

U. S. HOLDERS OF GOLD BONDS DEMAND \$1.69

Decision of Supreme Court
May Affect Almost Every
Citizen.

This is the second of a series of
three dispatches to simplify the issues
involved in the gold clause cases argued
before the Supreme Court last week.
The cases, though highly complicated,
have an important bearing on the
Government's monetary policy and on debt-
ors and creditors everywhere.

BY JOHN A. REICHMANN

United Press Staff Correspondent

WASHINGTON, Jan. 15.—The decision of the Supreme Court in the five gold clause cases now under advisement may affect any one who owes a dollar, or who has a dollar coming to him in payment.

Therefore the issue becomes one not only between the gold bond holders, and gold bond debtors but between all debtors and all creditors. A third interested party is the Administration which, through its monetary policy, has sought to lighten the burden of debt.

Three suits entered by the court are brought against two railroad companies by gold bond holders who claim they are entitled to \$1.69 of currency for every dollar on the face of the bond. Another suit demands the Government meet Liberty bonds on the same basis and another that gold certificates be so honored.

The figure is arrived at on the basis of the present gold content of the dollar, 15.52 grains.

Gold Favored Medium

Gold, according to economists, became the favored medium of currency because of the fact that the available supply was permanent enough to prevent its value from fluctuating, because it is not subject to corrosion, and because a large monetary value of it can be stored in small space and easily transferred from point to point.

Until the later part of last century, they say, there was not enough to serve this purpose. Large findings in the Klondike and in South Africa remedied this weakness and it tended to become the single standard for the measurement of currencies.

Its stable value made it desirable for long-term lenders because of the certainty that, if they were repaid in gold, they would get back the full value of their debt.

When the Government inaugurated its monetary policy it declared that the \$100,000,000,000 of the bonds was a menace. They were outlawed.

Relied on Constitution

Then by devaluing the dollar it was thought to lighten the burden of those owing debts without seriously hurting the creditors. It also served to start what was considered the most easily controlled method of inflation or, as some prefer to call it, "just compensation."

Some gold bond holders, however, many of whom bought gold bonds during the threat of inflation, did so because they felt in that way they were insuring themselves against such an event. They did not take kindly to devaluation if it changed the letter of their contract.

They relied on a constitutional provision that the Government shall not take private property without just compensation. "Just compensation," they say, is ounce for ounce of the gold their contract calls for.

The Constitution, though, also says that Congress may regulate the value of the currency. It was under this clause that the gold clause bonds were outlawed and made payable in any legal tender.

This conflict, the power of Con-

HEADS HOUD CO. FIGHT



WILL ROGERS IS ROPE AT LAST BY JR. LEAGUE

Noted Comedian Heads East
for Charity Show in
City Friday.

Will Rogers, the "sage of Oklahoma," is more adept at eluding the lasso than one of his quick-footed Oklahoma steers, but he flies eastward toward this city today, the figurative noose of the Indianapolis Junior League drawn neatly around his neck.

The Junior League started three weeks ago twirling a telegraphic and telephonic lariat over a 200-mile area. Wherever Mr. Rogers landed—that was where Mr. Rogers wasn't.

The ex-cowboy, who keeps the populace away from home seeing his movies through the week and at home Sunday listening to his radio comments, doesn't look like Greta Garbo and he wasn't trying to act

like her. It just happened that too many people want him at one time.

But, if Mr. Rogers didn't know it before, he knows now that there is no escape from an organization that puts on rodeos and horse shows and such things year after year. The Junior League knows it ropes. It called out Gov. Paul V. McNutt, who, like Mr. Rogers, was a Democrat back in the days when it was funny to be a Democrat.

It also called out Will Hays, a Republican who got into the movie business before the Democrats, including those in Mr. Hays' own Hoosier state, demonstrated that they couldn't be laughed off forever. Booth Tarkington, who is also something of a humorist, was sent into action too.

The Junior League backed up this team of go-getters with a few reserve experts, such as Dr. William Lowe Bryan, Indiana University president; Hugh McLand, president of the James Whitcomb Riley Memorial Association; Mrs. Kim Hubbard, widow of the late humorist; Edwin R. Hisey, Rotary Club president, and Frank V. Hawkins, Kiwanis Club president.

