

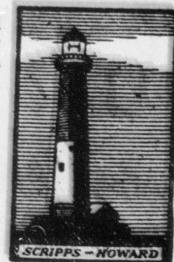
The Indianapolis Times

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Give Light and the People Will Find Their Own Way

MONDAY, OCT. 11, 1937

NO BLOOD FROM A TURNIP

OUR Government wants to cut down its huge work-relief expenditures. It wants to balance its budget, reduce the public debt, stop mortgaging the future, make this country once more a going concern.

Over and over again to the people of the Pacific Northwest, who have benefited so greatly from New Deal expenditures, President Roosevelt stressed these objectives.

Since our country operates under a capitalist system, the amount which the Government has to spend, and the amount it collects, depend essentially upon the same thing—upon the condition of business. It is to private industry that the Government must look to provide jobs for the unemployed. And also it is from private industry that the Government must get its revenue. The greater the volume of business the larger the Government's revenue.

All of which makes timely some observations by Morris Tremaine, Controller of the State of New York.

Mr. Tremaine traveled from New York to Washington to talk with Treasury officials about the proposed revision of the Federal tax system. He strongly urged that the Federal tax on capital gains and the Federal tax on undistributed corporate profits be repealed, or drastically revised. And the principal arguments he offered were revenue arguments—keeping in mind that revenue depends primarily on business prosperity and business volume.

HE blamed the capital gains and undistributed profits taxes for the recent break in the stock market, and for the absence of new business enterprises.

"People won't move their investments," he said, "because they won't pay the heavy taxes. They get pig-headed about it and you can't blame them."

"... The present taxes do not get the large corporations, which can fund their debts and carry on with capital obtained from the banks. They prevent the little fellow from developing a reserve sufficient to expand his business. He has to have a surplus to add to his plant and expand."

"... Ford started with about \$20,000 capital and built up his business from earnings. Practically all of the large corporations today were built up from earnings, yet the undistributed profits tax prohibits the small businessman from applying his earnings constructively. It is killing the intermediate businessman."

Is it too much to hope that Federal tax authorities will at least weigh the evidence and arguments so helpfully proffered by Mr. Tremaine?

DON'T SLAM THE DOOR!

SOME of the cooler heads of the American Federation of Labor are urging the Denver convention to postpone drastic action in ousting the suspended C. I. O. unions. And in Atlantic City this week the C. I. O. is having a rival convention.

For union labor's own sake it is to be hoped that the Federation will not slam the door in finality upon a possible future peace between these rival organizations. And with equal cause it is to be hoped that John L. Lewis' organization tempers its deliberations and public statements so that the Federation will not be encouraged to sever all relationships. If passion has been heated beyond all cooling, then we hope that the hostile organizations will seek to set up some intralabor arbitration machinery for settling their several jurisdictional disputes without resorting to strikes and boycotts.

Senator George L. Berry of Tennessee, president of the Pressmen's Union, was applauded in Denver when he opposed extension of a "gigantic administrative force that deals with the intimacies of the trade union movement and the business in which we are engaged." It might be well to warn both labor groups that when their rows cease to become "intimacies" and are conducted on the public highway the public will be forced to interfere.

BLEEDING THE CONSUMER

THE pocket-picking nuisance taxes are still with you. For instance, in August, according to figures just released by the Internal Revenue Bureau—

Your taxes on playing cards totaled \$264,790;
Your taxes on tires totaled \$2,195,788;
Your taxes on inner tubes totaled \$458,747;
Your taxes on chewing gum totaled \$109,937; and
Your taxes on sporting goods totaled \$500,310.

These are but part of the excise taxes that month after month dip into consumers' pockets.

There was a time, perhaps, when they were necessary. Most of them were substitutes for the proposed general manufacturers' excise tax—the sales tax—which, fortunately, was killed. But they've outlived their usefulness.

The next session of Congress should lose no time in repealing them.

And in their stead adequate income taxes should be imposed—imposed on persons in the middle income brackets where the real money actually is, and imposed by reducing exemptions to increase the number of income tax payers and by hiking rates.

Until this is done, we're fooling ourselves.

Until this is done, the Federal budget may never be in balance.

