

GOVERNMENT FEARS RISING PRICES

WASHINGTON. — Only insiders know it, but the government is preparing drastic price controls if the present upward trend continues.

They fear a runaway price situation which would hit the pocketbooks of the great mass of consumers. And the last thing the administration wants right now is a hot cost-of-living potato on its hands.

So far there have been marked price advances only in a few commodities—lumber, scrap iron, and other basic raw materials. But recently there have been tell-tale signs of a general upward movement, and some of those mysterious late-afternoon White House conferences have been over this problem. Three plans of attack are under consideration:

1. Use of the priorities control now vested in the office of production management, under the supervision of ex-U. S. Steel man Edward R. Stettinius Jr., to deprive price gougers of their supplies, thus forcing them either to go out of business or bring their prices into line.

2. Use of the "draft industry" law to compel price gouging concerns to sell to the government at a fixed figure; also to "freeze" prices in industries where quotations persist in getting out of line with what are considered fair levels.

3. Imposition of a price ceiling on all commodities and on every step in the industrial process from raw materials to retailer.

The last was the recommendation of Bernard Baruch, based on his experience as head of the 1917-18 war industries board. In private conferences with Roosevelt and defense chiefs, Baruch emphasized that the one big price lesson learned in World War I was that half-way control measures were worse than none at all.

"You must either stabilize every price or stabilize no price," he declared. "If you impose controls only at one point, you leave the door wide open for a worse break-away somewhere else. The only effective defense is total defense and the only effective price control is total control."

HOPKINS REPORTS

Here are some of the things Harry Hopkins told the President.

First and most important, Hopkins definitely stated his conviction that the British would be able to hold out against the Nazis. He thoroughly agreed with Wendell Willkie in spiking isolationist claims that Britain would crack up, submit to a negotiated peace, and leave the U.S.A. to hold the bag after voting "all-out" aid.

However, Hopkins got no request from Winston Churchill that the U.S. send five to ten destroyers a month. What Churchill did request was the right to repair British destroyers and other naval craft in American dry-docks. This has been one of Britain's most difficult problems, since all of her dry-docks are fairly easy targets for air raids, so that vessels needing repair frequently have been bombed a second time or even a third time and have to be repaired all over again.

Churchill also asked that the United States sell or lease "mosquito boats." These are small, fast motor boats carrying torpedoes and equipped to lay depth charges, which the United States has been building at the rate of about one a week for some time.

Churchill wanted them particularly to ward off Nazi invasion, when it comes. Virtually impossible to hit because of their high speed—the mosquito boats would be especially effective against Nazi troop-ships and barges attempting to cross the channel.

However, the mosquito boats which the United States is building are a little light for the choppy waters of the English channel, and it is significant that the President already has ordered the redesigning of the stern of these boats in order to improve their balance.

CAPITAL CHAFF

Ex-Senator King of Utah visited the senate the other day, sat in his old seat and itched with the impulse to rise and address the chamber.

Blind ex-Senator Gore of Oklahoma came into the chamber on the arm of a page and listened with uplifted face and rapt expression to the debate.

Following isolation demonstration in the senate galleries last week, Capitol police keep all visitors lined up on the lower floor, and admit only a few at a time.

Latest issue of the magazine "National Republican," blithely ignores Wendell Willkie, but heaps four columns on ex-Ambassador Joe Kennedy for his fight against the lease-lend bill. The magazine also has a few kind words for Norman Thomas, the Socialist candidate, who also opposes the bill.

The FBI is advising all plants doing defense work not to sell their waste paper but to destroy it.

Henry Wallace presides over the senate from the opening at 12 until 1:30, then retires to lunch on orange juice and a cheese sandwich.



WAR PRICES

One of the principal causes of war time shortages and sky-rocketing prices is the fear of them. The manager of any company making finished goods put of raw materials is responsible for continuous supply. If he sees ahead what seems to be a period of scant material and rising prices, he not only "covers" by buying for his usual output for six months or maybe a year, but he goes as far beyond that as his resources will permit.

This is "good business" from every angle. It is a good speculative risk from the angle of probable rising prices. It is good insurance against possible future shut-downs or delays due to inability to get materials later. Finally, there is a temptation even to borrow money to increase stock piles and inventories to abnormal size. A period of price inflation is a good time to owe money and to own things.

The combination of all these reasons is almost irresistible. Apply them to all the thousands of business concerns, big and little, and you have a tremendous national force working everywhere to create the very condition of fear which has caused it.

Part of these reasons work in the same direction for all individuals and for the great war purchasing government departments. All people like to buy while they "can get the stuff and before the price rises." An officer in charge of an arsenal or a navy yard turning out munitions has a really dreadful responsibility for producing on or ahead of time and in quantity. He, too, fears the delays that future shortages may cause and to the extent of his powers, will overstate his requirements and build up his inventories.

