

The Washington Merry-Go-Round

DREW PEARSON & ROBERT ALLEN



GENERAL HUGH S. JOHNSON Says:

Washington, D. C.

WAR PROFITEERING

Very timely is Leon Henderson's warning to producers of raw materials not to profiteer prices upward. Timely, too, is the Brookings institution's report on the same subject. One of the worst evils is price inflation. In 1914 to 1918 it increased average American prices to 213 per cent of their pre-war level. The effect in human suffering is devastating, and it does not cease with the guns or for many years.

For an example of only one of its lesser evils, compared with purchasing power of 1913 dollars, the staggering costs of the war to us were more than doubled by reason of that inflation alone. That means that the burden of that mountainous debt on all our people was also doubled. A greater evil is that starting at the high peak of war prices, there is first an abrupt and ruinous and then a gradual decline in values, prices and wages back to about the pre-war level. After the Napoleonic, Civil and World wars that process, in each case, took 14 years.

Of course, any such process is simply a slow destruction of half of all values in a nation. Our post-war gyrations from flash-booms to deep and continued depression were all by-products of this massive readjustment. It profoundly changed and gravely threatened both our economic and political systems. Indeed, the old threat is not yet removed as a new and similar menace appears.

So much for the brief mention of a few of the terrible hang-over effects of war-time price inflation. The jitterbug joyride of the actual price debauch, while it is going on, makes a feverish appearance of prosperity—but it is prosperity for precious few. Some wages go up with prices and some go up first, but most of them lag grievously. All people dependent on fixed revenues—such as salaries, pensions, interest on savings and almost all wages—are the real sufferers.

The most piteous of these cases are the families of soldiers at the front. All these people—and they are by far the majority of us—find their cost of existence doubled or multiplied while their means to get it remains the same. It all adds up to a serious nationwide cut in wages, salaries and income. This is distressing and hideously unfair and it produces an even more dangerous result for a warring nation. It destroys morale both at home and among the soldiers at the front. Napoleon said that in war the ratio of the value of moral strength "is to the physical as 3 to 1."

In most great wars this terrible force has been either little heeded or inadequately handled. In the World War, our war industries board was presented with the process of rising prices too late to prevent it, but it did halt it in its tracks and later turned the trend downward. That experience proved that war inflation can be prevented and suggested the only way to do it.

The Brookings report advanced some methods and Leon Henderson described others. The shortcomings of both parcels of suggestions is first, that they are theoretical, experimental and uncertain, and, next, that they are aimed at only the prices of certain commodity groups, or piecemeal price regulation. It can't be done that way.

There is only one way to do this job. That is, by fiat, to put a ceiling over the whole price structure and thereafter to permit increases in particular cases only on a showing of necessity. That's what our World War experience proved.

BLUFF AND APEASEMENT

This comment column business, when it touches foreign affairs, is getting to be pretty tough. I believe in total defense. I didn't recently begin to believe in that. I have been preaching it since the day this column started in predictions, as accurate as any, of just why we were going to need it and long before the government bestirred itself to implement its constantly growing aggressive attitude to make its fighting words seem more than bluff. Nobody can justly call the five-year urging of this column "appeasement."

The difference between that urging and what is going on today is that what I advocated was armament to keep us out of war. There is a good deal of evidence—and it is growing—that strong influences in this country and perhaps even the government itself—regard this belated and, therefore, unplanned and somewhat panicky armament conference as preparation for participation in war.

We are not ready for war or even for adequate defense. I have felt, for this reason, and many others, that we should not bluff ourselves so far out on a limb of premature aggression that we could not avoid going further, and perhaps over the brink without seeming either silly or cowardly. But there has been no halt or delay in the march in that direction. In the meantime, the shrewdest, best financed, open and shameless propaganda to go further in that direction has increased in both volume and tempo.



WHO'S NEWS THIS WEEK

By LEMUEL F. PARTON (Consolidated Features—WNU Service.)

NEW YORK.—One of the greatest philippics of William Pitt was his famous denunciation of that foul word, "democracy," which had come into the English language "from the sewers of Paris." To him its only associations were homicide and madness. This department has noted recently 11 comparable attacks on this subversive word from similarly respectable and authoritative sources. The latest is the address by Merwin K. Hart, at the Union League club in which Mr. Hart "suspected" that the word was eased into the country, subversively, by the Communist Internationale in 1935.

This thesis, which may develop into something of an American "kulturkampf," is based on the contention that the founding fathers set up not a democracy, but a republic, and that the word, "democracy," is inseparable from dubious Marxist associations. Mr. Hart also insists that the Marxists have kidnaped the word "liberal," which was all right until it got into bad company.

Mr. Hart is president of the New York State Economic Council. He has been for many years a vigorous and hard-hitting assailant of radicalism in any form. He shells the "subversionists" from his estate on Phippen hill near Utica. His targets have been labor unions, child labor legislation, social insurance, socialized medicine, compulsory health insurance and extravagant expenditures for public education.

