

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 debtors 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 entertained 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 5-21 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, however, changed this 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 decided that the \$100,000,000,000 of these 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, "reflation."

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 once for all 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 Congress to regulate the value of the 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 nine-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.

HEADS HOUE CO. FIGHT



In a New Deal test of vital importance, Ralph F. Peo, above, vice president and general manager, heads the fight of the Houde Engineering Co. of Buffalo, N. Y., in Buffalo Federal Court, against a charge of violating NRA section 7-A, in defying an order to deal with the United Automobile Workers' Federal Union.

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, deputy secretary of state, announced today.

Mr. Hoffman pointed out that the need for this new act was very evident, since the present not-for-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 no-profit basis."

He pointed out that this proposed measure will cover the sale of assets of these companies and will restrict their field of activities.

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HUSKY THROATS
Overtaxed by speaking, singing, smoking
VICKS MEDICATED COUGH DROP

WILL ROGERS IS ROPED AT LAST BY JR. LEAGUE

Noted Comedian Heads East for Charity Show in City Friday.

Will Rogers, the "sage of Oklahoma," is more adroit 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 2000-mile area. Wherever the lariat 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 McLendon, president of the James Whitcomb Riley Memorial Association; Mrs. Kin 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 cavorted on the polo field with Mr. Rogers on va-

rious occasions and knows his style of play.

Even this impressive lineup had trouble securing the rope around the humorist's familiar soft collar. He always had just left his home in Berkeley Hills or his office in Hollywood or he was "on location," a spot that puts movie stars — especially leading boxoffice stars—beyond the reach of man or beast.

When his pursuers finally caught up with him he admitted he was caught, but he wouldn't say when. He was flying east, he said, and would stop off. Last Saturday he set the date for Friday night of this week.

Thus, with their "catch" thoroughly bound, but not gagged, the Junior League obtained the Armory to put him on display and incidentally, to raise money to be applied on the budget for operating the occupational therapy department of the James Whitcomb Riley Hospital for Children. The performance will start at 8:15.

Relief Aid Promoted

Fred E. Crostreet, Governor's Unemployment Relief Commission field representative, was named today by Wayne Coy, Commission Director, as Marion County relief administrator.

Mr. Crostreet will be located in the offices of the Center Township trustee, 214 N. Senate-av.

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 prince.

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

Gone, but Not Forgotten

Automobiles reported to police as stolen belong to:
Wallace L. Shilling, 1317 N. Jefferson-av. Ford sedan, 22-745, from estate in year of home.
Florence Gelsler, 2267 N. Dearborn-st. Ford V-8 coach, 100-377 (35), from 100 E. Ninth-st.

BACK HOME AGAIN

Stolen automobiles recovered by police belong to:
C. Cain, 1128 Kentucky-av. Ford coach found at 612 E. Georgia-st.
M. M. Kessling, 3839 N. Pennsylvania-st. Ford coupe, found in front of 3476 Birchwood-av.
R. Woodard, 5104 N. Meridian-st. Ford sedan, found by sheriff.
J. C. Leslie, 1005 N. Pennsylvania-st. Plymouth coach, found in front of 1003 N. Pennsylvania-st.

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.

It's the Talk of the Town

OUR TOWNE DINNER

Complete with Beverage, Dessert at

50c

Served 5 'til 9 p. m.

SEVILLER TAVERN

7 N. Meridian

JANUARY SALES DOWNSTAIRS at AYRES

January's Most Important Dress Event Starts Tomorrow!
500 Spring Fashions—Superior in QUALITY and VALUE!
SALE! Spring Dresses

2 for \$9
(1 Dress, \$5)

No matter what other Sales you've known... tomorrow, we present a real value thrill for you! You won't believe your eyes when you see these dresses... they're the kind of dress values you look for, but seldom find! 500 gorgeous, new, higher-priced fashions! 500 smart, new dresses, right from the dressmakers' fingers! 500 "wear-almost-anywhere" styles! 500 dresses with the new style trends that will soon become the favorites of all smartly dressed women—yours tomorrow at a great saving on each dollar!

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



- These Colors:
- | | |
|-----------|-------------|
| Grey | Navy |
| Beige | Navy With |
| Pink | White |
| Grey and | Prints in |
| Brown | Every Color |
| Grey and | Reds |
| Blue | Greens |
| Peacock | Browns |
| Blue | Pastels |
| Black | Dark Blue |
| Black and | Light Blue |
| White | Two-tones |

- These Styles:
- | | |
|----------|-----------------|
| Tunics | Daytime |
| Jackets | Street |
| Lingerie | Afternoon |
| Trims | Business |
| Taffeta | Classroom |
| Trims | Office |
| Velvet | Novelty Buckles |
| Trims | High Necklines |

- These Materials:
- | | |
|--------------|---------|
| Plaids | Prints |
| Stripes | Failles |
| Crepes | Cantons |
| Acetates | Cereal |
| Rayons | Crepes |
| Rough Crepes | Sheers |

—Downstairs at Ayres.

NATURALLY SKINNY FOLKS!
EASY NOW TO PUT ON 5 LBS. IN 1 WEEK!

1. I WISH I COULD GAIN A FEW POUNDS... BUT NOTHING SEEMS TO DO ANY GOOD

2. WHY DON'T YOU DO WHAT I'VE DONE? TAKE KELPAMALT

3. ONE WEEK LATER LOOK JANE! I GAINED 5 LBS. IN 1 WEEK ON KELPAMALT

4. THAT'S NOTHING! WAIT TILL YOU'VE TAKEN KELPAMALT A FEW WEEKS... LOOK WHAT IT DID TO ME!

Natural Minerals and IODINE—That's the Newest, Quickest Way for Skinny Folks to Add Weight!

Gains of 15 to 20 lbs. in few short weeks are reported regularly with Kelpamalt the new mineral concentrate from the sea which gets right down to the cause of the thin, underweight conditions and adds weight 4 ways in 1.

First, its natural minerals help produce digestive juices that alone enable you to digest the food and start the weight-making elements in food.

Second, Kelpamalt's NATURAL IODINE regulates the internal gland which controls metabolism—the process of converting digested food into firm flesh, new strength and energy. 3 tablets contain more iron and copper than 1 lb. of spinach or 7½ lbs. of fresh tomatoes; more calcium than 6 eggs; more phosphorus than 1½ lbs. carrots; more NATURAL IODINE than 1000 lbs. of beef.

Try Kelpamalt for a week. You'll be delighted with results. It costs but little at all Hook's Dependable Drug Stores.

Extra! EASY TERMS!
Buy Your "PHILCO" Radio Now!

\$1 DOWN

Places the Powerful World-Wide PHILCO In Your Home

Tune-in the world with this stunningly wonderful m o d e l ! Superb tone and spectacular performance! 37-40 shown \$39.95, \$1 Down.

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18 N. ILLINOIS ST. CLAYPOOL HOTEL BLDG.