

SCANNING THE WEEK'S NEWS
of Main Street and the WorldBanks Report Increased Farm Loans;
Reds Ask Peace Talks Be Resumed

FARM REPORT—A recent survey of rural bankers in the home towns scattered across the great midwest farm belt presents a new and somewhat startling picture of farm economy in the nation. Briefly, the survey indicates that farmers are borrowing more money this year, for that matter, than in several years, to make ends meet from day to day.

Reports a Kentland, Ind., banker: Operational loan demands are terrific. Three years ago farmers of the area purchased machinery with cash and had a surplus for operational expenses. Today 65 to 75 per cent of machinery sales are on credit arrangements.

A South Dakota banker presents this picture: For the first eight months of 1951 bank loans have increased 25 per cent over last year.

Says an Iowa banker: Loans are up 15 per cent over last year. Capital is tied up in machinery and livestock.

Says a Dover, Minn., banker: About 90 per cent of the farm machinery sales in this area are on credit. Loans have increased 10 per cent.

These conditions, midwest bankers report, are caused by the continued decline of farm prices, nearly 7 per cent since they reached a record high last February. In addition, farm operating costs have continued to increase.

As examples, fertilizer, which was selling at \$44 a ton F.O.B. Chicago last fall, now sells for \$64 a ton. In Minnesota farm hands are drawing \$15 a day without board, comparing to \$10 a year ago. Iowa farmers who paid \$11.75 a 100 for binding twine last year must now pay \$16.75. These examples indicate, midwest bankers say, that overall farm costs are up approximately 15 per cent over last year and 2 per cent over February when farm prices began their decline.

The only solution, according to the U.S. department of agriculture, is to keep farm prices at a high level. To accomplish this the department is expected to start a campaign this fall urging farmers to withhold crops from market. At present only six of 30 major commodities are bringing the parity price declared by law to be equally fair to growers and those who buy their products.



Calm on 'Bloody Ridge'

GI's relax among blackened stumps of trees on the devastated slope that is known as "bloody ridge" on the east central front of Korea. This ridge was taken from the Communists after some of the fiercest fighting in the Korean campaign.

MONTH OF DECISION—It may very well be that future generations of American school children will study the month of September, 1951, in their history books as the month of decision—the month during which the free world consolidated its position against communism.

For during the month four significant things happened:

- (1) Forty-nine nations met in San Francisco and signed the Japanese peace treaty which put that nation firmly on the side of freedom.
- (2) The ministers of France, Great Britain and the United States met in Washington and decided upon a contract with West Germany that amounts to a treaty and which will greatly increase West Germany's contribution to the defense of free Europe.
- (3) Meeting in Ottawa, Canada, twelve Atlantic Pact countries debated and solved many military and economic problems related to their common defense.
- (4) In Washington Italian and United States representatives discussed important revision in the Italian peace treaty, especially clauses relating to Italy's armed forces limitations.

All this activity adds up to strengthening of the free world's defenses against Communist aggression and thus, in turn, the very home towns of this country.

THE HALF WAR—One American soldier, who can be said to represent the average small town youth who makes up the United States army, said recently when informed that the Communists have unexpectedly asked for renewal of peace talks at Kaesong:

"Let's get this thing decided upon one way or another. 'We've been half fighting and half not fighting for months now.'"

This attitude is typical of most American soldiers in Korea today. Foreign correspondents report the men want a definite yes-or-no answer to whether there will be peace or not. If it is to be a fight they want to get at it and gain a clear cut decision.

This attitude is becoming more and more apparent in the small towns of the nation, too. This business of talking while men fight on a limited scale is not the American way. If there is to be peace, the American reasons, let's have it without a lot of beating around the bush. If it is to be war, let it be all-out-war.

POSTAL RATES—The house-senate conference committee will report within a few days upon bills passed by the house and senate to increase rates on postcards, newspapers, magazines and some other types of mail and services.

Although the senate and house versions of the bill are different in some detail, the two bills are similar in that they would raise rates on second-class mail, which includes newspapers, magazines and other periodicals by 30 per cent over a three year period in stages of 10 per cent a year.

The bills are also in agreement on postal card rate increase from 1 cent to 2 cents.