Graduated from Harvard in 1904, Mr. Hart has made his business career in insurance, law and manufacturing. He was gassed in the war, is a licensed aviator and a patron of aviation. He urges national discipline. In his Union League address he warned us that we are becoming too soft to stand up against the "tougher products that result from a fascist education."

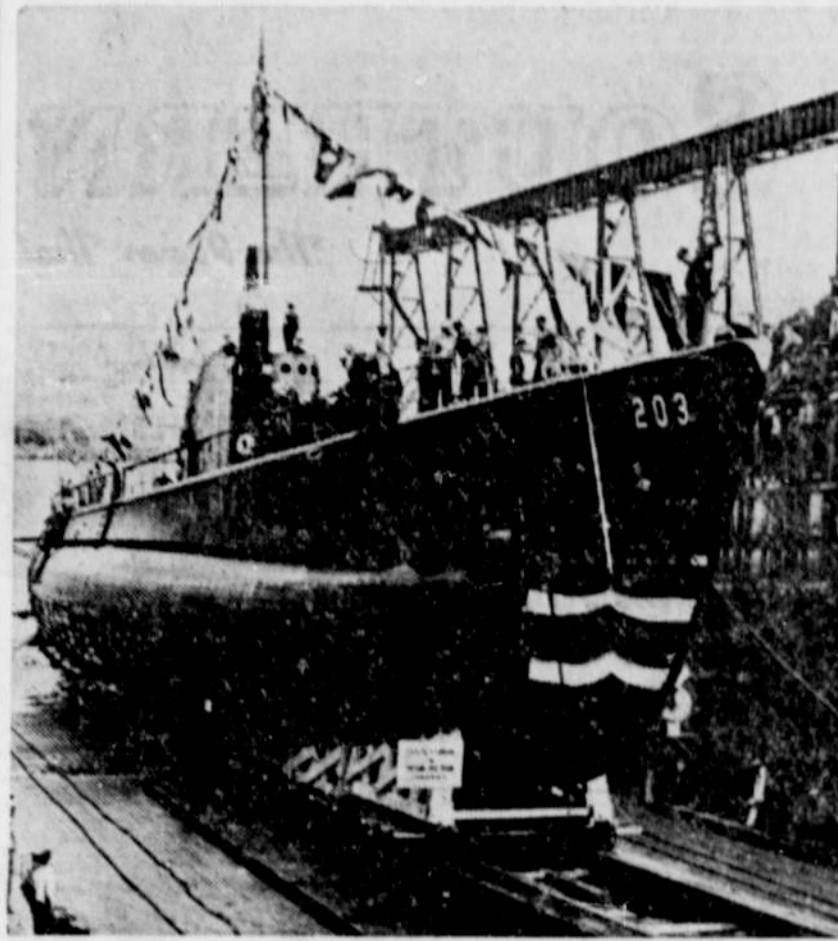
SIR ERIC COATES was the first British composer to treat modern syncopation seriously, and write compositions in the quickened beat. Many bricks were thrown in his direction by his classical confreres, but now he gets the last word—or the last toot. They gear their whirling war machines to his "hot licks" tempo, broadcast to the forges and workbenches. It is speed-up music and workers and machines catch the pace. A favorite piece is his recent "Calling All Workers" in which he says he sought to capture the spirit of the "wonderful British people in their war effort."

It is a tribute to the surprising adaptability of the British at a time when their traditional work-beat was supposed to be something like "Auld Lang Syne." Significantly, war and rumors of war stir lively music and frantic dancing, as attested by the historic dance of the Carmagnole which has been the forerunner of European wars and revolutions, the jazz outbreak before our entry into the World War, and the present swing craze. At any rate, Sir Eric is in tune with the times and by all accounts Old England is, too, as her war production hits a machine-gun tempo to the beat of a swing baton.

Sir Eric was a romanticist and classicist, which makes his change of pace all the more interesting. For many years, he was the principal viola in the Queen's Hall orchestra. He gradually gained eminence by his numerous orchestral works and songs and became a Fellow of the Royal Academy of Music in 1922. One of his best-known songs is "I Pitch My Lonely Caravan at Night"—a mood ironically at variance with London's night-time musings just now. He is the son of a back country surgeon. His avocation is photography which passion he indulges even when the bombs are falling.

IN 1905 Joseph A. Rosen arrived at Michigan State agricultural college from Russia with fifty cents and a few grains of rye. The fifty cents blossomed into the education of Dr. Rosen and the handful of rye spread over 1,500,000 acres in Canada and the United States, the highest yielding rye in the world known as "Rosen rye." Today Dr. Rosen, as head of the European Refugee colony in the Dominican Republic, reports things are going swimmingly in this new home base for the victims of aggression abroad.

