

SCANNING THE WEEK'S NEWS
of Main Street and the WorldCapehart Amendment Allows Price
Increases on Thousands of Items

HERE WE GO—With a sigh of "here we go again", home town housewives across the nation learned the Capehart amendment to the controls law is effective immediately. The amendment opens the way for possible price increases on thousands of consumer items, including clothing, meat, foods, milk, butter, coal, gasoline, tobacco, beer, drugs and cosmetics.

Under this amendment manufacturers and processors are allowed to use their pre-Korea prices and add or subtract cost increases or decreases through last July 26 in computing new ceilings. Because application of the Capehart formula is optional, the general effect of the new order could not be adequately estimated. However, it was believed the particular effect will be to raise prices whenever an application for adjustment is granted.

There is just one possible hope for the consumer. Manufacturers are not required to seek new ceilings, but are allowed to do so. If any concern seeks higher prices for any line of goods, any reductions required by the formula for other goods must be put into effect as well. The firm cannot seek higher prices alone.

Among the items affected by the new order are wool and cotton yarns and fabrics, soft drinks, liquor and wine, lumber and millwork, crude oil, canned and frozen fruits and vegetables, and many other processed foods, also many important chemicals, plastics, insecticides.

Price Director Michael V. Di Salle has warned congress that prices apparently are rising again and it would be a dangerous risk to decontrol any major item now.

FOOD PRICES—While the OPS was announcing possible future price increases, the Bureau of Labor Statistics revealed that its latest index on food prices indicated an increase of nearly 1 per cent since its previous report.

The bureau pegged the price index at 231.2. That placed it 131.2 per cent above the 1935-39 average and 14 per cent above June, 1950.

Leading the advance were fruits and vegetables, and dairy products, including milk, cheese and butter. Meats, poultry and fish declined, as did fats and oils.

TRUCE TALKS—The drawn-out, frustrating Korean peace talks continue with the two sides deadlocked over supervision of the truce and the Reds refusing to open discussions on the exchange of prisoners.

Perhaps the most significant news from the truce talks is that the negotiations have entered the sixth month. It is almost inconceivable that two parties can talk for five months without agreement if there was good faith and a desire for peace on the part of all concerned. This fact alone has made the people in the home town of America pessimistic of the outcome.

By the time this reaches print the December 27 deadline on the provisional cease-fire line will have expired. If an armistice has not been agreed on, then a new cease fire line must be drawn before a final settlement. For this reason (since it appears unlikely an agreement will be reached) increased fighting can be expected on the battlefield as both sides attempt to improve their positions.

TRUMAN—President Truman cut short his Florida vacation and returned to Washington. The President hastened to assure the public that no sudden world emergency dictated his return.

It was obvious two things were uppermost in the President's mind: (1) The deadlocked Korean truce talks, and (2) the still-developing tax scandals.

It was considered unlikely there would be any public announcement concerning decisions about the Korean situation until those decisions had been carried out. The tax scandal, however, was another matter.

The President and those surrounding him have become more and more concerned with the developments (see blow) in the tax fix probe. White House intervention, even the calling in of J. Edgar Hoover, FBI chief, to conduct a sweeping investigation, appeared to be a likely prospect.

MRS. F.D.R.—Mrs. Eleanor Roosevelt, one of the most controversial figures to appear on the American scene, came under attack of Archbishop J. Francis A. McIntyre for "assuming the role of an agnostic and fatalist".

Mrs. Roosevelt said on a radio program recently: "I don't know whether I believe in a future life . . . I came to feel that it didn't really matter very much because whatever the future held you'd have to face it when you came to it, just as whatever life holds you have to face it in exactly the same way."

"I think I am pretty much of a fatalist. You have to accept whatever comes, and the only important thing is that you meet it with courage and with the best that you have to give."

The archbishop said he considers it "a strange situation that one who is chairman of the United Nations Commission on Human Rights, on the question of religion, assume the role of an agnostic and fatalist."

DEFENSE—Secretary of Defense Robert A. Lovett has announced that a provision for increasing the Air Force from 90 to 143 wings—126 of them combat—will be in the 1953 fiscal year budget now being prepared and which will be presented to congress early next month.

