

The Plattsmouth Journal

PUBLISHED WEEKLY AT PLATTSMOUTH, NEBRASKA
Entered at Postoffice, Plattsmouth, Neb., as second-class mail matter

R. A. BATES, Publisher

SUBSCRIPTION PRICE \$3.00 A YEAR IN FIRST POSTAL ZONE
Subscribers living in Second Postal Zone, \$2.50 per year. Beyond \$30 miles, \$3.00 per year. Rate to Canada and foreign countries, \$3.50 per year. All subscriptions are payable strictly in advance.

Governors now rate a 19-gun salute, instead of the 17-gun salvo of the old days. But what is being done for the college professors and members of the brain trust?

If the Morgans and the Mitchells and the rest up there don't pay income tax, we guess about the only way to reach them is with a sales tax. We suppose they do buy a pair of shoes or a radio tube now and then.

Some of the President's fiercest political opponents of his supposed inflationary policies are now beginning to fear he isn't going to give them a trial. Nothing so annoys a man with a fine funeral oration in his system as for the patient to get up and come downstairs on his own power.

One-third of the girl babies born in a certain district in Massachusetts last year were named Joan. Probably in a few years all girl babies will be named Joan, which at least will be a somewhat refreshing change from the recent custom wherein all girl babies had to be named Betty something-or-other.

Charles E. Mitchell, lately a commanding New York banker, faced the bar of justice the other day alongside Waxey Gordon, racketeer, both of them to fight charges of income tax evasion. "The government charges had leveled the social barrier," comments a news observer. We doubt it. Whatever aims they may have had in common before, we believe they hold nothing but contempt for each other now. Each one was in on the play, and each one muffed the ball. And that's unpardonable.

MRS. PINCHOT GIVES THE DRAMATIC TOUCH

Mrs. Gifford Pinchot, wife of the governor of Pennsylvania, joined the picket line of "baby strikers" protesting against intolerable employment of child labor in the sweatshops of the Lehigh valley.

"I want to help call attention," she said, "to the actual fact, believing that great assistance in correcting these outrageous conditions can be given by an aroused public opinion."

Those who recall Mrs. Pinchot's visit to Des Moines a number of years ago will not underestimate the influence which her enlistment in the cause of child welfare in her own state will have there and nationally.

Not only has the governor's wife a full measure of courage of her convictions, but she brings to the presentation of those convictions a sensationally dramatic touch which cannot be ignored. An incident in connection with her appearance in Iowa is illustrative.

Mrs. Pinchot was one of several distinguished women addressing a gathering of several thousands which packed the coliseum. Seated in the center of the large platform before the throng she studied the notes of her own speech while she awaited her turn on the program, and as she studied and while others spoke, she bent forward and relieved the pressure of a black and gold striped shoe by slipping it off her heel and permitting it to hang suspended from her toe. Oblivious of the eyes upon her, she swung her foot backward and forward, the slipper dangling precariously from her toe.

Lima Beane says the march of prosperity will not get far unless wages hayfoot-strawfoot with the cost of living.

Another thing that is hurting this country, is that everybody wants the same thing at the same time and wants to do what others do.

Martin Bloom of Omaha and Plattsmouth, was a visitor in Murray on last Tuesday evening, having some business matters calling him here.

The President is working fifteen hours a day. When the new 6-hour law is in effect we shall need three Presidents and an extra sub for weekends.

The London weekly, Punch, says "an American university claims to teach any language in eighteen hours." We have long envied Punch its sources of American information.

A new chemically treated coal for the open fireplace burns with a pine-scented odor, and another new kind produces flames in any color, to match the decorative plan of the room.

Somebody has called to our attention once more the fact that man has not been able to perfect a machine that would make pretzels. And that was probably the straw that broke the technocrat's back.

A citizen tells the Journal that he has completely given up the garden idea, because the only thing he ever received for raising vegetables was the knowledge that his neighbor won first prize for his chickens.

