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ROY W. HOWARD
 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 drays may throw the state into the dry column.

Never have the people faced a more important issue. President Roosevelt needs \$220,000,000 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 bumped 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 drays, while admitting the truth of this, plead for another chance.

Thirteen 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 290 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 little 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 Roroback, Republican national committeemen; 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 seer 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 takes 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 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 a 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 policies, or even, should they ever take public office, their official acts.

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.

Yet millions of humble citizens who pay for electricity and transportation are dependent upon the strict justice of regulatory legislation and rate-making.

There was no crude crime against law. But there was the far deeper, more dangerous offense of what Lord Bryce well calls "the submarine warfare which wealth can wage"—

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. It can mean, as Miss Perkins says, building a new kind of civilization.

MUST KNOW HOW TO FIGHT

THE success of the Tennessee Valley plan depends on the personnel of the Tennessee Valley Authority.

President Roosevelt has shown, in his appointment of Arthur F. Morgan, as chairman, that he recognizes the need of men of large accomplishment at the head of this great project.

Morgan, both as an engineer and as educator, is well-founded in the social and economic possibilities of the valley program, especially as relating to flood-control, reclamation, and social development.

To give the Authority the necessary balance, the other two men must have an intimate familiarity, first, with hydro-electric projects and, second, with current practices and policies of privately owned utilities and how they can be controlled.

Only men with a record in the field of public operation or regulation should be considered.

Fortunately the three names most prominently mentioned for the last two posts are such men. They are:

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

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

David E. Lilienthal, 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 inequity 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.

Criticism of Attorney Peora, 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.

"PUBLIC opinion," declares Lord Bryce, "is even more important than law, since more flexible and able to reach cases not amenable to legal process."

"Opinion forms in public life that atmosphere which we call tone, and on whose purity the honor and worth of public life depend."

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."

M. E. Tracy Says:

TO the extent that our foreign policy lacks definiteness, Secretary Hull is quite right in asserting that it remains unchanged. Those proverbial "best minds," as well as men on the street, are unable to say whether we have abandoned "isolation." Most Europeans prefer to believe we have, but they obviously make a wish father to the thought.

What Ambassador Davis said at Geneva and what Secretary Hull said at Washington leaves the majority of people up in the air.

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 of lack of teeth.

The proposition he made, if such it can be called, is so hedged about with ifs, butts and provided 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."

ALL things considered, few great governments ever have meddled more consistently with outside affairs than our own. The fact that it has done so without the expectation of direct reward in many cases does not alter the habit implied.

Panama, Nicaragua, Haiti, Cuba, the Philippines, participation in the Boxer war, the capture of Vera Cruz, and other similar incidents bespeak anything but a policy of isolation.