Of course, this is a form of "hoarding"—which is a war time word of evil omen. It is truly evil because the certain result of these practices is soaring prices, to the detriment of the whole nation and sometimes with a result of complete economic collapse and disaster.

This column has continuously argued against centralization of federal power, but in a war economy some centralization is necessary in the public interest. In the haste to get the defense program through the legislature, not enough attention has been given to this phase. We need simpler and more direct emergency statutory authority to control price, priority and increasing inventories. This is a subject that should have the immediate attention of congress—even before tax legislation. We could lose more through price inflation in a year than increased taxes could recover in 10 years.

MILITARY EXPERTS

This has certainly been a tough war for the military "experts"—both the columnist kibitzer or radio amateur variety and the real professionals. The amateurs have been bad enough, but the biggest boners of all have been pulled by those who from training, education and profession should really have been expert.

The English and French bet their national existence on the experting of their soldiers and sailors that they could hold Hitler on the Maginot line and outmaneuver him north of that. They pushed Poland into the storm and then tossed her to the wolves and left all the small nations of Europe (that had been advised by their own military experts to rely on allied strength) to be conquered in a few weeks.

The English experts bet that they could outfox Hitler on the Norwegian coast. They were wrong about that, too. Then Hitler's military high priests told him he could clean up the British Isles in 1940, but he is still at the channel ports.

Mussolini's mighty military men told him that Greece and North Africa were pushovers, and see what happened to him. Japan expected a tea party in China. She got it, but it was spiked with arsenic. Russia was advised by her professionals that she could swallow Finland at a gulp. That didn't happen and since Joe Stalin is more direct in his methods, he liquidated his experts and got some new ones. I don't know if they are any better.

The sciences of both tactics and armament have shifted so fast for the experts. There are too many imponderables in modern war. The basic principles of war never change, but military genius consists in applying them to new conditions and no such genius has yet appeared—no, not even Mr. Hitler's bright young men, notwithstanding their unparalleled conquests.

For example Mr. Winston Churchill now tells us that this is just a war of machines—ships and land mechanical monsters—and that we shall never have to mobilize great masses of men to go to Europe. I don't know whether war is no longer a matter of mass man power or not—and neither does Mr. Churchill. I only know it always has been. He is clicking pretty well on military matters just now, but it's doubtful whether any leader ever made so many military mistakes in the course of one lifetime and survived them as a public character.



BARTOW, GA.—How many states have turned out more stars, especially in the way of quality, than the sovereign commonwealth of Georgia? This angle occurred to us in roaming the red clay hills and the stubble in the pursuit of quail. Georgia's record is phenomenal.

For her top man in baseball she gives you Tyrus Raymond Cobb, once known as the Royston Roarer.

For men's golf she offers one Robert T. Jones Jr. and for her women golfers Alexa Stirling.

Her two best fighting men were Young Stribling and Tiger Flowers. They were not world beaters, but close to the top when in their prime.

For track and field there is Spec Towns, who set a new world's hurdling record in the last Olympic games. The last for a long time.

Georgia Tech and Georgia university have both played their share of winning football through the years.

Bryan ("Bitsy") Grant has been her main contribution to tennis—never a champion but the man-handler of tennis giants.

In addition to Bobby Jones, Georgia also produced big Ed Dudley, one of the best of all the swingers, one of the star stylists of the game.

And looking a long way back we still recall Bobby Walthour, who for years had the cycling championship and the six-day races at his mercy.

Her list of star ball players is a long one, including Nap Rucker, Brooklyn's star left hander, and Sherrod Smith, another southpaw.

The Race Track It was from Atlanta, Ga., that Charles S. Howard, owner of Seabiscuit, Kayak II and Mioland came along to racing fame.

And it was also from Georgia hills that Tom Smith, Howard's famous trainer, came to the money-winning top. In the last three years Smith-trained thoroughbreds have won a million dollars.

Georgia can offer a stout challenge, in the way of quality, to any other state. I doubt that any other state can offer two such headliners as Bobby Jones and Ty Cobb.

In baseball Maryland isn't far away.

This busy sporting center can present Babe Ruth, Jimmy Foxx and Home Run Baker, whose busy bludgeons produced more home-run thunder than any other trio, although New York is close up with Lou Gehrig and Hank Greenberg.

And for boxing, what about Maryland's Joe Gans?

What about Pennsylvania with Christy Mathewson, Eddie Plank, Chief Bender, Big Bill Tilden, Ted Meredith?

Texas Presents— Texas would also like to take the stand with Tris Speaker, Rogers Hornsby, Ted Lyons, Sammy Baugh, Davey O'Brien, Jack Johnson, Byron Nelson, Ralph Guldahl, Ben Hogan, Jimmy Demaret, Wilmer Allison, Betty Jameson—these and many more.

