

The Washington Merry-Go-Round

DREW PEARSON & ROBERT ALLEN

U. S. FIRMS PAY AXIS POWERS

WASHINGTON.—While the senate is preparing to enact the lend-lease bill committing this country to vast outlays for Great Britain, certain American firms are paying out hundreds of dollars monthly to Germany and Italy, which funds are being used to fight both the United States and Britain.

This secret Axis aid is being delivered in the form of royalty payments on industrial formulas, trademarks, copyrights and patents. The money is paid in dollars and is deposited to German and Italian accounts in New York banks.

The justice department, which has conducted a secret investigation, has uncovered these interesting facts:

1. That the royalty payments are now running around \$500,000 a month, of which Germany gets at least 80 per cent.

2. That a considerable portion of the money was used by Germany last year to buy U. S. goods for delivery to Latin American buyers, to make good on contracts that Germany confidently had signed after the fall of France but was unable to fill, because of the unshaken British blockade.

3. That Nazi and Fascist agents have drawn on the funds to finance racial and anti-defence propaganda in this country; also anti-American propaganda in South America.

4. That while U. S. firms fork over their tribute in dollars, such royalties as Germany and Italy pay are in the form of blocked marks and export lira; that is, money that can be spent only in Germany or Italy.

Actually, the money levy is a secondary consideration. What really worries the authorities is how much vital military production information these royalty agreements betray to the Axis.

Since most royalties on patents are paid according to the number of units sold, it should be a simple matter for the Axis to obtain detailed figures on types and rate of flow of important materials to the U. S. army and navy and to Britain. Last year the justice department cracked down on Bausch and Lomb when it discovered that under a secret royalty agreement the firm supplied the German licensor with a detailed accounting of certain instruments delivered to the navy.

WILLKIE RATES CHURCHILL OVER F. D.

Wendell Willkie went all-out for the President's lend-lease bill, but personally he doesn't like Mr. Roosevelt any better than before. Willkie made this clear to friends following his conference at the White House.

Winston Churchill, he indicated, had it all over Roosevelt in ability and personality, was "much simpler and more direct in manner."

"There isn't anyone in America quite like Churchill," Willkie said. "He was the most congenial companion I've met in a very long time. He has a gay buoyancy that is incomparable."

Willkie also told his friends that he had absolutely no intention of taking a job under Roosevelt.

"The President hasn't offered me anything," he said, "and I hope he doesn't because I'll turn it down. One thing I don't want is an appointive office. If war should come I will enlist in the armed forces, but I'm not taking a government job."

Willkie is still undecided what he will do, but is leaning toward a return to law. He has been offered a number of lucrative positions, one carrying a salary of \$120,000 a year.

NEW FARM BOARD

After many years of supporting the New Deal farm program, the powerful Farm Bureau federation wants to set up a new government farm agency which it would largely dominate.

In backstage congressional conversations, the farm leaders have proposed that the AAA, the soil conservation service and the farm security administration be taken away from the department of agriculture and be made a completely separate agency. Then they want a five-man board to run these important bureaus.

Naturally, they expect to have a goodly representation of members on that board.

So far, Vice President Henry Wallace and Secretary of Agriculture Wickard are vigorously opposed. So also is the President.

Note—Herbert Hoover established a famous farm board to buy wheat. It was a mess.

MERRY-GO-ROUND

Elder Statesman ex-Senator King of Utah is being promoted by friends to become a commissioner of the District of Columbia.

Although hampered by having its offices scattered in six widely separated buildings, the immigration bureau is mailing out 95,000 receipts a day to registered aliens.

Pennsylvania Republican chiefs will not have to ask Sen. ("Puddler Jim") Davis twice to be their candidate for governor next year. He is panting for the chance.

GENERAL HUGH S. JOHNSON Says:

Washington, D. C.

'HUNCH' ON LEASE-LEND

This is little more than a hunch story but it is a hunch based on a good many circumstances all facing in the same direction—the administration's willingness to compromise on amendments on the lease-lend bill that do not conflict with it and its adamant opposition to any amendments that do, the nature of the military and naval problem in its present phase, the opinions of some naval officers, the apparent determination of Mr. Roosevelt to defend the British empire wherever it is threatened.

The hunch is that very shortly after that bill is passed, we shall see one of the most startling switches of American and British naval equipment ever yet rumored or imagined.

What is most needed to keep ocean lanes of supply open to beleaguered Britain and oppose the German air and submarine blockade are destroyers, cruisers and other light swift warcraft. What is most needed if we are to challenge Japanese sea power in the west Pacific is battleships.

These latter take a long time to build and we are not too comfortably equipped in this category as compared with Japan, especially considering distance, lack of bases and tricky defensive naval terrain of the Japanese Archipelago.

