorney Pecora, complaints that privacy is violated, quibbles over whether certain Morgan beneficiaries ever actually realized their profits; whether they felt no obligation or, like Mr. Raskob, were frankly eager to “reciprocate”; whether Mr. Woodin could have had the slightest idea he might some day be secretary of the treasury—all seem to us puny and beside the point compared with the larger disclosure, its legitimacy, its timeliness, and its plain ethical meaning.

WEALTH never is more arrogant than in asserting its rights and the purity of its motives when it is safely within the law. The House of Morgan was committing no statutory crime when it sent out those “we are thinking of you” letters, with what amounted to offers to put substantial sums of money into the pockets of its chosen friends.

It committed no crime in shrewdly selecting these friends among outstanding Americans, Democrats as well as Republicans, whose good will would be worth having, in or out of public office, when the people and their representatives might be considering measures affecting power, public utilities, railroads, etc., in which the House of Morgan has vast direct or indirect interests.

A policy of covering up in silence can not raise that tone. Public opinion can not thrive, can not continue healthy and effective on a theory that “what it does not know will not hurt it.”

Wealth and its worshippers would like to keep this theory still in force for the sake of the privileges and the percolative kind of wealth-distribution that go with it.

But the theory is doomed to crash. The Morgan testimony has hastened the crash. The country, the tone of its business, finance and government, the whole capitalistic structure will be better, safer, and more stable when this long-standing notion of wealth's high prerogatives and immunities has finally gone into the discard.

We have suffered too long and too much from the smooth, resourceful power that masks its purposes and “takes men unawares.”

blighted areas in the nation—those areas where people struggle along through year after year of hopeless poverty, existing rather than living, lacking all luxuries and many necessities. What do we do?

We enable these people to house, clothe and feed themselves properly. We enable them to give their children a chance at the good things of life; a chance at health, happiness, leisure, ambition, contentment.

We let them lift themselves up to a new level. We replace misery and despair with joy and hope.

It is chances like that which are opening up in our fight with the depression. Winning the fight means more than simply setting the factory chimneys smoking again.

According to the ambassador, this government will join a “consultative pact” under certain conditions.

To put it a little plainer, this government will agree to talk things over, if, when and as a European war occurs and will do nothing to balk the efforts of other governments to maintain peace, provided that they can agree on who started it and that the United States finds their verdict acceptable.

That does not sound very specific or very binding, especially in the light of Secretary Hull's declaration that our “traditional policy” remains unchanged.

MANY observers have accepted Ambassador Davis' statement as quite revolutionary and as presaging a new era in the foreign relations of this government.

Maybe they are right, but an unemotional reading of his words and phrases, particularly those of a qualifying character, reveals a woe-lack of teeth.

The proposition is made, if such it can be called, as so hedged about with ifs, buts and provides as to leave any number of loopholes. No doubt European statesmen will catch on after the first mild wave of enthusiasm has spent itself, and no doubt some of our alarmists will get over the present attack of the jitters at about the same time.

True to custom, we are playing with words, rather than ideas. “Isolation,” for instance, has come to assume a meaning, not only here but abroad, which hardly squares with history. In the sense that the United States has been less imperialistic than some other nations, her attitude might fairly be described as isolated or aloof, but the late President Harding drew on fancy rather than historical facts when he advocated return to “splendid isolation.”

E. F. Scattergood, manager of the Los Angeles municipal hydro-electric system.

Frank P. Walsh, head of the New York Power Authority.

David E. Lilenthal, public utility commissioner of Wisconsin—one of the few who really regulate.

Only such men can break the back of utility domination in the south.

That none of the men being considered is a southern man is not surprising, for public ownership and public regulation have not proceeded far in the south. That they are not southern men is no disadvantage to the people of the south, for it means that they will be free of any local entanglements or pressure of the local utility interests which would prevent them from giving the best service to people of the south.

Some men never will be satisfied that the government's “New Deal” really has arrived until the local postoffice begins using a grade of ink that won't clog up their fountain pens.

Sun's heat will be less intense during the next two years, report Smithsonian scientists. Probably the effects of our frozen assets are being felt there now.

and which wealth thinks it can rightfully wage because of its social predominance and prestige.

Power, great wealth and high respectability confer privileges which plain folks should not question—there is the unspoken Morgan thesis, in all its simplicity and menace.

THAT Mr. Morgan and his partners, with their houses, yachts, and large personal incomes, nevertheless legally could make their capital losses wipe out their federal income taxes, called public attention to one of the gross injustices of the federal income tax law. The law, not Mr. Morgan, was to blame.

But don't forget that many laws are drafted and passed under heavy secret pressure and suggestion from wealth—pressure often developed by practices of concealed “benevolence” closely akin to the Morgan happy thoughts for the benefit and profit of selected friends.

Unless the facts concerning Mr. Morgan's income tax had been disclosed, congress would not have moved to correct at least one glaring inequality of the federal income tax law.