The actual size of the defense budget has not been announced, but it is believed to be within an informally set ceiling of \$45,000,000,000 for the entire military establishment.

Congress appropriated a total of \$59,403,264,000 for the Army, Navy, Air Force and the Office of the Secretary of Defense for the present fiscal year, exclusive of foreign military aid.

The present 90 wings of the Air Force—their size varies from about 75 planes for fighter units to 30 for heavy bombers—are not modernized since they are in many instances made up of aircraft such as the B-29 and B-50. These planes are World War II vintage and must be replaced.

TAX FIX—The House Ways and Means subcommittee graft in the Revenue Department was blown wide open by the charge of Abraham Teitelbaum that two men claiming friendship with federal officials tried to shake him down for \$500,000 with promises of a "tax fix".

Teitelbaum, a wealthy Chicago lawyer, further identified as attorney for the Capone family in some of their legal troubles, swore that Bert K. Naster, Hollywood, Fla., businessman, and Frank Nathan, Pittsburgh, led him to believe that they knew of a Washington clique which was on the lookout for "soft touches".

Naster and Nathan both vigorously denied the charge, but Attorney General Howard McGrath ordered a grand jury investigation of charges.

As far as the people in the home towns are concerned, the charges darker shadow across the Internal Revenue Bureau, under fire since the dismissal of Assistant Attorney General Theron Caudle by President Truman. And the deeper the investigating committee digs the more dirt that is likely to be uncovered. There is no doubt now that the echo of this investigation will be heard in the election campaign of 1952.

GRASS ROOTS MEDICINE

Hoosier Receives A.M.A. Award for Year

Dr. A. C. Yoder, 84-year-old Goshen, Ind., man has been named "Family Doctor of 1951" by the American Medical Association for his exceptional service to his community. He was chosen as representing the untiring general practitioner whose devotion to duty symbolized the medical profession. Previously, he had been elected family doctor of the year in Indiana

at the Indiana Medical Association convention.

"I have done nothing outstanding—nothing unusual—unless this be an exception," he told his colleagues. "I have interested myself in the grass roots of medicine, the county medical society."

Dr. Yoder was accorded the honor at the clinical session of the A.M.A. in Los Angeles.

RESOLUTIONS
ARE
WORTH WHILE

Resolutions are not the laughing matter that cartoonists and humorists like to make of them. The practice of making new resolutions should be commended as much as possible because it signifies the desire to start out a new era correctly and to correct the bad habits of the past.

Words, like people, so often fall into disrepute by the company they keep. So it is with the word "resolutions." The popular theory is that resolutions are things that are made on New Year's day and then promptly forgotten on the second day of January. Such is not always the case.

Every man or woman who ever achieved success or greatness did so by making resolutions—resolutions not only made with the advent of a new year, but made during the course of every day living. These resolutions might well be more mental than verbal. A successful man is one who profits by his mistakes. He doesn't make the same mistake twice—and, whether or not he realized it, he made a mental resolution not to commit the same error again.

We should all be able to take a lesson from this information and not be afraid to make resolutions, even though we hold a fear that they might not be kept.

Each time we resolve to do better, we have improved our mental lot a thousand fold.

Naval Observatory
Clocks Are Tops

To the most of us, seconds and minutes have very little importance. For that reason it is hard for us to realize the exquisite exactness with which the government tries to mark the passing of every second of time.

The clocks in the Naval Observatory are the most accurate in the



world, and special pains are taken to see that they remain so at all times.

The standard clocks keep "mean" time, which is the division of the days into hours, minutes and seconds. Regulation of the clocks is so exacting that the daily rate, meaning loss or gain, is so small that it can not be measured.

The clocks are regulated by coincidence of the beats with a sidereal sounder. The clocks beat so silently that microphones must be used to magnify the beats in order that they might be heard at all.

Janus, Deity of Romans,
Gave Name to January

January comes from the two-faced Roman God, Janus who has the power to look back into the past and also tell the future.