The final version of the bill is expected to produce somewhere in the neighborhood of \$126,000,000 of additional annual postal revenues.

POLITICAL SCENE—Following his visit to North Dakota, Sen. Robert Taft returned to his home in Cincinnati where he told reporters: "If I got the same reception in a few more states, I think I'd decide to run (for president)."

And while the senator was making this statement, reports from Europe continued to circulate that Gen. Dwight Eisenhower was definitely interested in becoming a candidate, but only on the Republican ticket. The general, observers reported, would reject the Democratic bid because he did not want to be hampered by hanger-ons.

As for Senator Taft, observers said Eisenhower would try to beat him out because he felt the Ohio solon's isolation reputation would ruin this country's defense program and battle against communism.

PAY INCREASE—The house passed a series of bills increasing the pay of more than 1,500,000 government employees by a total of \$670,045,600 a year. The bill will be reported soon from senate-house conference where differences will be ironed out between it and a senate version previously passed.

The house version provides: (1) A flat \$400 pay increase for 1,043,614 government workers—totaling \$417,445,600; (2) increases of \$400 to \$700 a year for 500,000 postal workers—totaling \$235,760,000 annually; (3) an \$800 limit on increases for 42,000 postmasters and 26,000 postal supervisors—totaling \$19,690,000 annually.

DEFENSE PRODUCTION

50,000 Annual Plane Output Possible

Manly Fleischmann, defense production administrator, reports the nation will soon have the capacity to pour out 30,000 tanks and 50,000 planes a year—plus strategic stockpiles "to carry us through a year of total war."

In a speech at the 70th American Federation of Labor convention in San Francisco, he said stockpiles of strategic materials needed to

carry through a year of all-out conflict would be available even though the United States is cut off temporarily from all foreign sources.

He also pointed out that steel capacity will be up 18,000 tons over the output before the Korean war and there now is a 90 per cent increase in primary aluminum capacity, with proportionate increases in electric power.



'Private Eye' Congress

WHATEVER else the 82nd Congress may do, this first session will give it the name of the "private eye" congress as setting an alltime record for the number of investigations and for money spent for these probes.

It may also set a record for the smallest number of laws passed. As of mid-September, the first session had passed 140 bills, and, at the same time, according to a survey made by Congressional quarterly, conducted more than 130 separate probes on as many subjects which had no immediate connection with pending legislation.

For the first eight months, the "private eye" in the senate obtained \$1,040,197 for special probes, while the house "Sherlocks" had been granted \$1,085,000, a total of \$2,125,197. This was for special committee probes and so does not cover all the expenses since the 15 senate standing committees each get \$98,000 at the start of each year for expenses, of which only about \$88,000 is for staff salaries.

The 19 standing house committees do not get fixed allotments, but draw money when needed. But if each house committee only spent \$75,000 their expenses would have totaled about \$1,425,000, or nearly \$3,000,000 more to be added to expenses of probes and hearings. This would bring the overall total to some \$3,000,000 for probes in the first session of the 82nd congress.

The 80th Congress

In comparison, the 80th congress, including both the first and second sessions, spent \$3,339,000 for special probes, while the 81st spent \$2,125,000.

For instance, the Kefauver interstate crime committee has had up to now \$115,000 for expenses. Sen. Pat McCarran was allotted \$97,000 for his naturalization and immigration probe and \$85,000 for his internal security investigation by the judiciary committee. Sen. James E. Murray was allotted \$125,000 for expenses for his labor and public welfare committee.

Sen. John Sparkman was dealt \$50,000 for his senate small business committee. Senator Fulbright had about \$30,000 for his FRF probe, which is still going on.

The house un-American activities committee had \$200,000 and the house judiciary committee \$75,000. Congressman Wright Patman spent \$100,000 on his small business committee. The investigation of expenditures in the executive department committee had \$210,000. The probe of chemicals in food cost \$75,000. There were many others, with smaller expense accounts.

Reasons for Probes

Reasons for congressional probes are: (1) To inform members with facts needed to make laws; (2) to "supervise" the executive branch of the government, or the so-called "watchdog" committee probes; (3) to inform the public, and (4) to resolve questions concerning its own membership.