Unless the even more significant facts of the Morgan “plum” distribution among a favored few had been brought to light, the American people might have been deprived, at a crucial time of economic readjustment, of evidence profoundly important to the establishment of safer standards and responsibilities among those who control huge portions of the nation's privately owned wealth, and who exert immense influence in national and international finance.

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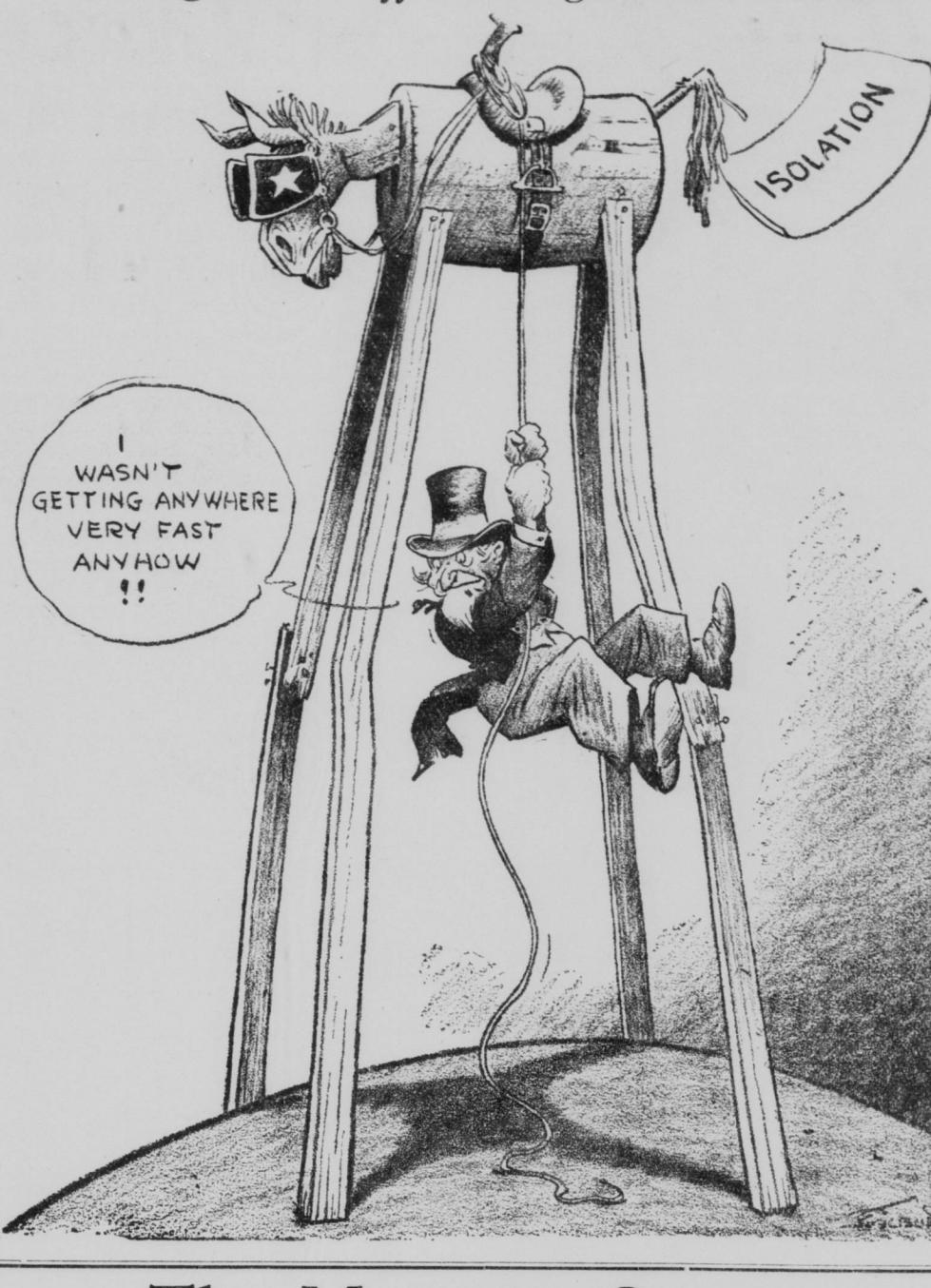
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Coming Down Off His High Horse at Last!



:: The Message Center ::

Give Us Service

By One who Waited.

IT is amazing how little consideration bus patrons of the Memorial days give on holidays, with slavering example. On a street traversed by three bus lines, I waited exactly forty-eight minutes for a bus Tuesday morning.

I realize that holiday schedules are different from those of workdays, but every one is not home resting on a holiday. Many of us have to get to work, and the boss needs no excuse, such as “The buses weren't running.”

How about a little consideration for the one who goes to work on a holiday?

revenues for this period, \$548,433,260. The difference is about 24 million dollars a year in favor of the eighteenth amendment. Has your business shown a profit of \$2,000,000