Trading some of our lighter craft for just one British battleship would not be a very thrifty thing to do. It would be hard to fit it into a squadron otherwise composed of battleships of American design, caliber of guns, fire-control and so forth. But getting a whole squadron of British battle wagons could be a much more effective addition to our naval strength if our purpose is to fight the Japanese navy.

We are turning out some honeys of destroyers and doing it ahead of time. The conversion and modernization of our old destroyers is moving very rapidly in our own and British shipyards. The British are not experiencing the difficulty in manning our light craft that we might have in manning theirs. But even with our difficulties, this whole idea of wholesale shifts is not so screwy, assuming always that we have decided to gamble our position in the Atlantic on the British manning American ships and our going to tackle Japan in the Pacific with Americans manning British ships.

What we are possibly facing here is a British-American pool of the fighting ships of both navies. In the lease-lend bill as it now stands in the senate, there is no financial or other limit whatever on the President's power to make these shifts, even to the whole of our navy.

LABOR AND MANAGEMENT

On more than one occasion during the World war when suggestions were made to the late great Samuel Gompers, that labor should have a voice in industrial management, he always shook his head—just as he always shook his head at suggestions of labor's greater participation in partisan politics.

His reasoning was clear and may be fairly paraphrased thus: "If labor is a party in management it partakes in one of the great responsibilities of management, namely profits. It is the business of labor organizations to see that workers get a fair day's pay for a fair day's work. In hard times capital gets no wages. It can afford this for long periods of time. Labor can not. We want neither that responsibility nor that sacrifice."

As to close political affiliation, the argument was that parties must compromise on a vast assortment of issues which are not the direct concern of organized labor. That concern is always to champion the cause of workers. It must work politically but it must do so in the manner that serves it best. It is not served best by entangling its fate with any political faith where often the demand on it may be "everything for the good of the party" when at times that "everything" may be all to the disadvantage of labor.

That always seemed to me a very sound philosophy for a labor leader.

It all seems now to be in the ascendant. In the defense set-up, organized labor, at least insofar as it is represented by Sidney Hillman, demanded and got an authority over industry in control of war production (which is all production) on a par with industrial management at least insofar as it is represented by Mr. Knudsen. Neither of these good men is completely representative of his group, but this strange duumvirate control was certainly intended to signify at least partial labor management of industry.

As Mr. Frank Kent has pointed out, there are many signs in this direction and almost none in any contrary direction. Mr. Phillip Murray, head of C. I. O., has proposed a plan, whereby the sadly lacking organization of all-out American industrial mobilization shall be supplied by top-side committee control of whole industries—committees in which labor and management shall be equally represented in more or less dictatorial administration of each regimented industry.

The Once Over by K. Phillips

THE PAPERS OF PRIVATE PURKEY

Dear Mom: I did not write you before because there is more work to be done in an army than I thought, so this is just to say I am well except for a little flu, some trouble with my arches and the fact I can't get used to not being able to say "Okay, later," when I am told to do something.

Training has started and I guess I am being trained to be a letter carrier from all the walking they make me do in all kinds of weather. A modern rifle arrived in camp today and attracted wide attention. We expect to have several in time if there is no strike trouble.

Only the top of my uniform was ready when I got here but the bottom has arrived now. I am well and hope you are the same. Do not worry about me, mom, as I have to go to bed early and am too busy saluting to get into trouble, although if being in the army ain't being in trouble I don't know what is.

Love, Oscar.

Dear Mom: I thought I would drop you a few lines to let you know I have not seen no fighting yet. I heard funny noises last night and was very nervous, but everything was okay this morning so I guess it was all imaginary.

They do not get you up by bugle no more in the army. They use an electric buzzer. I kept getting up and looking for a front door on my tent because I thought it was the milkman or somebody. Where I made my mistake was going back to bed when I found no milkman, and just yelling "nuts" to the buzzer the rest of the morning.

The guardhouse is not a bad place and I will be out in a few days.

Love, Oscar.

Dear Mom:

I am out of the guardhouse which I mentioned in my last letter but I still don't like buzzers. If the bugle was good enough for Grant, Lee, Sherman, Teddy Roosevelt, and Pershing, it is good enough for me. I was talking this over with a buddy and he says he thinks the buzzer is being used just to make the army mad. An army is no good unless it is mad, he says. Well the buzzer will do it. A bugle would make me mad at 5 a. m. too, mom, but it is sort of romantic. It kind of stirs you up and makes you feel like you was a fighter. A buzzer just makes you feel like you was a stenographer.

We have a couple of millionaires in my company. One of 'em is a Rockefeller. It is a funny thing how no matter whether you are rich or poor your feet hurt just the same. The photographers are always taking pictures of these rich guys but none of me but you know how I look anyhow so do not worry.

I am well except for that buzzer. I can't help hollering "Come in" whenever I hear it.

Could you send me some warm socks, a homemade cake and some dice?