MR. FARLEY MAKES A GOOD BEGINNING

Whether James A. Farley will succeed in putting the postoffice department on its financial feet is one of the most interesting subjects of conjecture afforded in Washington today. Mr. Farley is the politician par excellence. He does not pretend to be an efficient engineer. His most conspicuous achievement to date has been the conduct of a surprisingly successful presidential campaign, and his designation as the patronage manager of the new administration gives him still a tremendous stake in party politics.

It would be the irony of circumstance if a man with such qualifications and such interests should succeed in making the most political of all government departments pay its way. It is our hope and prayer that Mr. Farley may turn the trick. We should be glad to see any administrator make a go of the postal service, and we should be particularly glad to see a politician do it in a way to confound those who are forever telling us that politicians are an incompetent lot.

Even Mr. Farley's critics will admit that he has begun well. His first move is to ask for the restoration of 2-cent postage for drop letters, thus undoing one of the most disastrous mistakes of his predecessor. The same may be said about his disposition to reorganize the rural service. When the new postmaster-general begins to talk about handling the rural mail as efficiently with 30 thousand carriers as it is now handled with 40 thousand he addresses himself to a reform of great promise, from which congress and the postoffice department have usually shied away.

The rural free delivery service costs the postoffice 106 million dollars a year. The average salary of carriers is \$2,200. Most of the routes were laid out in the horse-and-buggy days, and now that the automobile and hard-surfaced road have changed the problem of rural transportation the routes are so short that the carrier can finish his rounds in half a day. In the mass, this system undoubtedly presents a fruitful field in which to apply, in a practical, hard-headed way, the theory of "consolidations" which has long been popular, but seldom has been made to save real money.

If Mr. Farley goes about the application of this theory seriously he will go a considerable distance toward realizing the high hopes which many wish to entertain with respect to his abilities.—Baltimore Sun.

THE MAJOR PROBLEM OF TAX REDUCTION

A report of the National Organization to Reduce Public Expenditure (Norpe) reveals encouraging progress in the reduction of government expenditures in many of the states. In Ohio, for example, the budget for 1929-30 was \$74,200,000, and for 1931-32, \$65,744,000, with actual expenditures 30 per cent lower. The proposals for the next biennium depend to 46 million dollars. A splendid record. In Iowa, they spent 110 million dollars in 1931, but expect a budget of 70 million dollars for 1934. In Wisconsin there are estimated reductions for 1933 of 14 million dollars in the state budget and of nearly 11 million dollars in local expenditures. Since 1931 the savings are about 45 million dollars. In Oregon the state budget has been reduced from \$17,344,000 in 1931-32 to \$9,339,616 for 1933-34. Local property taxes were reduced from \$48,859,000 in 1929 to \$41,544,000 in 1932. Other states are showing substantial economies, and in a few cases the spenders are still unrepentant and unafraid. Not surprisingly, Huey Long's Louisiana is a prominent example. Its expenditures have risen 105 per cent in the last year, or from \$27,328,000 in 1929 to \$86,538,000 in the year ending next month.

If it is reasonable to note with some encouragement the gains for economy already secured in the federal and many of the state and local governments, the task of bringing all public expenditures within safe bounds and to arrest the swelling tide or torrent of public spending can only be appreciated by facing facts of which the public is generally uninformed. In a strong appeal for public economy before the national academy of political science last autumn Mr. Straw of this city pointed out that since the war public borrowing in the state of New York has increased 221 per cent, in Michigan 808 per cent, in California 1,099 per cent, in Missouri 1,842 per cent, in Illinois 8,777 per cent, in New Jersey 10,476 per cent. Public spending since the war has increased in New York City 180 per cent, in Philadelphia 277 per cent, in Chicago 339 per cent, in San Francisco 388 per cent, in Detroit 1,330 per cent. The funded debt has increased in New York City from about 795 million dollars in 1919 to \$2,246,000,000 in 1932, and that of Detroit from \$23,513,000 in 1918 to \$349,567,000 in 1932. Constitutional limitation have not permitted such gargantuan increases in Chicago's funded debt, but Mr. Straw reminds us that while our population has increased 55 per cent in 20 years, our tax levy has increased 560 per cent.