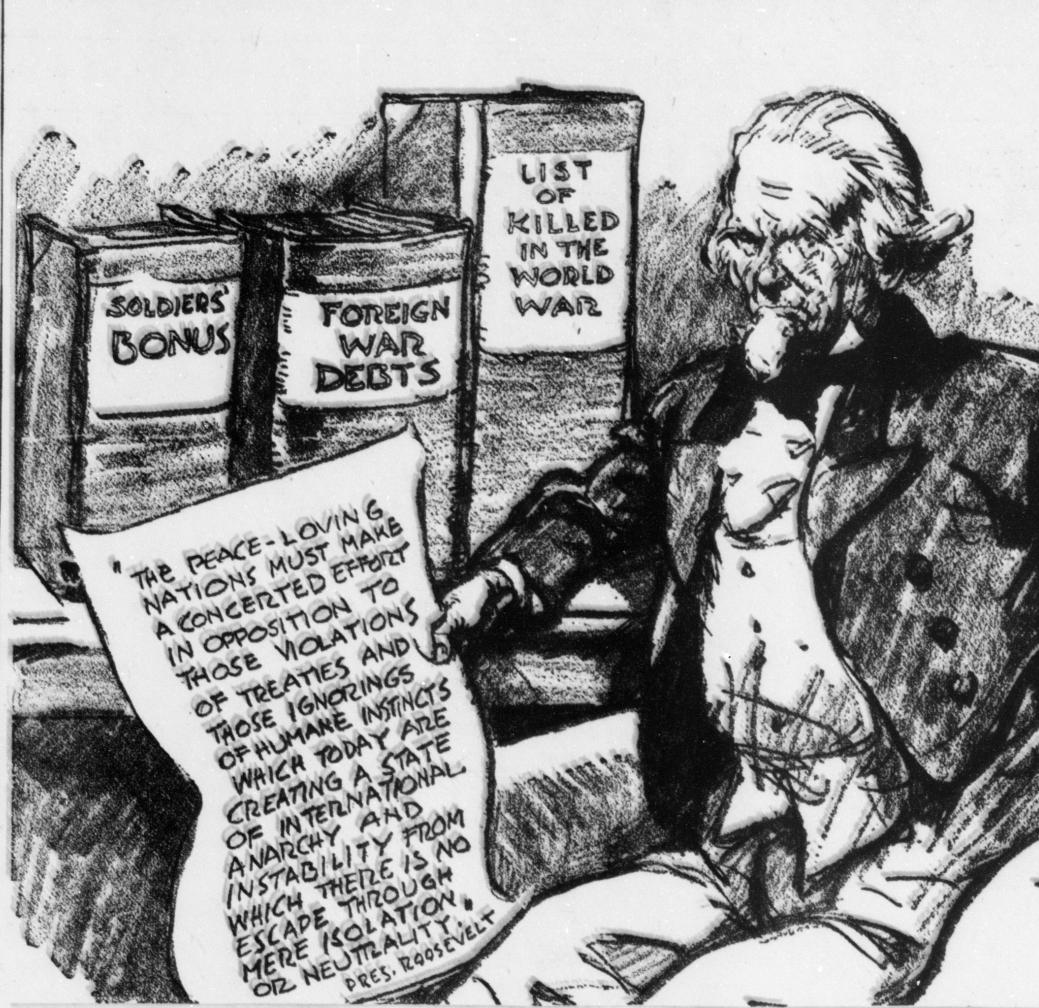
PULASKI DAY

ONE hundred and fifty-eight years ago today—one Oct. 11, 1779—Gen. Casimir Pulaski, Polish patriot and lover of liberty and democracy, died at Charleston, S. C., of wounds received in a cavalry charge as valiant as that at Balaclava.

So today is Pulaski Day. And rightly. For his was a real contribution to the American Revolution. But for him and others like him we should not now be celebrating the 150th anniversary of the Constitution for which the Revolution paved the way.

What this country doesn't need is a new crop of Gold Star Mothers.

"Fine, but I Still Remember 1917"—By Kirby



Fair Enough

By Westbrook Pegler

Columnist Takes Day Off to Look At Self, and What Does He Find? His Intelligence Store Has No End.



NEW YORK, Oct. 11.—Of all the fantastic fog-shapes that have arisen off the swamp of confusion since the big war, the most futile, and at the same time the most pretentious, is the deep-thinking, hair-trigger columnist or commentator who knows all the answers.