Submarine 'Tuna' Is Launched



The \$6,000,000 U. S. submarine Tuna, being launched at the Mare Island navy yard, at Vallejo, Calif. The Tuna, authorized in 1934, was begun in July, 1939, under an appropriation voted that year. It will be commissioned early next year. The christening was performed by the wife of Rear Admiral Wilhelm Lee Friedell.

Refuses to Register



The Rev. Allen Lambert, 34, who, disapproving of conscription, told his congregation at Sinking Valley, Pa., that he would refuse to register for the draft.

Latin Generals Inspect U. S. Defenses



This soundphoto shows (left to right) Gen. Calixto Carias of Honduras, Gen. Luis Castaneda of Columbia, and Gen. Felipe Rivera of Bolivia examining one of the 50-caliber machine guns on a "flying fortress" of the U. S. army at Langley Field, Va. The generals are making a tour of United States defenses.

'U. S. Can Lick Japan'



C. B. Burmwood, pilot to Gen. Chiang Kai-shek, says the U. S. can lick Japan in 90 days. Burmwood will return to China after visiting his mother in Chicago.

Inventor and His 'Diatonic Torpedo'



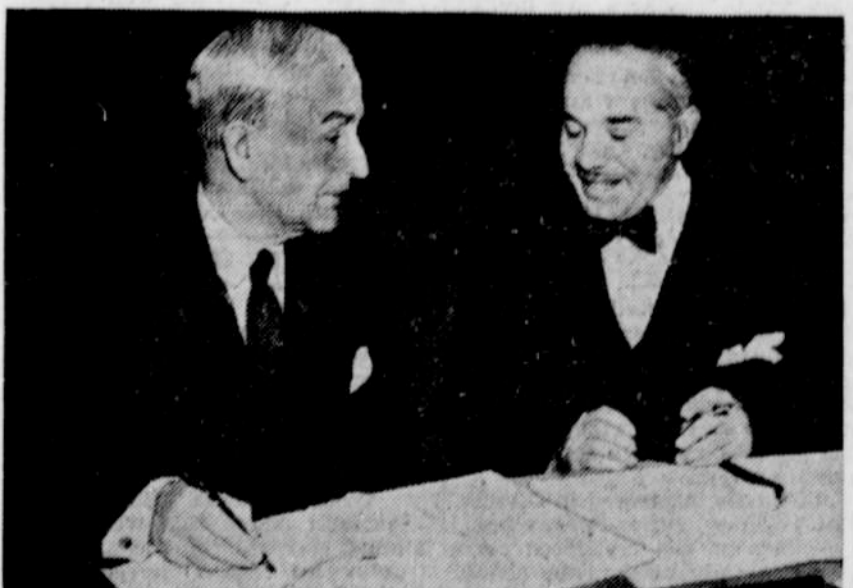
J. Robert Fish, well-known inventor of Springfield, Mass., is shown at his New York hotel with drawings of his "Diatonic torpedo." The sketches show that when used as a mine the torpedo sinks to the bottom and stands upright, at an angle, depending upon currents. Friendly vessels may pass over the mine field safely by using a secret timber.

Typical Conscriptee



Private Roy Bruch of "Company G", New York, takes the role of a typical conscriptee. Pack includes messkit, helmet, gas mask, first aid, raincoat, bayonet and shovel.

Hull and Trujillo Sign Treaty



The United States' 35-year rule over the finances of the Dominican Republic was ended by a treaty signed by Secretary of State Cordell Hull and Gen. Rafael L. Trujillo, political chief of the West Indian state. The treaty, negotiated by Hugh Wilson, former ambassador to Germany, is expected to improve Latin-American relations.

Resumes Duties



Vice President Garner takes the gavel from Sen. Key Pittman, as he resumed his duties as presiding officer in the senate, after a three-month absence.

ARMY SPECULATORS

The army has changed its method of acquiring land for new government plants. Hereafter the negotiations will be carried on in a "goldfish bowl."

Real estate speculators long have been a sore spot in army plans for plant and airport sites by snapping up options and kiting the price of desired property.

So hard-hitting Assistant War Secretary Robert Patterson has instituted a new procedure whereby the army, after making the necessary confidential surveys, will announce publicly that on a given date representatives will appear to buy or lease a specified amount of land. Patterson believes that if property owners know that the government is in the market, they will not give options to profiteering speculators.

Note—Tried out in Union Center, Ind., where 13,000 acres are being acquired for an ammunition loading plant to employ 6,000 people, the new "goldfish bowl" method proved successful.

AIRPLANES FOR WHISKY

If you speak about "all aid to Britain short of war," don't overlook the American consumption of Scotch whisky. It is an actual fact that U. S. imports of whisky from Britain during the first nine months of the war exceeded the U. S. exports of military aircraft to Britain.

Here are the figures: We sold England \$23,231,000 worth of planes. England sold us \$26,209,000 worth of whisky. In fact, whisky is the largest single item of our imports from Great Britain.