As a pinch hitter, Jess Andrews, Indiana's well known producer of polo ponies, was put into the play. Mr. Andrews has cavaleted on the polo field with Mr. Rogers on va-

PURDUE RURAL EXPERT CHEERS STATE FARMERS

1935 Outlook Is Excellent,
Prof. Robertson Tells
Conference.

By United Press

LAFAYETTE, Ind., Jan. 15.—Farm prospects in Indiana during 1935 are the most favorable in many years, visitors at the annual Indiana Agricultural Conference were told here last night by Prof. Lynn Robertson of the Purdue University Farm Management Department.

"In general, Indiana farmers have prospects of selling a fairly large supply of products at prices which are likely to be higher in comparison to the prices of items for which farmers spend money," Mr. Robertson said.

Highlight of the opening program of the four-day conference

was crowning of the state's 1934 corn king and princess.

Peter J. Lux, Shelbyville, international corn king, was crowned by Dr. E. C. Elliott, Purdue president.

Stanley Meal, Manila, international junior corn king, and Harold Pankop, Decatur, winner of the state Five-Acre Corn Club championship, were crowned as princes.

Approximately 2000 Hoosier agriculturists and farm wives were registered.

Judging in the state corn and small grains show and some livestock divisions was started today.

DISABLED VETERANS TO ASK CONVENTION AID

Seek Same Status as Legion, Bill
to Be Offered.

The Disabled War Veterans of America will attempt to get a bill introduced in this session of the General Assembly which will provide that the state defray a portion of their annual convention expenses.

Gone, but Not Forgotten

Automobiles reported to police as stolen
belong to:

L. Shilling, 1817 N. Jefferson-
St., Ford sedan, 29-748, from garage in rear
of home.

Florence Geisler, 2267 N. Dearborn-
St., Ford 8 coach, 100-377 (38), from 109 E.
Ninth-st.

BACK HOME AGAIN

Stolen automobiles recovered by police
belong to:

C. Cain, 1168 Kentucky-av., Ford coach
found at 612 E. Georgia-st.

C. M. Kessling, 3830 N. Pennsylvania-
St., Ford coupe, found in front of 3478 Birch-
wood-av.

R. Wondard, 5104 N. Meridian-
St., Ford 8, found in front of 1000
Plymouth coach, found in front of 1000
N. Pennsylvania-av.

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NON-PROFIT ACT CHANGE URGED

Law Regulating No-Earnings
Corporations Will Be
Given Assembly.

An act regulating non-profit corporations will be introduced in the General Assembly within the next ten days, Joseph O. Hoffman, department Secretary of State, announced today.

Mr. Hoffman pointed out that the need for this new act was very evident, since the present non-profit corporation act, adopted in 1889, is so loose and broad that it has been used as a medium for racketeering and blackmailing by "wild cat" promoters.

"The proposed act," he said, "will make all non-profit corporations file extensive reports in the Department of State office, so that this department or any other state administrative office can ascertain the source of revenue of these corporations, and can find out if they are really operating on a non-profit basis."

He pointed out that this proposed measure will cover the sale of assets of these companies and will

gress to regulate currency, against the prohibition that forbade it to take property for public use without just compensation, is the conflict which must be decided by the court.

This leads to the question of "what is just compensation?"

The bondholders say it is \$1.69 of currency or 25.8 grains of gold nineteen-tenths fine. Others contend that it may be any figure, noting that remote factors may enter into this question.

For a buyer of gold bonds in 1929 who paid for them in paper dollars will be receiving more, on the basis of present prices of what he buys, if he receives just their face value in currency.

These are the questions, the answers to which will not be known until the court hands down its decision.

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Overtaxed by
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smoking
VICKS
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COUGH DROP

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SALE! Spring Dresses

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Sizes for Women, Misses, Juniors!
14 to 20—38 to 52—16½ to 24½—11 to 19!



These Colors:

Grey
Beige
Pink
Grey and Brown
Grey and Blue
Peacock Blue
Black
Black and White

Navy With White
Prints in Every Color
Reds
Greens
Browns
Pastels
Dark Blue
Light Blue
Two-tones



These Styles:

Tunics
Jackets
Lingerie
Trims
Taffeta
Trims
Velvet
Trims
Novelty Buckles
High Necklines

These Materials:

Plaids
Stripes
Crepes
Acetates
Rayons
Rough Crepes
Prints
Failles
Cantons
Cereal
Crepes
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—Downstairs at Ayres.



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