New York's list is tremendous—Gene Tunney, Walter Hagen, Lou Gehrig, Hank Greenberg, Eddie Collins, John McGraw, Benny Leonard and many others.

What about Colorado with Jack Dempsey, Whizzer White and Dutch Clark?

Or Massachusetts with John Lawrence Sullivan, "the grand old tub from Boston," Mike Murphy, Keene Fitzpatrick, Eddie Mahan, and Francis Ouimet.

California's Claims

California is dead certain to enter her claim. Joe DiMaggio for baseball—Jim Corbett and Willie Ritchie for boxing—Little Bill Johnston, Don Budge, Ellsworth Vines, Helen Wills, May Sutton Bundy and Alice Marble for tennis—Lawson Little for golf—an amazing football average piled up by Southern California, Stanford, Santa Clara and California—an amazing track record headed by Charley Paddock, Frank Wyckoff and several pole vaulters who keep breaking records.

Here are most of our main headliners for the last 30 years:

Baseball—Cobb, Georgia; Ruth, Maryland.

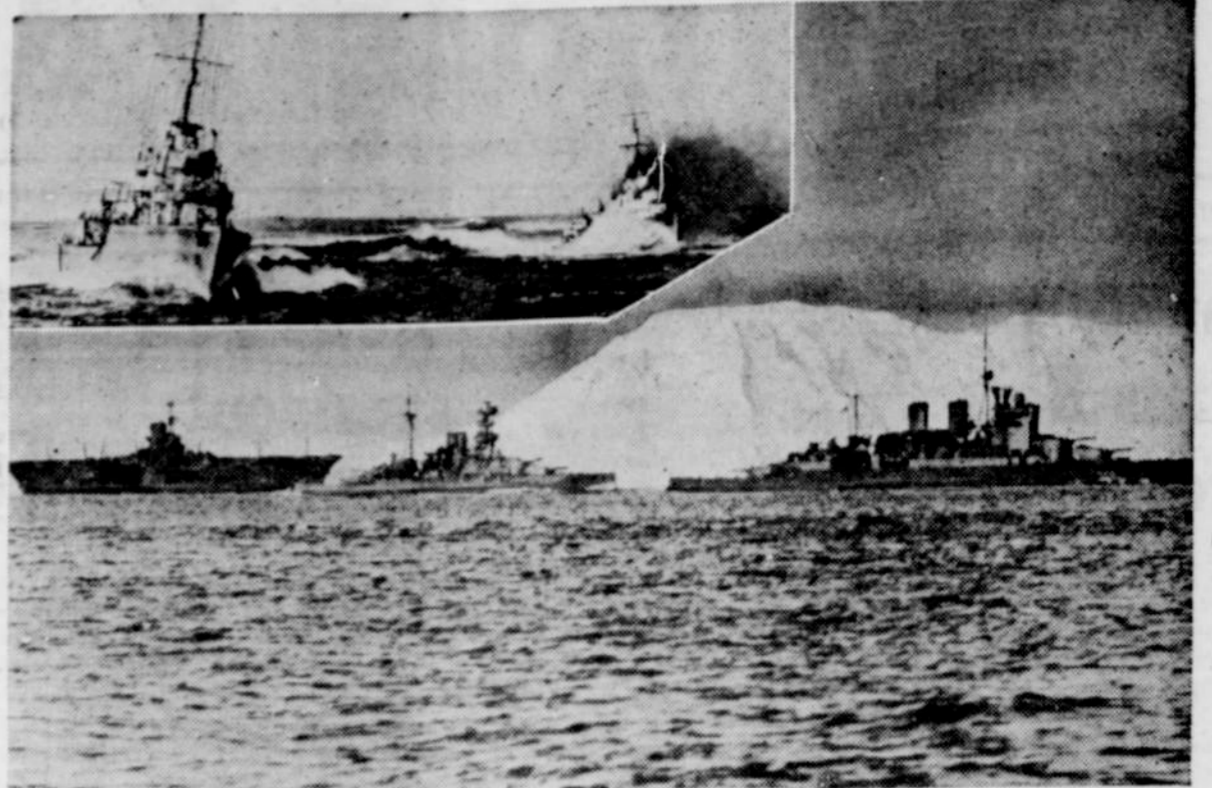
Boxing—Dempsey, Colorado; Tunney, New York; Johnson, Texas; Joe Louis, Alabama.

Football—Best all-around back, Jim Thorpe, Oklahoma; best all-around lineman, Pudge Heffelfinger, Minnesota.

Golfers—Bobby Jones, Georgia; Walter Hagen, New York.