The Romans named their New Year in honor of Janus, and represented him with a key in his hand to symbolize his power to open the doorways to the past and the future.

The year of the Romans once had but ten months, the New Year being celebrated in the Spring. January and February were the last two months to be added, being placed before the original ten, with January 1 being celebrated as the first day of the year.

THE WORLD
BELONGS TO HIMDid Christopher Columbus
Celebrate New Year Here?

Some historians say Christopher Columbus was the first white man to celebrate New Year's day in the Western hemisphere. While his ships were being repaired on January 1, 1493, they say, Columbus enjoyed a sumptuous meal with two savage monarchs on the island of Haiti.

It was at this meeting that the discoverer of America had his first taste of tobacco.

THE
WASHINGTON
Merry-Go-Round
BY DREW PEARSON

Navy Declines

THE NAVY has taken an unusual stand regarding the air warfare which is getting more and more intense over Korea. It has turned down a request from Gen. Otto Weyland, Air Force commander in the Far East, that Navy jets help out the Air Force in combating Russian MIGs.

With increasing Communist strength in the air, and with the Air Force sometimes badly outnumbered in battling Russian MIGs, General Weyland requested help from the Navy's carrier-based jet fighters.

However, despite the fact that there is supposed to be armed services unification, the Navy refused. Official reason was that Navy carriers were outside the fighting range.

Air force pilots who sometimes go into battle against superior Communist odds believe the fact that its jets are inferior to the MIGs. Since the Navy specializes in fighters, and not long ago boasted the best jet fighter plane in the world, this is a bitter pill to swallow.

Navy pilots today are among the best in the world, but apparently planes haven't kept up with either the Air Force or the enemy. As a result only two MIGs have been shot down by the Navy during the Korean War. One was bagged by a Navy Panther jet some time ago, the other by a Navy pilot who, however, flew an Air Force Sabre jet.

Debate Over McGrath

President Truman's advisers are split down the seam on a bold move to oust Attorney General Howard McGrath and name crusading Sen. Estes Kefauver to clean up the Justice department.

This proposal was pushed backstage by Averell Harriman, who has been on speaking trips out of Washington and knows how deeply the corruption issue is hurting; also by usually cautious White House counsel Charlie Murphy, and younger staff members.

Their argument with the President is: "The investigations are not going to stop with Internal Revenue and RFC, but will go into alien property custodian, surplus property, and possibly the federal judiciary right up to the Supreme Court. The American people won't be satisfied unless the administration cleans house boldly and dramatically. A sure-fire way to regain public confidence is to name Senator Kefauver as attorney general, giving him complete authority to prosecute, no matter who is hurt."

Mr. Truman seems to like the idea and has been saying privately: "I've always been loyal to my friends. But they haven't been fair to me."

On the other side, a powerful White House force, Matt Connelly, who sits next to the President and makes all his appointments, is more than cool. Connelly vigorously defends his fellow Irishman in the Justice department and has been digging up political friends of Mr. Truman to talk up McGrath and talk down his ouster.

Merry-Go-Round Poll

People not on the political inside seldom realize how much backstage wire pulling goes into the nomination of a presidential candidate. To a considerable extent this lessens the chance of the American people to elect a President. For, while they can elect, not many can nominate.

This frequently leaves the selection of the presidential nominee a matter of barter and backstage lobbying by the party bosses.

Today, Taft scouts have been combing every state in the union, plugging delegates six months in advance. Some of these may represent the people of their state, some may not. Some may realize that world conditions, the threat of war, the hopes for peace, can change the world in six months, and with them can change the presidential needs of the nation.

Therefore, to sound out the true political sentiment of the American people through the 600 newspapers publishing the Washington Merry-Go-Round, this column is conducting a post-card poll on the Republican candidates. (The Democratic poll will come later.) To vote, address a post card to the GOP candidate of your choice, Box 1952, Washington 13, D.C., and tell him: "I'm for you in 1952."