But practical results of most of these probes under our system have been purely political and much of the money wasted. For instance, this column predicted, and is right so far, that no laws would be passed as result of the crime probe. As a matter of fact, the senate seriously considers putting a tax on gambling to raise something like \$2,000,000,000.

The probe did have the effect of awakening people to what was going on in their towns. But the people have the faculty of forgetting so easily, and so the net result of this sensational probe insofar as the congress itself is concerned is that Democrats and Republicans are both trying to make political hay out of it.

Boyle Gets Treatment

William Boyle, Jr., Democratic national chairman, is getting the same treatment Guy Gabrielson, GOP national chairman, received just about a year ago. Both now have been charged with influence peddling in connection with getting an RFC loan for a client. Both denied any wrong doing.

Money Lacking

Much of the money allotted to the small business committees was to investigate problems of small business trying to produce under defense restrictions. The committees decided a special defense agency was needed to help small business. As a result the small defense plant administration was created. However, the house appropriations committee killed it by withholding operational funds.



Scott's Report

CONGRESSMAN Hugh Scott of Pennsylvania deserves a medal for high-jumping at conclusions. With considerable flourishes and a great air of being in the know, Scott announced that General Eisenhower would accept the Republican nomination.

However, here is an almost verbatim account of Congressman Scott's talk with General Ike in Paris, on which the Pennsylvania Congressman based his earth-shaking prediction:

Scott asked Eisenhower if there was any "hope" of Ike's accepting a GOP draft nomination for the White House.

Scott added: "I know you're a good Republican. General—Isn't that a fact?"

Before Eisenhower could reply, an aide, Brig. Gen. Charles T. Lanham, who was present at the meeting, broke in jokingly:

"I've never heard the General say anything to indicate that he isn't a good Republican."

This struck Eisenhower as so funny that he reared back and let go with a belly laugh that almost shook the window panes.

Ike made no further comment, but Congressman Scott took this guffaw to mean that Ike not only was a good Republican—which nobody denies—but would consent to lead the party in the 1952 election.

Labor Flirts With Taft

Most important backstage move in the works by a small group at the A. F. of L. convention in San Francisco is to dump Truman and patch up labor relations with the chief author of the Taft-Hartley Act, Sen. Robert Alphonso Taft.

This move is certain to be denied, but here is the master-mind behind this strategy.

A group of Republicans inside the A. F. of L. high command went to San Francisco with the idea of going back to the old Sam Gompers policy of keeping labor aloof from either political party. Headed by Canny Bill Hutcheson, head of the carpenters union, long a GOP stalwart, the group includes George Meany, influential secretary of the A. F. of L.; and Dave Beck, number two man in the teamster union.

The question of sticking with the Democrats has come up at almost every A. F. of L. meeting recently. And a majority in the past has won out on the plea that labor would get a black eye if it turned on the political party which pulled it out of the depression years during FRD's day and battled the Taft-Hartley Act during Truman's day.

But now the following deal with Taft is being discussed by one or two in the A. F. of L. high command.

In return for dumping Harry Truman, Taft would agree to amend the Taft-Hartley Act. In fact, he has already introduced a bill in the Senate to help out the building trades which has all the earmarks of a deal with GOP Bill Hutcheson of the carpenters. The Taft concession violates all of Taft's previous moral principles and repeals not only part of the Taft-Hartley Act but the Wagner Act. For it not only would abolish elections in building trades unions but would protect the union from any unfair labor practices charge by another union.

In brief, this would permit an employer to back an election with a phony union which in no way represented his men.