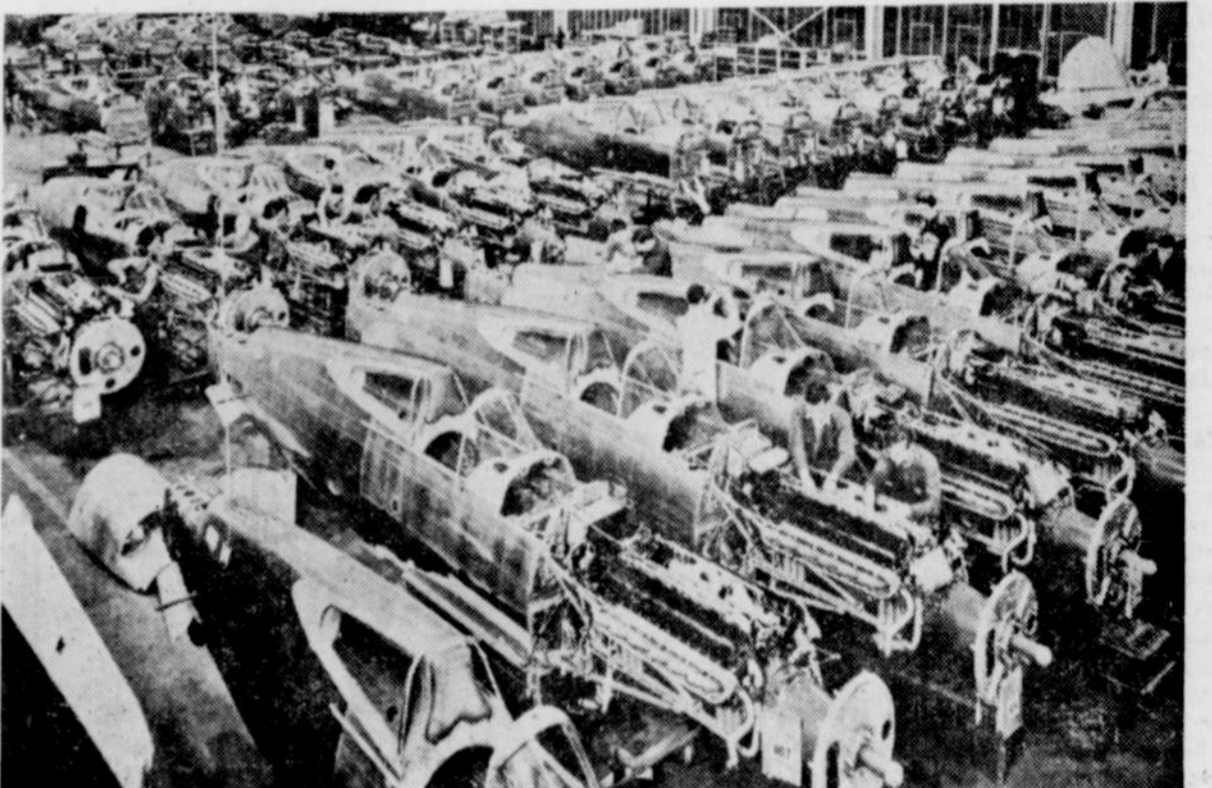
Track—Jesse Owens, Ohio. Tennis—Bill Tilden, Pennsylvania.

Guard British Aid to Greece



Three powerful units of the British fleet are seen off the Rock of Gibraltar as they helped cover passage of convoys through the Mediterranean to Greece. The warships are (left to right) aircraft carrier Ark Royal, an unidentified battleship, and dreadnaught, Renown. (Insert) British destroyers making high-speed turns when attacked by enemy aircraft while convoying ships through Mediterranean.

New Fighters for Uncle Sam's Air Force



Interior view of the huge Curtiss-Wright center in Buffalo, N. Y., showing the mass assembling of the new Curtiss P-40 pursuit ships for the U. S. army air corps. This plant turns out 10 planes daily, and will soon increase this number as additional trained mechanics are put to work in the new plant buildings.

When Enemies Become Allies



For the moment at least, enemies become allies to help a wounded soldier. A British officer and an Italian prisoner are shown in this sound-photo carrying an Italian casualty at Bengasi, Libya, to an ambulance. Another wounded soldier is on the ground awaiting assistance from the friendly enemies.

Found Years Later



Wrecked plane of Charles Stanton, of Dorchester, Mass., which disappeared with its five passengers June 20, 1937. It was recently found by four farmers in a jungle near San Jose, Costa Rica—its passengers a tangled heap of bones.

British Convalescent Home Kept Busy



At a hospital in the northeast section of England wounded Royal Air Force pilots and girls of the Women's Auxiliary Air Force are now "in mending." The hospital is used by the R. A. F. and the W. A. A. F. Picture shows convalescents walking about the grounds.

Canada's Navy on Job



Two officers of the Royal Canadian navy watch over a convoy from the bridge of their destroyer. With the increasing flow of war materials to Britain, Canada is kept busy.