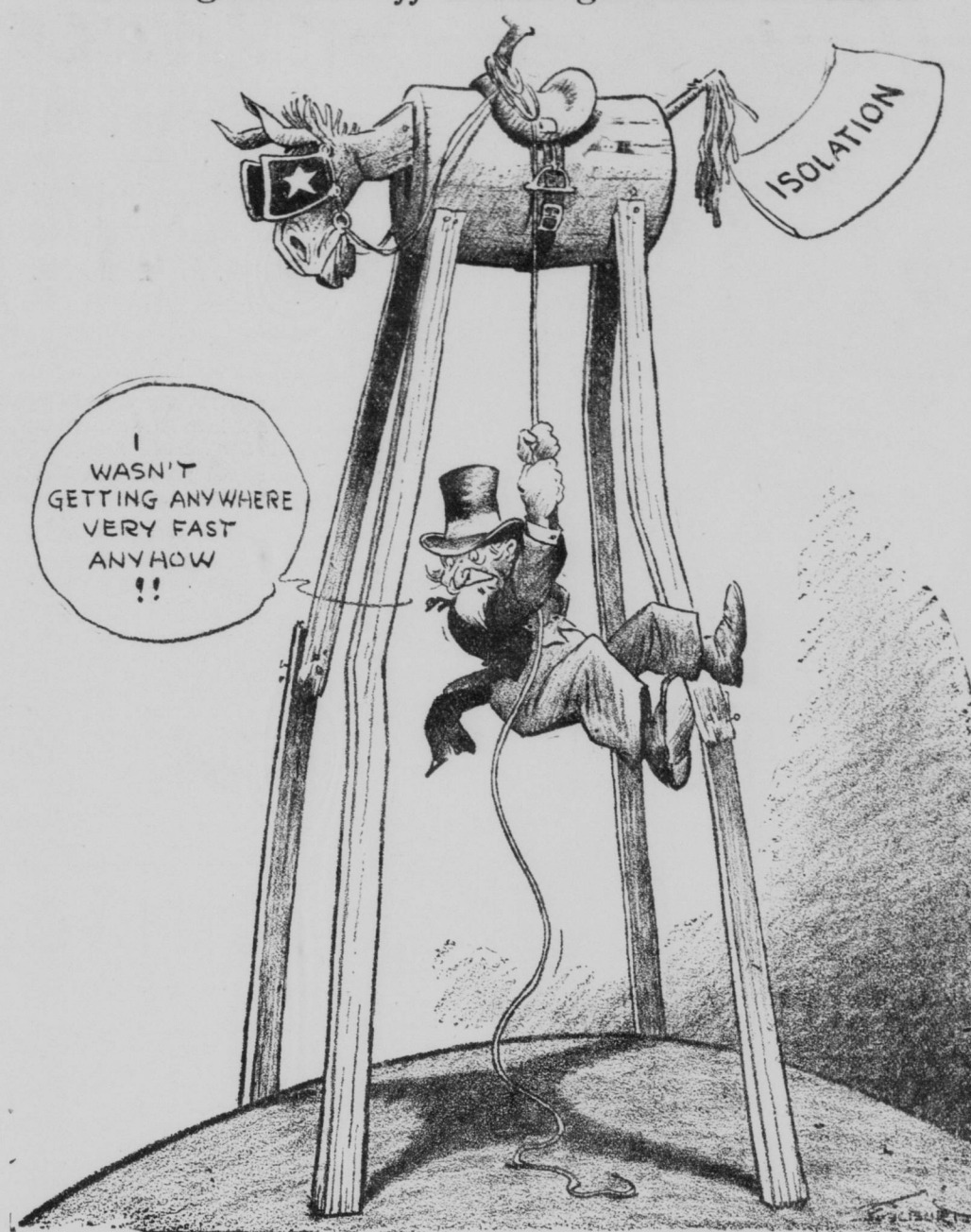
While our entrance into the European war represented meddling on a grander scale than ever, it was strictly in line with an attitude which we had built up toward trouble in the western hemisphere.

The Monroe Doctrine itself rests on the idea of arbitrary interference with policies and politics outside of our own domain. The one type of interference we have avoided is that which goes with international collusion, diplomatic intrigue and trumped-up alliances.

To uphold the honor of his department, a zealous police chief in Hutchinson, Kan., fined his own wife \$1 for overtime parking. But you can guess who paid it.

"The people of the country are not interested in patronage," admonishes Postmaster General Farley. Yes, but it so happens that most of the would-be postmasters live in the cities.

Coming Down Off His High Horse at Last!



: : The Message Center : :

(Times readers are invited to express their views in these columns. Make your letters short, so all can have a chance. Limit them to 250 words or less.)

By Fred Stalls.

Not all beliefs can be reduced to numbers, and often an inference is more powerful than open statement. But here are a few facts and figures gleaned from government bulletins, federal pamphlets, census reports, national publications, and other sources.

Much has been made of revenues to the state from alcoholic sources. You and I know we pay taxes, much of which goes to support our correctional and charitable institutions.

In 1910, for every million of our national population there were 5,217 prisoners, 1,859 of whom were for alcoholic causes. In 1923, prohibition times, these numbers had decreased to 3,251, of which 831 were for alcohol.

In the "good old days" alcohol was shown to be responsible for 25 per cent of the insane in our land, 40 per cent of the neglected children, 50 per cent of the convicts, and 80 per cent of the inmates of jails and workhouses.

No less an authority than Amos W. Woodcock, national director of prohibition, cites that enforcement has not been expensive to Uncle Sam. Total cost of enforcement 1920-1929 was \$284,156,124. Total collections from fines, penalties and

Questions and Answers

Q—Give the number of bones in the human body?

A—Two hundred and fourteen.

Q—What does "balance of trade" mean?