By an unbroken upward swing the total cost of federal, state and local government has grown from \$55 million per annum in 1890 to about 14 billions in the present year of grace, or from a per capita cost of \$13.56 in 1890 to \$107.37 in 1929. The increase of the national income offers no justification for this increase, for whereas government took one dollar of 15 1/2 in 1913 it now takes one dollar of three.

No nation, however rich in resources of nature and human industry, can survive such an orgy of spending. To check it drastically and promptly is the major problem of recovery.—Chicago Tribune.

NOT ALL PROFESSORS

Mr. Roosevelt's professors—Moley, Berie, Tugwell, et al.—have been a cause of worry to wiser folk than Prof. Harry T. Baker of Goucher college. Putting the business of running the country entirely into the hands of a lot of inexperienced academicians is not to their taste. It is not, indeed, to our taste.

But we note that the business of running the country is not being put entirely into the hands of the professors. The man who is to run Muscle Shoals is Arthur Ernest Morgan who, though recently a college president, is essentially and by experience a practical engineer who has administered a dozen big reclamation projects. The man who is to run the "partnership" between the government and industry under the terms of the industrial reorganization act is Hugh S. Johnson, ex-army officer and now a big business executive. The man who is to administer the relief fund of half a billion is Harry L. Hopkins, a New York professional who has been doing exactly the same job for New York state.

We have no desire to read thoughts into the president's mind, but on the basis of this showing it looks as if his weakness for professors doesn't extend to the point of intrusting jobs to them for which they are not qualified by training. Professors as advisers and executives for administrative work seems to be the rule.—Baltimore Sun.

MORGAN & CO

Is it "Morgan, Morgan the raider and Morgan's terrible men" who face the senate investigating committee at Washington? Or is it a beneficent and stabilizing influence in our economic life under the direction of 20 powerful banking partners who are also great patriots?

The senate committee's special counsel, Pecora the Sicilian immigrant, does not become personal about it. But he does say that the revelations he expects to produce will justify a complete reform of American banking methods. He says the facts adduced will justify divorcing commercial from investment banking, and the separating of banks from all business affiliates. They will also, he believes, justify prohibiting private bankers from taking deposits so long as they fail to undergo federal or state supervision.

The House of Morgan came to Washington in an automobile cavalcade with 15 private guards, to occupy five full floors in a luxurious hotel. As chief attorney came John W. Davis, former solicitor general, former ambassador to Great Britain, and once the democratic nominee for president of the United States. This befits the impressive dignity of the greatest private banking house in the world, and widely regarded as the most powerful bank. It is an offshoot of the London bank of Peabody & Co., of which its founder, Junius Spencer Morgan, was a member. Junius established his eldest son, John Pierpont, as an independent banker in New York in 1863, and from that beginning grew the mighty institution now under the probe of the senate's skillful and merciless attorney.

This House of Morgan has long been under bitter attack as an octopus exercising an ominous control of American business. It has been described as a far-flung financial empire, international in its scope, with its strong hand on the mechanics of our economic life—banks, railroads, public utilities, insurance companies and great industries. Its present head has his palatial home on Long Island, but spends much of his time abroad, especially in England, where he maintains a country home and a London house.

The Morgan bank, we learn already, is a peculiar institution. It is subject to no public control, no public supervision or inspection. Its 20 partners meet regularly and make their decisions, but no written records of their deliberations are kept. There are no stockholders, no capital stock, and a partner may be admitted without making a dollar of investment, sharing in all subsequent profits and losses. Its deposits have run as high as 562 million dollars, and its assets as high as 703 million dollars.

It is interesting to recall that the present senate investigation was begun in March, 1932, at the request of the Hoover administration. The purpose was to discover whether there was a "bear" conspiracy to depress the market, and to expose bankers who, it was believed, were damping up credit by "unpatriotically" keeping their resources liquid. The Hoover administration, for some reason, soon withdrew its support, and the investigation lagged and floundered. Now it is on under a full head of steam.

It is even more interesting to note that the consolidated statement of Morgan & Co. furnished the committee goes far to support the suspicions Mr. Hoover entertained. For it shows that the bank's holding of United States government securities was increased from 110 million dollars January 2, 1932, to 224 million dollars on December 31, 1932. But the holding of corporate stocks was decreased from 57 million dollars in 1931 to 12 million dollars at the end of 1932. And time loans were reduced from 86 million dollars in January of 1932 to 34 million dollars in December. The House of Morgan, plainly was doing anything but "holding up the market" and making credits easy.