Love, Oscar.

Dear Mom:

Well, just a line to let you know everything is still okay at the arsenal of democracy as it is called in the newspapers. I am getting along well, except the coffee is lousy and the cream is plain sabotage. Another modern rifle arrived today, so I guess things are speeding up in the defense program.

I nearly got in the guardhouse again. I asked the captain for a typewriter so I could write my letters that way and he said why should I think I rated a typewriter, I said, "Well, this is a machine war, ain't it?" He got very sore.

Never mind the dice I asked you to send me. The camp is now full of 'em. Dice are the one thing which ain't behind schedule.

Love, Oscar.

THE DIZZY PACE

(From the Conneautville, Pa., Courier)

Gresh's girls have measles. Mel Davis called on Harley Hills Monday.

Mrs. Ruth Inman is up with an attack of lumbago.

Our roads are so full of awful deep ruts that it is impossible to get by without a team along.

Carl Hills was at the home of his parents, helping with wood.

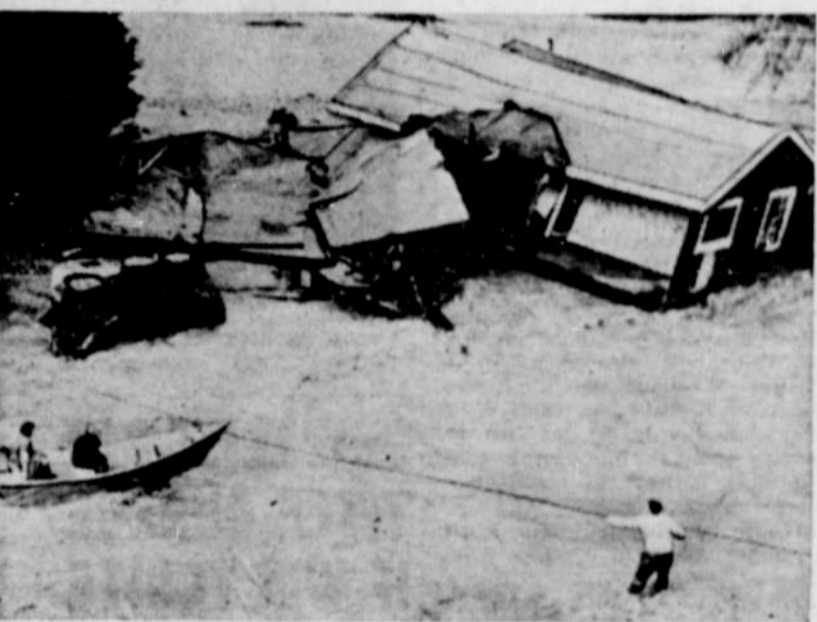
Fox hunters were out every day last week running foxes.

Friendly Visitors From Nippon



This friendly visit of a Japanese military delegation to the Reich-chancellery in Berlin to see Hitler may be symbolic of co-operative implications far beyond mere casualness, as Japan regarded the landing of Australian troops in Singapore as a "belligerent action." Standing beside Hitler is General Yamashita of Japan.

When It Rains in California—



Heavy downpour takes severe toll in property damage throughout southern California, causing landslides, washouts and floods. Topanga river becomes a raging torrent. This picture, taken in Topanga canyon, shows a home as it crumpled into the rampant waters. Rescue workers are attempting to save a marooned family.

Never-Ending Stream of Italian Prisoners



A seemingly never-ending stream of Italian prisoners is here shown pouring over a bridge following the capture of an important base during the British sweep west through Libya, which was climaxed by the capture of Bengazi, an Italian stronghold. In all, the British captured 100,000 Italians, it was claimed.

Lifeboat for a Playroom



These British children were assigned to this lifeboat on the S. S. Georgic during its hazardous journey to New York. When the steamship docked the children used the boat, which was to be their watery home in case of torpedoing, as a sort of playroom. The Georgic was the first British passenger ship to dock in New York since November 18, 1940.

Against No. 1776



Sen. Robert Reynolds (D.) of North Carolina, telling the senate that Bill No. 1776 "may lead us directly toward a declaration of war." Reynolds became the first southern senator to oppose the bill.

Patriot!



Jean Greaux, 22, native of the Virgin Islands, spent his savings to make a 4,000 mile trip to enter the army. Here he is receiving his uniform at Jefferson Barracks, St. Louis. He enlisted at Camp Robinson, Ark.

Winning Ski Jump



Torger Tolle of the Norway Ski club soars to victory in the F. D. Roosevelt ski journey at Bear Mountain, N. Y. His poorest leap was 165 feet. His best was 180 feet, which beat by 9 inches the mark he established two years ago.

Deportation?



Deportation proceedings against Harry Bridges, West coast labor leader (above), have been ordered by Attorney General Jackson. Basis for this action is the FBI report that Bridges is a communist.