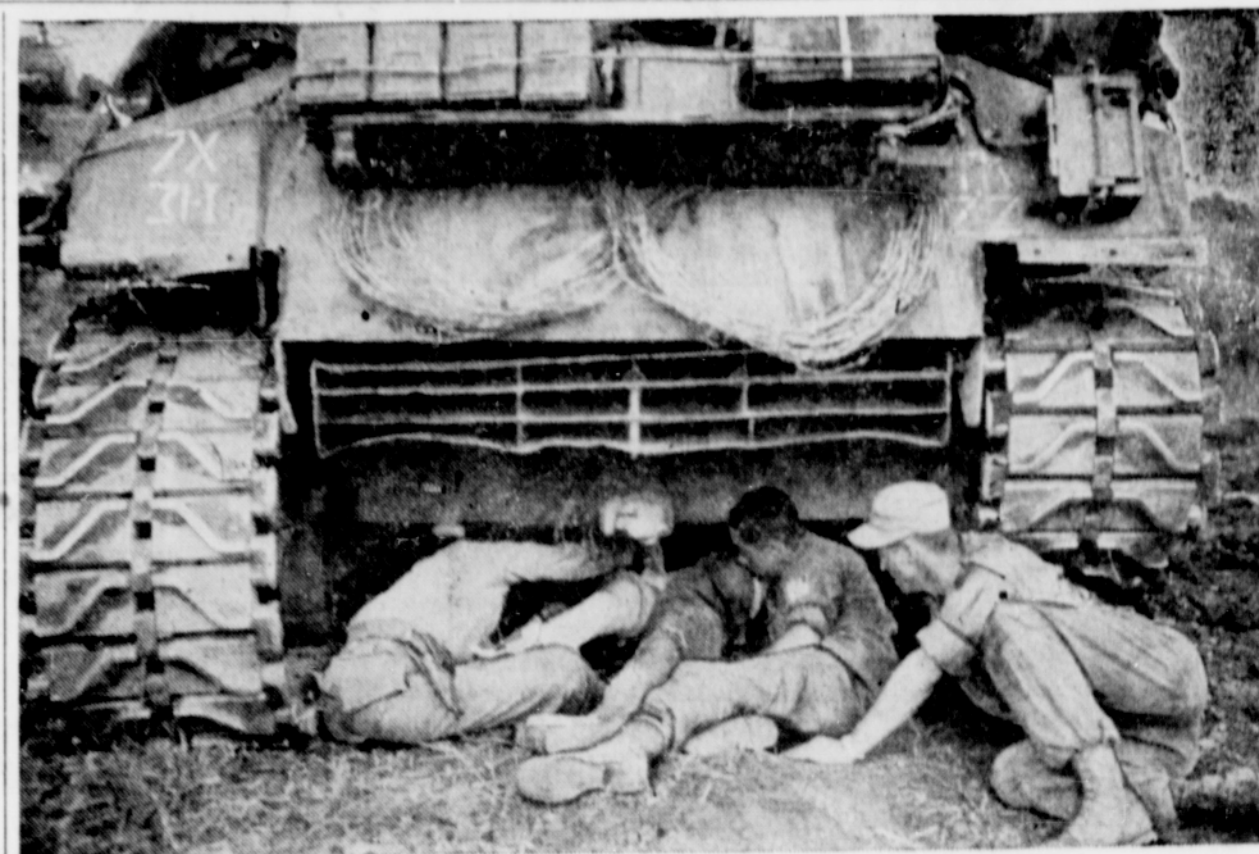
Lewis Plots

Meanwhile, another labor move outside the A. F. of L. is being hatched by John L. Lewis and Harry Bridges, head of the west coast longshoremen, who was kicked out of the CIO after his conviction for having lied about being a communist.

Bridges has sounded out the retail clerks, the carpenters, and other west coast labor men on staging a giant rally in Los Angeles on October 8, the same day President Truman is slated to attend a \$100 Democratic dinner in Los Angeles. Chief Speaker at the labor rally would be doughty John L., long a bitter Truman enemy, who, it is planned, would blast both the President and auto workers chief Walter Reuther.