Another early revelation, it is safe to say, has astounded and shocked the entire country. Neither Morgan himself, nor a single one of his partners, paid any income tax in 1931 and 1932! And by the device of talking in a new partner on January 2, 1932, it became possible, under the income tax law, to report a 21 million dollar loss for a two-day period, as of 1930, which loss could be extended over 1932 and 1933. This loss, it is testified, "was not a revaluation, but an actual transaction on assets sold."

And this, we repeat, is shocking, directly and in its implications. It follows the similar revelations as to the income tax practices of another one-great New York banker, Charles E. Mitchell. It inevitably gives rise to the suspicion that what is true

of the Morgan partners, and of Mitchell, may be true of hundreds if not thousands of the country's wealthiest men. To say that they have no incomes whatever seems preposterous. But by one device or another they escape payment of the tax. It may be a device technically legal—as by selling securities at a heavy loss and then, in a little while, buyin gthem back at about the same prices. But legal or not, it means that the big fish go free while the little fish are caught. It means that the relatively poor bear the heavy burden of the income tax while many of the enormously rich contribute nothing. And not all the propaganda that can come from soviet Russia in five years breeds so much of the spirit of communism and revolt as that.

The country will hope that the present senate investigation will not be prevented to lag as it did a year ago. What is needed is the truth and all the truth, to make rebuilding and reform possible. If we have builded our financial house upon the sands, if we have given confidence and honor where neither is deserved, we want to know it. Nor need there be fear that any reputation deservedly high will be unjustly destroyed. John W. Davis and other able counsel may be depended upon fully to protect the rights and interests of their clients, before the senate committee and before the people.—World-Herald.

PRACTICAL POLITICS AND THE BRAIN TRUST

Ogden L. Mills, former secretary of the treasury, recently said that President Roosevelt had made a college campus of the White House grounds. The Washington correspondents have dubbed the president's professional advisers "the brain trust." The Chicago Tribune refers to him as the "professoriat."

President Robert Maynard Hutchins of the University of Chicago asks a very pertinent question. He wants to know if the president should be advised either by politicians or business men, neither of whom have a contribution to make, when a "clear, disinterested, honest, trained intelligence can be applied to our problems."

President Hutchins thinks Mr. Hoover made a mistake when he did not heed the objections of more than one thousand economists to the Hawley-Smoot tariff bill. He also announces himself prepared to defend the proposition that the usual tragedy could have been averted if the public had been in any mood to heed warnings repeatedly issued from universities in Chicago.

In our opinion, the point is unanswerable. Government is a matter of political science. We have many times asserted that there had not been a political scientist in the White House in the 12 years since Woodrow Wilson left it. We are not asserting that President Roosevelt is a political scientist, but we do agree that he has been wise in surrounding himself with educated men. It is a practice that has impressive historical precedents. Rome is commonly said to have derived much of her wisdom from her Greek advisers. The scholarship of the Greeks was one of the foundations of an empire that remains the political wonder of the world.

The men who founded the American republic were scholars. They evolved our theory of government out of the philosophies of Europe. It was one of the rare occasions in history when educated men had an opportunity to apply to government that clear, disinterested, honest, trained intelligence of which President Hutchins speaks.

All social and political problems are matters of education. They do not spring from the brains of the uneducated and the untrained, and they never will do so. The spectacle at Washington in the post-war period was unique. It was dominated by political hacks and intellectual plug-uglies. It was an impossible situation, and it produced but one hero. He was the late Thomas J. Walsh of Montana, a former college professor. His resentment of government by greedy men and political panderers rose to such heights in the oil scandal that he became a veritable flaming sword.

The United States can never fulfill the expectations of its founders until it recognizes and honors government as a science. It cannot be successfully made either a pastime for politicians or a market for traders. The Roosevelt administration has undertaken to call in people who know something about political science and political economy. Theirs is the giant task of rescuing the country from the consequences of rule by those who knew nothing about either.—St. Louis Post-Dispatch.