Washington Pipeline

Lucille May Grace, the lady who nobody thought had a chance to become Governor of Louisiana, is really stirring up the state . . . Attorney General Howard McGrath, while unhappy over the King Income-Tax Committee, has been cooperating quietly with the income-tax probe of Senator Williams of Delaware. McGrath is even trying to get a job for a Williams man, J. George Stewart.

THE
HOME
TOWN
REPORTER
IN WASHINGTON
WALTER SHEARD, WNU Correspondent
Second of two columns on the Federal Budget

Budget Figures

IN a previous column showing expenditures of the federal budget, it was pointed out that the budget for fiscal year 1952 amounted to approximately one-quarter of the national income.

In comparison with other years, this expenditure for 1952 is not out of line since at the peak of World War II the budget amounted to slightly over one-half of national income. In 1939, a peace-time year, the budget was about one-eighth of national income. Expenditures for military services it was seen comprises almost 70 per cent of the budget and about 15 per cent of national income as compared to 45 per cent in 1945. And the per capita cost of military services in fiscal year 1952 is about \$266 comparing to \$9 in 1939, \$609 in 1945, and \$76 in 1948.

And although the budget deficit, taking into consideration new taxes enacted by congress of something less than \$5 billion, will run approximately 12 billion or less, it was shown that cash payments to the public from all sources including trust funds will run an estimated \$12.8 billion more than receipts.

The fight on the tax bill in the last Congress was one of the most bitter in recent years. The President had asked for a pay-as-we-go tax law which would have called for something like \$16 billion in new taxes. What he got was a tax bill which is expected to raise something under \$5 billion. Proponents of the President's pay-as-we-go method of meeting the tax bill maintain that the budget could have been brought near to balance by closing the loopholes in the present law without enactment of any new taxes.

Tax Loopholes

Some of these loopholes are: Corporations excused from paying higher rate for first three months of this year, costing the taxpayers an estimated half billion dollars; an estimated \$750,000,000 annually is lost because of the "percentage depletion" allowed oil and mining companies which the President has called the "most glaring" loophole in our tax laws, but instead of lowering the depletion for oil companies the new tax bill loses about \$70,000,000 more in increased depletion allowances; income-splitting which permits a husband to split his income with his wife in computing his taxes, thus paying a lower tax bill benefits those earning only \$10,000 or more a year which loses the treasury an estimated \$2,500,000,000 annually; dividend withholding which would work like wage and salary withholding was refused by congress at an estimated loss of \$300,000,000 to the treasury; estate and gift tax loopholes if plugged would bring in about \$600,000,000 annually; chain stores taxes are lost by permitting each branch store to incorporate locally, thus escaping corporate and excess profits tax.

Bureau Report

The Bureau of the Budget in pointing out the tremendous increases to expand the armed forces and for other military expenditures says: "Other increases are for the Atomic Energy Commission and for new defense programs, including those to expand defense production, to apply economic controls, to organize civil defense against enemy attacks, to provide housing in defense areas and to move key government agencies to dispersal sites outside of Washington. Aside from these national security activities, the budget shows a decrease from expenditures being made in 1951."

There is no question but that the 1952 budget is a terrific tax load on American taxpayers. But so long as inflation threatens, as it does threaten, one of the most deterrent influences is to drain off expendable dollars in the form of taxes instead of bidding against one another on the open market for consumer goods.

For How Long

How long can we stand it? The pessimists, with an eye on their own pocketbooks, say not long, that we soon will be over-producing which would be deflationary and result in recession of the economy. The optimists say as long as we have to for any price is cheaper than bowing our necks to the yoke of Russian Communist domination.

Higher Car Prices

Automobile manufacturers have been told they can apply for higher price ceilings if they desire. It would be the third boost since automobile prices were frozen a little more than a year ago. The Office of Price Stabilization said eight of the 10 car makers already have indicated they will ask for the increase. OPS said it had no idea how much the new formula might entitle auto makers to raise their prices.