A—The difference between the money value of exports and imports, often said to be in favor of a nation when the value of its exports exceeds that of its imports and unfavorable vice versa.

Q—What was the highest price for which the tickets to the Army-Navy football game of Dec. 13, 1930, sold?

A—Fifty dollars.

Give Us Service

By One who Waited.

IT is amazing how little consideration bus patrons of the city are given on holidays, with Memorial days as an especially glaring 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 work-days, but every one is not home resting on a holiday. Many of us have to get to work, and the boss takes 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 a month?

Medical inspection in the schools of New York revealed that 53 per cent of the children of alcoholic parents were "dullards" as compared with 10 per cent of the children of abstainers. Dr. Taav Lapinen made an extensive study of children in one community. He found that children of drinking parents were six times as susceptible to disease as the children of abstainers.

The U. S. Census Bulletin for 1910 furnishes this information! Of each \$100 spent by the user, thirteen industries, such as automobiles, bread, and furniture, average \$19.75 paid to labor and \$55.21 passed on to the producer of the raw material. If this \$100 is spent for liquor, labor gets but \$7.63 and raw material draws only \$23.49.

Labor claims it will pay the farmer \$240,000,000 for his grain. From 1917 to 1929 the increase in the use of milk in the United States was 32%, from 755 pounds per person to 997 pounds. The increase alone at 3 cents a pint for a population of 100 million is worth \$750,000,000.

We have had eight depressions in the United States. 1837, 1857, 1873, 1884, 1893, 1907 were wet times. The one in 1920 and the present one came in prohibition times.

Indiana's present beer act places no limitation on the alcoholic con-

tent, requires no physician's prescription for hard liquor. These are left entirely to the eighteenth amendment and its attendant legislation. Under our present state laws, hard liquor can be sold next door to your home, your school, your church, day or night, Sundays and holidays, and you are powerless to prevent it.

Is it good business to legalize an industry that will increase our taxes more than it pays in revenue? When money is so scarce and business is so crippled, are we to invite in a competitor that will take the lion's share for his own? Shall we open wide the doors of our fair state to a traffic that always has defied the law, threatened our homes, broken the hearts of our women, and orphaned our children?

You would save the eighteenth amendment; vote against the proposed twenty-first. Put your X in the middle circle Tuesday, June 6.

So They Say

The cricket . . . is an intellectual little fellow with certain attainments of refinement and an indefatigable musician par excellence.—Judge Nicholas M. Pettie of Flushing, L. I., in deciding against tenant who complained crickets bothered him.

I've been through every depression since the one of 1873. They are all the same. Business always comes up quicker than it goes down.—Samuel M. Vaulchain, chairman of the board of Baldwin Locomotive Works.

If I had my way about national parks, I would create one without a road in it. I would have it impenetrable forever to automobiles, a place where man would not try to improve upon nature.—Secretary of Interior Harold L. Ickes.

The "New Deal" is one of the few campaign slogans in the history of American politics to outlive the first Tuesday after the first Monday in November of an election year.—Roy W. Howard, publisher.

under patent trade marks contain phenacetin or acetanilid, sometimes in considerable dosage. It is not well to experiment with acetanilid, because it may, in large dosage, have serious effects on the body, including particularly the blood and the heart.

Moreover, there is a tendency to form the habit of taking such preparations.

Other drugs much used to produce sleep are derivatives of barbituric acid, of which some of the best examples are veronal, trional and combinations of barbituric acids with other drugs.

The family medicine chest is better off without preparations of this character, as the possibilities for harm are sufficiently great to suggest that these preparations be used except with medical advice.

Next—Safe and unsafe home remedies.

: : A Woman's Viewpoint : :

BY MRS. WALTER FERGUSON

IN slushy stories the stenographer always gets her man. She has a devastating way with bosses. According to the best of the blah-blah authors, the life of the average city typist is one of palpitations and passion.

Her chief duty consists in beguiling the mind of the harassed business man from the sterner facts of life and of bringing romance into the office. A lovely illusion, as every girl who goes in for shorthand and typewriting soon will find out.

I've seen many a stenographer and private secretary in my day—and plenty of them were pretty—but I've yet to meet the one whose life was the pleasure jaunt that the pulp writers describe. Believe me,

they earn every dollar they get—and every husband.