Washington Pipeline

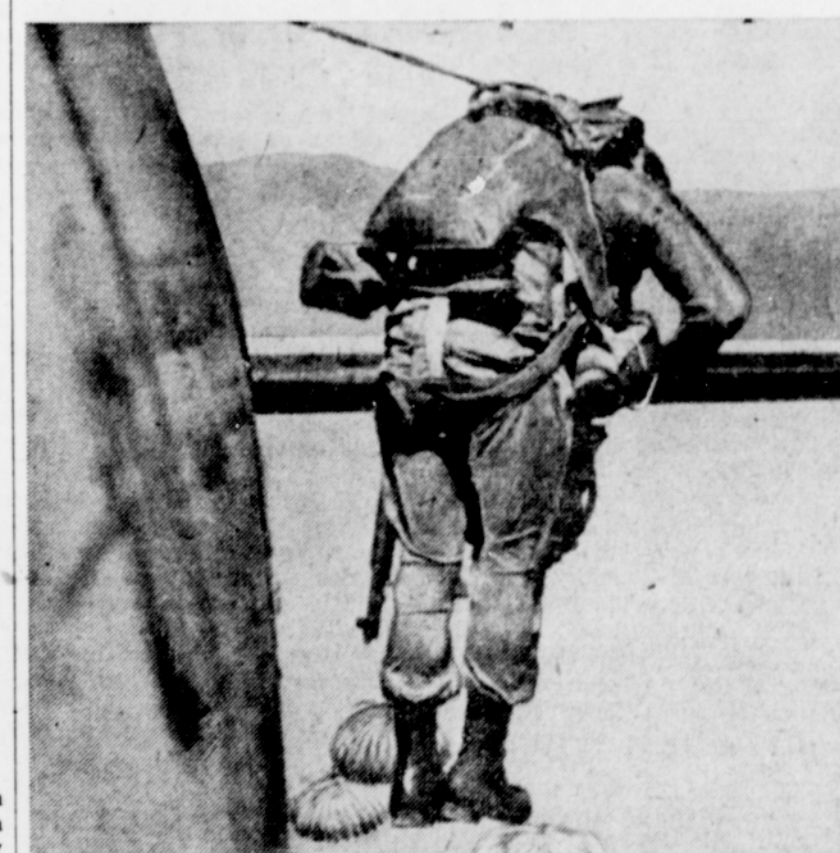
Senator O'Mahoney of Wyoming complained over the phone to Assistant Secretary of Defense Anna Rosenberg that the defense department wasn't getting enough credit for its painstaking work in formulating the \$60,000,000 defense budget. . . . Congress soon will pass a resolution, sponsored by Rep. Peter Rodino of New Jersey, demanding that Czechoslovakia release another American prisoner, John Hvasta.



TANK SERVES AS PROTECTION FOR WOUNDED CORPSMAN . . . Protected by the armor of a tank, a couple of American soldiers and a war correspondent bandage the wounds of an injured GI, a tank corpsman with the seventh division in Korea. The corpsman was wounded by small arms fire when the tank patrol probed the territory for enemy bunkers and hill positions. The first aid group are, left to right, Lt. Robert Gaul, tank commander of Agua Dulce, Texas, and war correspondent Don Dixon. Man at right is unidentified. The wounded man was loaded on another tank and run through enemy fire to safety.



MAN THROWING THE BULL . . . The camera, it is said, does not lie, but in this particular instance it was experiencing an optical illusion, because what you see here just isn't happening the way it looks. Esperantero, the torador, who apparently has tossed the gentleman cow for a somersault, is merely holding up his hands in astonishment. The bull, much too eager to insert a horn into Senor Esperantero's epidermis, tripped on the cape that was festooning his horns and threw the full somersault himself. So from now on, do not believe everything you see, especially when someone is tossing the bull around.



PARATROOPER TRAINING . . . On the brink of nothing, a paratrooper of the 187th regimental combat team hangs in midair, suspended by static line which a split second later ripped his parachute open. Then he was at the mercy of gravity and the resistance of his chute to the atmosphere. This photo of a jumper poised in air before his downward plunge was made during training exercises conducted recently by the 437th troop carrier wing and the veteran 187th.



KING IS ILL . . . England's King George leaves royal plane that flew him from Balmoral, Scotland, to London for treatment of a lung ailment that has grown worse in recent weeks. He underwent an operation in London.



BUDDHIST WEDDING . . . Mrs. Helen Troy Arlington, author of a series of dog books, and Masefield Thomas Arlington, foreman of her southern California ranch, whose marriage was rent asunder by the Buddhist faith and the girl's girlhood vow of eternal chastity, were re-wed in San Francisco recently. Here the service is performed in Buddhist temple with the Rev. Shinatsu Sanada officiating. "Masefield has agreed to accept my vow of chastity," the bride said.



WANTS BALANCE POWER . . . Chief of naval operations, Admr. William Fechteler, tells Washington women's press club that air power alone has not halted enemy advance in Korea and couldn't stop Russian drive.