The Journal will appreciate your opinions in news items. Call No. 6. Thanks!

CHANCELLOR HITLER'S PROPOSITION IS FAIR

The address of Chancellor Hitler to the German reichstag was certainly reassuring to fair minded people. Others may question its sincerity. We believe its sincerity can be tested almost immediately.

The first test will be Germany's adhesion to the pact proposed by President Roosevelt, a pledge that her armed forces will not cross her frontiers. That pledge will certainly be given. The chancellor so indicated.

The second test will be Germany's willingness to give up aggressive arms. In this connection it should be pointed out that both President Roosevelt and Chancellor Hitler say the MacDonald plan, which the limitation of armaments conference has been debating, does not go far enough. They are right; the British plan is a limp compromise. It proposes a reduction in tanks and heavy mobile land guns—both aggressive weapons not needed by a strictly defensive nation. It prohibits air bombing, but it would abolish military and naval aircraft only if some means can be found by which civil aircraft cannot be converted to military use. It proposes the reduction of continental armies to certain figures—but not the British army, nor the American army, nor the Japanese army; and the deliberations at Geneva have shown an inclination to define "army" in one sense for France and her allies, and in a totally different sense for Germany.

Mr. MacDonald's plan was honest enough when it was presented. It was an emergency scheme, devised almost on the spur of the moment to keep the Geneva conference alive. But in those deliberations it became a dishonest plan, as the German envoys pointed out, and as Chancellor Hitler continues to insist. Much has happened since the middle of March, when the plan was presented. The London economic conference has taken shape and has been given a date and definite purposes. President Roosevelt has furnished a new and practical definition of an aggressor nation. Chancellor Hitler has declared that Germany wants peace, and will forego all claim to aggressive weapons in the measure that other nations will do the same. Why not, then, go beyond the hesitant, halting MacDonald plan, which few nations are willing to trust for the simple reason that it stops far short of what might now be accomplished? "The way to disarm," said President Roosevelt in the simplest possible form of statement, "is to disarm."

There is the truth. Compromise can lead only to confusion and failure. Chancellor Hitler says Germany has no modern aggressive armament; that she claims the right to arm only to the extent that her neighbors enjoy that right; that she is willing to renounce it if they will renounce it. Is that not a fair statement, and in line with what President Roosevelt has proposed?

The burden of proof now rests with those nations which, heavily armed themselves and crying for still more "security," would keep Germany disarmed. What will they say in reply to the president's request?—Detroit News.

RAILROAD TRAVEL TO COME BACK?

There are two widely recognized means of rehabilitating the rail passenger business. One is the betterment of service, chiefly through increased speed; the other, a substantial reduction of fares. Tentative plans of the Union Pacific to try out a light-weight, motor-driven train capable of a maximum speed of 110 miles an hour invite attention to the first prospect. Such a train, if actually constructed would be used only on main line runs between large cities. But there are questions as to the suitability of existing road beds for that, and the maximum speed suggested is in excess of that maintained in other countries where tracks, absence of grade crossings and other conditions are more favorable. A similarly equipped single coach recently made only about eighty miles an hour in an experimental run in Germany.

If American ingenuity can give this country leadership in swift, and safe, railroad travel, so much the better. That is to be seen. The reduction of fares may be found more practical and more immediate in accomplishment. It is not untried, and there now seems to be an increasing inclination of the carriers to give it wide application. The proposed rail regulation may hasten it, and there would be little doubt of results with the public if costs were made the equivalent of those of highway carriers and possibly less than those of private vehicle operation. As to speed, the one form of travel now is in a favorable position as compared with the others.—Kansas City Star.

Lumber Sawing

Commercial sawing from your own logs—lumber cut to your specifications.
We have ready cut dimension lumber and sheeting for sale at low prices.
NEBRASKA BASKET FACTORY

A minister tells the Journal there is nothing more disappointing than to drive ten miles into the country to make a pastoral call only to find the yellow-legged chickens are not big enough to fry.