SPORTSCOPE By Joe Mahoney

JEROME HELVIN



GETTING HIT BY THIS GIANT TULANE GUARD IS LIKE GETTING SMACKED BY A TRUCK. SIX FEET-TWO, 280 POUNDS OF SOLID MUSCLE FACT IS—HE DIDN'T PLAY FOOTBALL AT ALL IN 1948—TOO HEAVY. TULANE AUTHORITIES FIGURED HIS THEN 300 LB. WEIGHT WAS TOO MUCH OF A BURDEN TO CARRY THRU VARSITY FOOTBALL.

SPORTLIGHT
Texas, Missouri Keep Gridders

By GRANTLAND RICE

NEW YORK—"If you want to size up a football team," writes L.P.S., "take a look at where most of the players come from. There's the answer. Teams that have many players from out of their own state were benefited by the heaviest proselyting, recruiting and subsidizing, as a rule.

Did you notice that in a recent well-selected all-Southern team, nine of the eleven men came from the north? I just made a check and found the majority of the Southern stars came from well above the old Mason and Dixon or Smith

and Wesson line. Pennsylvania is the main recruiting ground.

"On the other hand," he continues, "Texas teams are nearly all packed with Texans. Missouri has nearly all Missouri boys in her line-up. Pennsylvania, I'd say, gets the heaviest raiding. They travel from 1,200 to 1,500 miles to grab the best talent Pennsylvania has to offer. I'd say Pennsylvania could field a team that would outmatch any in the country, including Ohio and Texas. But one state can't take care of fifteen or twenty colleges. Or maybe many more." If any heavy cut is made in football's present system the loudest squawk will come from Texas.

Texas has from 800 to 900 prep schools that go in seriously for football. These myriad schools supply Texas, SMU, TCU, Rice, Baylor, Texas A. and M. and one or two others. The Texas athletic scholarship list is also heavy and if there is any big reduction here Texas may secede again—if not from the United States, at least from the N.C.A.A. Texas could lure in Arkansas and Oklahoma, and have all the fun and action wanted. Football in Texas is a civil war and the teams really go all out. The high schools in Texas battle it to the hilt from September to December. I don't know whether Texas has the phony coaches for football players that so many other colleges have or not. I doubt it, since most of the complaints that have come this way haven't blown in from Texas.

Split-Up May Follow

There is a good chance that the end of this football argument may lead to a big split-up—to different ways of running the game.

"Why," writes in one sideline, "don't we have three divisions: Professionals, Semi-Professionals, and Amateurs? Each team to play among its own group?" The trouble is the professional casts would insist on being labeled amateur.

The chief trouble will come from athletic scholarships and scholarship ratings. A big number of colleges will stand up and howl at the idea of abandoning all athletic scholarships or forcing football players into courses too tough to be passed. For a great many football players can only pass simple courses. This doesn't apply to everyone, of course, especially to colleges with much higher standards.

If the athletic scholarship and scholarship standards can be handled effectively one won't have to bother with spring practice, bowls or even proselyting.

A fellow isn't going to a college largely to play football and then pay his own way and take up a tough student course. You can bet a carload of bullion on that and collect every time.

But if there are groups of colleges who want to continue athletic scholarships and soft courses they should certainly be allowed to play among themselves. No one is going to get all colleges to take the same route, to follow the same road.

The point is that these groups should be sharply divided, each one carrying a different label, each playing in its own sub-division for its own set of ratings or championships. It is completely unfair to compare college teams that don't have athletic scholarships and have high student standards with colleges that do have such scholarships plus moronic student ratings.

Another Entry

I doubt that anyone in the fight game was as well conditioned as one James Joseph Tunney, or knew more about conditioning. Tunney spent just seven years in getting ready for his first Dempsey test.

In those seven years he never broke strict training for as long as a split second. He handled his own program, and this also included mental training, working for better concentration. He set up a program and followed it faithfully.

Tunney's road work covered an enormous span of ground. Even playing golf he would hit a drive, toss his club to the caddy and then start running and punching.

How to Fix It

BY HAROLD ARNETT



READING WITHOUT YOUR GLASSES IN AN EMERGENCY CAN BE ACCOMPLISHED BY CROOKING THE FINGER AS SHOWN, AND READING THROUGH THE HOLE, WHICH MAGNIFIES THE PRINT.