Being one of these myself, I have been trying to figure out how we came to be, and calculated how long the game will last. It takes gall to sit down to a typewriter at a certain hour every afternoon to confront a long mile of white paper and presume to tell the people what it is all about to the extent of from 500 to 1000 words.

Tell them what what is all about, says you? Oh, just anything and everything.

What is it that you would like to be told about by your favorite myriad-minded commentator? Economics, pig prevention, the Constitution, the law, politics, war, history, labor, the C. I. O. and the A. F. L.?

We include experts on the budget who couldn't balance an expense account, economic experts who can't find the 5:15 on a suburban timetable, labor experts who never did a lick of work in their lives.

WE are, in short, the berries of the Fourth Estate, so passionate and self-important these last few years that some of our number, not content with telling the world what and why so on paper, must even perform on public meetings.

Not only that, but these remarks are sometimes deemed to be of such priceless originality and wisdom as to justify reprinting in full next day, lest some immortal truth be gone with the wind when the cleaners air out the joint.

What causes us? Well, as nearly as I can figure it out, this trade began as a sort of journalistic vaudeville intended to entertain the customers and exert a little circulation pull of a slightly higher ton than the comics possessed. Actually, even now at our grimest, we aren't one, two, six with a real good strip in which some man is plotting to put out a little girl's eyes or throw a little boy into a blast furnace.

In the old days our trade was just olives, requiring a cultivated taste and, as the comics veered off into tragedy and we drifted into 'isms and causes, the salesmen on the road found, as they continue to find today, that it was much easier to peddle serious funnies than funny seriousness.

The comic artists still ride in the big cars and spend their winters shooting in the eighties down South, while we drive the light models—much easier to park, you know—and interview ourselves day after day on the state of the nation and the wrongs of a woeful world.

YOU might think that once in a great while we would run out of intelligence, and I often marvel at my own exhaustible fund of knowledge, but it just keeps bubbling up. Nowadays, numbers of our set even get into rather acrimonious clothesline spats, figuring, like the old-time fight promoters, that a grudge fight is good for the gate and the one sure way to drive a small competitor nuts, is to ignore him to, and those working that day won't get around to it.

Maybe I shouldn't be writing like this, revealing secrets of the trade and all, but I just got to thinking it over, and, honest, it's getting plum ridiculous.

The scheme is worse than useless. Its estimated cost of \$5,000,000 will come out of relief funds. Translate

URGES CHECK ON CARS, TRUCKS FOR LIGHTS
By A. E. M., Louisville

CARTOON IS APT, READER THINKS
By Mrs. Jessie TuckerSUGGESTS AID IN PRACTICE OF TOLERANCE
By C. H. WilkenSEES POLITICAL REACTION ON KLAN
By W. W.DEFENDS VIGILANTE AS PROBE LOOMS
By Edward F. MadoxWEARY
By ALICE SULLIVANDAILY THOUGHT
By Drew Pearson and Robert S. Allen

GOD'S thoughts. His will. His love. His judgments are all

General Hugh Johnson Says—

Let's Review This Country's Risks Before We Cut Japan's 'Jugular Vein'; World War Has Shown Nations' Ability 'To Do Without' Is Astonishing.

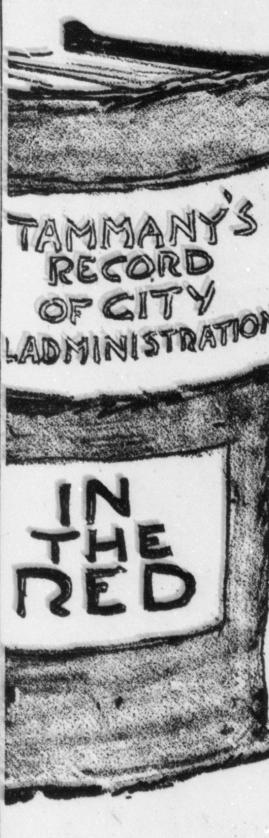
WASHINGTON, Oct. 11.—Before we risk too much on the idea that refusing to take Japanese silk and not sending her any more cotton and scrap iron will "cut her jugular vein," we had better think carefully. If that failed our next step would be either armed intervention or a blockade.