It might be a bad idea for all suspicious wives to change places with the office workers once in a while. It grows wearisome at times to hear the married ladies bemoaning their hard lot. According to them, the existence of the business woman is a sort of glorified romantic lark from year's end to year's end.

They may change their tune, I imagine, if they had to keep up the lock-step routine and the tip-toe efficiency by which the girls get their three squares a day. And if, now and then, they manage to grab a husband who belongs to

somebody else, I wouldn't be the one to begrudge them even that. For you may be sure they merit the promotion.

The woman stenographer as she now exists is the last word in industrial efficiency—and much more. Not only is she compelled to be an expert in her line, but she must understand enough about business to qualify for a financier, and enough about human nature to set up as a philosopher in her own right. And no king's mistress ever understood better man's susceptibility to flattery.

Make no mistake about it, once you have been a really excellent business woman, you are capable of holding any job, domestic, executive, political or romantic.

It Seems to Me

BY HEYWOOD BROWN

NEW YORK, June 1.—Senator Carter Glass has been protesting that he can find no logical scheme animating the investigation into the affairs of the House of Morgan.

It seems to me that few congressional committees have faced an issue more clearly drawn. Moreover, Mr. Morgan himself did much to clarify and establish the battle lines when he read his statement on the "Code of the Private Banker."

In this statement Mr. Morgan said: "The private banker is a member of a profession which has been practiced since the middle ages."

"In the process of time there has grown up a code of professional ethics and customs, on the observance of which depend his reputation, his fortune and his usefulness to the community in which he works."

"Some private bankers, as indeed is the case in some of the other professions, are not as observant of this code as they should be; but in the exercise of his profession, the private banker discredits this code, which could never be expressed in legislation, but has a force far greater than any law, he will sacrifice his credit. This credit is his most valuable possession."

Here Is the Issue

NOW, I think that on this statement alone, even without the details of the working of the code as brought out by Mr. Pecora, an excellent case can be made for the necessity of abolition of private banking in a democracy.

From the Middle Ages down to the present day, the Guild of the Private Banker has accounted itself a separate entity within the governmental unit in which it functioned. Its force has been greater than any law.

To the private banker, the fact of Fascist dictatorship, monarchy or republic, has been of little moment. He still ruled by divine right and complete autocracy within his own kingdom.

Palpably, the contests between the major political parties in America never have been a matter of grave concern to the House of Morgan. The greatest private banker of them all could afford to look on these sham battles as amusing spectacles.

And any private banker well could afford to send out sandwiches and pop to the doughy warriors of both sides, and make small return for the entertainment which they had furnished him.

The Code of Morgan

THE point has been made that in spite of Mr. Pecora's findings the House of Morgan has lived up to its code. Arthur Krock, writing in the New York Times, observes quite truthfully, I think, "When all the evidence in the inquiry shall have been taken, it is the opinion of this observer that J. P. Morgan & Co. will, in some instances, shine by comparison with certain others during the bull market days."

That is "praising with faint damns," as Percy Hammond once said, but I am perfectly willing to admit that and large Mr. Morgan has lived up to the code. I mean the code of the private banker.

And that is where the rub comes in. Even if it were not possible to find a single deviation from this philosophy, founded in the Middle Ages, the House of Morgan still would be a mile away from being good enough to be allowed to live on.

I am quite ready to admit that J. P. Morgan is a courteous gentleman, and that in all probability he regards himself as a model of probity. And, from his point of view, he is. But America can not afford to be ruled merely because Mr. Morgan knows not what he does.

Guilt Not Personal

I THINK it is a mistake for the public to assume that the investigation has brought up, chiefly, facts of private rascality. Under that belief there might be a disposition to compromise and make certain restrictions and limitations. The truth of the matter is that the greatest anti-social fact is the code itself. The House of Morgan and all private banking institutions must be destroyed.

The confidence of Mr. Morgan never troubled him during the years in which he paid no income tax. He was within his legal rights, and it seemed the most natural thing in the world. Why should he pay tribute to the welfare of a neighboring state?

The phrase, "usefulness to the community," in the creed of the private banker, as recited by Mr. Morgan, most certainly does not mean usefulness to Tom, Dick and Harry. Mr. Morgan means usefulness to the great loyal subjects—the people on the preferred lists.

They were good fellows and friends, every one of them, and if some happened to be judges or cabinet members or political leaders,