NOTICE OF HEARING on Petition for Determination of Heirship

Estate of John Weyrich and wife, Emilie Weyrich, deceased.
In the County Court of Cass county, Nebraska.
The State of Nebraska: To all persons interested in said estate, creditors and heirs, take notice, that Emil J. Weyrich has filed his petition alleging that John Weyrich and wife, Emilie Weyrich, died intestate on or about October 9, 1928, and March 29, 1931, respectively, being residents of Cass county, Nebraska, and that said estate of the following described real estate, to-wit:

Lots 8, 9, 10 and 11 in Block 6 in Thompson's Addition to the City of Plattsmouth, Nebraska—leaving as their sole and only heirs at law the following named persons, to-wit:

Emil J. Weyrich, Clara E. Weyrich and Alton B. Weyrich; That the interest of the petitioner in the above described real estate is as a son and heir at law, and praying for a determination of the time of the death of said John Weyrich and Emilie Weyrich and of their heirs, the degree of kinship and the right of descent of the real property belonging to the said deceased, in the State of Nebraska.

It is ordered that the same stand for hearing on the 23rd day of June, 1933, before the County Court of Cass county in the court house at Plattsmouth, Nebraska, at the hour of ten o'clock a. m.

Dated at Plattsmouth, Nebraska, this 25th day of May, A. D. 1933.
A. H. DUXBURY,
County Judge.

SHERIFF'S SALE

State of Nebraska, County of Cass, ss.

By virtue of an Order of Sale issued by C. E. Ledgway, Clerk of the District Court within and for Cass county, Nebraska, and to me directed, I will on the 3rd day of June, A. D. 1933, at 10 o'clock a. m. of said day at the south front door of the court house in Plattsmouth, in said County, sell at public auction to the highest bidder for cash the following real estate, to-wit:

Lots 10, 11 and 12 in Block 20, in the City of Plattsmouth, in Cass County, Nebraska; The same being levied upon and taken as the property of Maud Berghalm, et al., defendants, to satisfy a judgment of said court, recovered by J. M. Robertson, plaintiff, against said defendants.

Plattsmouth, Nebraska, May 1, A. D. 1933.

H. SYLVESTER,
Sheriff Cass County, Nebraska.

m1-5w m1-5w

SHERIFF'S SALE

State of Nebraska, County of Cass, ss.

By virtue of an Execution issued by C. E. Ledgway, Clerk of the District Court within and for Cass county, Nebraska, and to me directed, I will on the 10th day of June, A. D. 1933, at 10 o'clock a. m. of said day at the south front door of the court house, in Plattsmouth, in said county, sell at public auction to the following real estate, to-wit:

All that part of Lot nine (9) in the northeast quarter (NE 1/4) of the southeast quarter (SE 1/4) of Section twenty-three (23) lying south (S) and east (E) of the railroad right of way; also the south one-half (S 1/2) of the north-west quarter (NW 1/4) and the north one-half (N 1/2) of the southwest quarter (SW 1/4), except the east one-half (E 1/2) of the east one-half (E 1/2) of the southeast quarter (SE 1/4) of the northeast quarter (NE 1/4) of the southwest quarter (SW 1/4), and all Lot six (6) in the southwest quarter (SW 1/4) of the northeast quarter (NE 1/4), and the west three-fourths (W 3/4) of the north one-half (N 1/2) of the northwest quarter (NW 1/4) of the southeast quarter (SE 1/4) of Section twenty-four (24), all in Township twelve (12) North, Range thirteen (13), East of the 6th P. M., containing 215 acres more or less according to the Government survey; also Lots sixteen (16), thirty-one (31), thirty-two (32), thirty-three (33), thirty-four (34), thirty-five (35) and thirty-six (36) in the northwest quarter (NW 1/4) of the northeast quarter (NE 1/4) of Section twenty-four (24), Township twelve (12), North, Range thirteen (13), East of the 6th P. M., all in Cass county, Nebraska, subject to all mortgages and liens now on record.

The same being levied upon and taken as the property of B. F. Wiles, Defendant, to satisfy a judgment of said court, recovered by Plattsmouth State Bank, Plaintiff against said Defendant.

Plattsmouth, Nebraska, May 8th, A. D. 1933.

H. SYLVESTER,
Sheriff Cass County, Nebraska.

m5-5w