Japan is in the worst position of all the great powers as to strategic raw materials. Brooks Emery's study shows her producing of her needs in critical materials, iron and steel 58 per cent; petroleum, 17.2 per cent; cotton, 4.3 per cent; rubber, nothing; wool, nothing. But of her food she produces 100 per cent, chemicals, 91 per cent; sulphur, 100 per cent; coal, 100 per cent; iron ore, 65 per cent; copper, 92 per cent. Her real "jugular" is her supply of petroleum, rubber and perhaps of iron and steel.

FROM the moment we began to apply this strangulation, Japan, or at least the Japanese Government, will be fighting for its life. Will she not resort to the last ditch?

This is said only to make the point that a country suddenly made desperate and beleaguered has a counter-strategy against economic strangulation. The number and amount of things that a great nation uses

And He Wants to Be New York's Mayor—By Kirby



It Seems to Me

By Heywood Broun

After Roosevelt's Chicago Talk
Fascist Leaders Hurried to Put
On Shoes and They Seemed to Fit.

NEW YORK, Oct. 11.—In some of the European capitals President Roosevelt's Chicago speech was a boon to the bootmakers. Many of the Fascist leaders hurried around to put on shoes which seemed to fit. Ironically enough, the censorship of a controlled press which is established for concealment, may at times be even more revealing than complete candor. Some American critics of Franklin Roosevelt complained that he had been too vague in his remarks and had failed to identify the guilty nations which he had in mind. But his words were crystal clear to Hitler and Mussolini. German and Italian papers either did not print the speech at all, or give brief extracts. And the semi-official organs of the two dictators let loose in fierce condemnation of the President's statements.

And to what did they object? They objected that any criticism should be leveled against "lawless nations" and "aggressors." Indeed they put themselves on the spot of publicly pleading guilty to treaty-breaking and violation of international law. They undertook to set up fascism as a philosophy above the judgment of mankind. Proudly they declared themselves to be the deluge.

IN Paris, Madrid, London, Leningrad and in China the Roosevelt speech was printed in full and was hailed as a step toward leadership in the making of world peace. If by a concerted effort of the rest of the world a quarantine can be established it will be well to arrive at a general agreement as to the nature of the disease which is to be localized. It will serve very little to say, "We are all against the Japanese box, but that fever which Franco and his Moors have brought to Spain is something quite different. This is indeed a kind of warm and friendly therapy designed for the health and cure of an unhappy nation." That would be politically and medically unsound.

Put the germ of fascism, wherever found, under the microscope, and it will prove to be the same organism. It is that bug which wriggles its tail like a tadpole, and the microbe is equally deadly whether it comes from the East or the West or is found lurking here at home. Indeed the situation is not simply one in which it is possible to point a finger and say, "that man is the carrier," or "here is the nation guilty of spreading the infection."

WE are dealing with a plague which has become a pandemic. Many of us will be reluctant to abandon complete isolation. But such a policy could prove useful only if the disease were unknown within our borders. Unfortunately that is not true. Many in America have openly applauded the philosophy of Hitler, of Mussolini or their creature Franco. Some of those who help to spread the infection are undoubtedly ignorant of the fact that they are carriers. Probably the American tourist who spent a week in Berlin and returns to remark that "Hitler is certainly doing a great job," is quite unaware of the fact that he is adding his mite to the drive against democratic government. Fascism is insidious, and we must learn to recognize it even in its earliest stages.

Moreover, it can be blockaded by placing fleets at two strategic bases—Singapore and the Panama Canal. Virtually all ships to Japan—except those from war-torn China—must pass via those two fortified bases. Therefore it was proposed that the British and American fleets co-operate at these two bases.

Secretary of State Hull, who was in on these conversations, approved the general idea—provided, of course, that other nations particularly Great Britain, had equal initiative.

President Roosevelt was a little more skeptical. He felt that the American public was not prepared for such a step.

MEANWHILE, the British were being consulted. At first they argued that the United States should do all the policing in the Pacific. They said they could spare no ships from the Mediterranean and Baltic.

Later they considered sending two destroyers, two heavy cruisers and one or two battleships to Singapore. Just about this time, however, submarine "piracy" broke out in the Mediterranean, and still further talk of fleet shifts to Singapore was dropped like a hot potato.

Most of this took place before the war in China really got hot. Since then the Japanese have been bombing Chinese civilians on a wholesale basis, routing U. S. notes of protest.