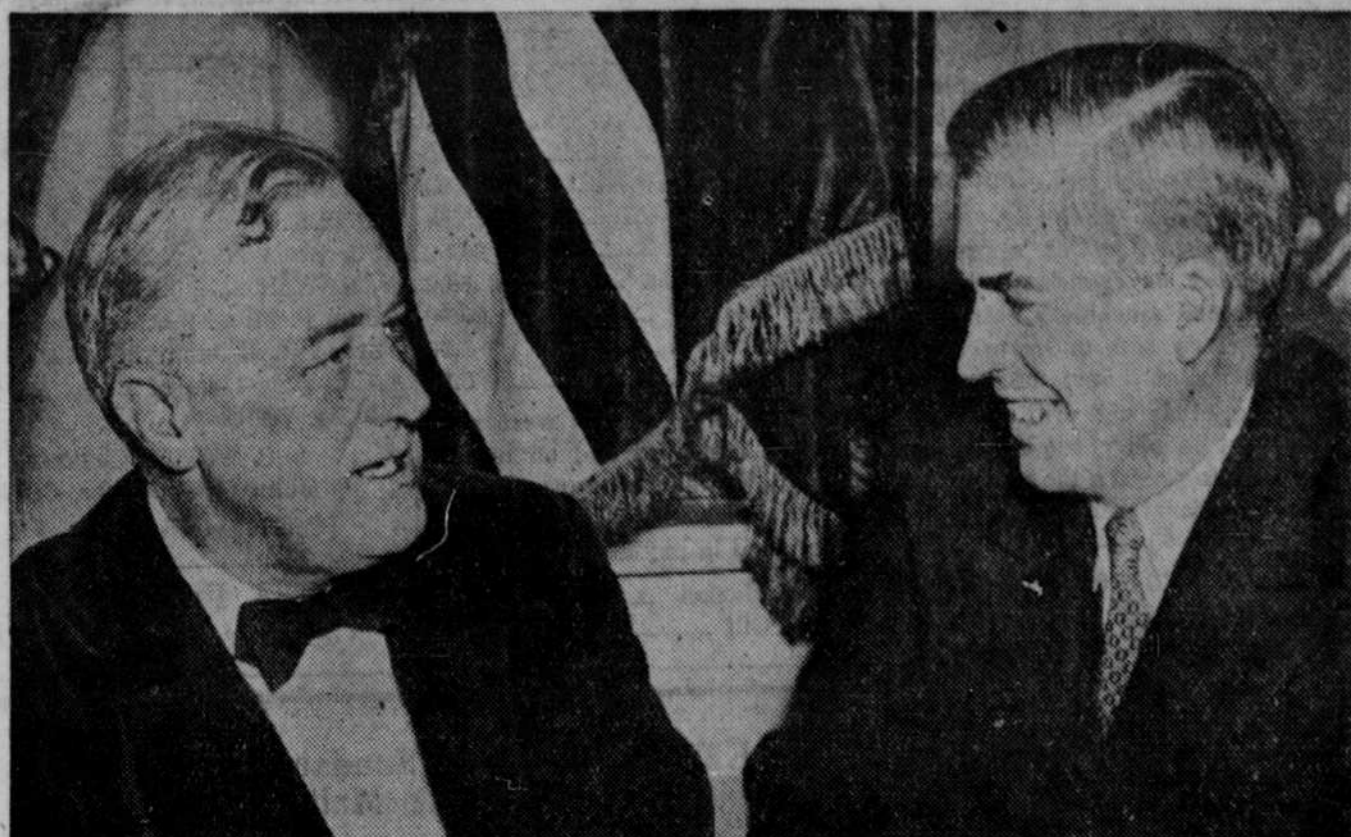
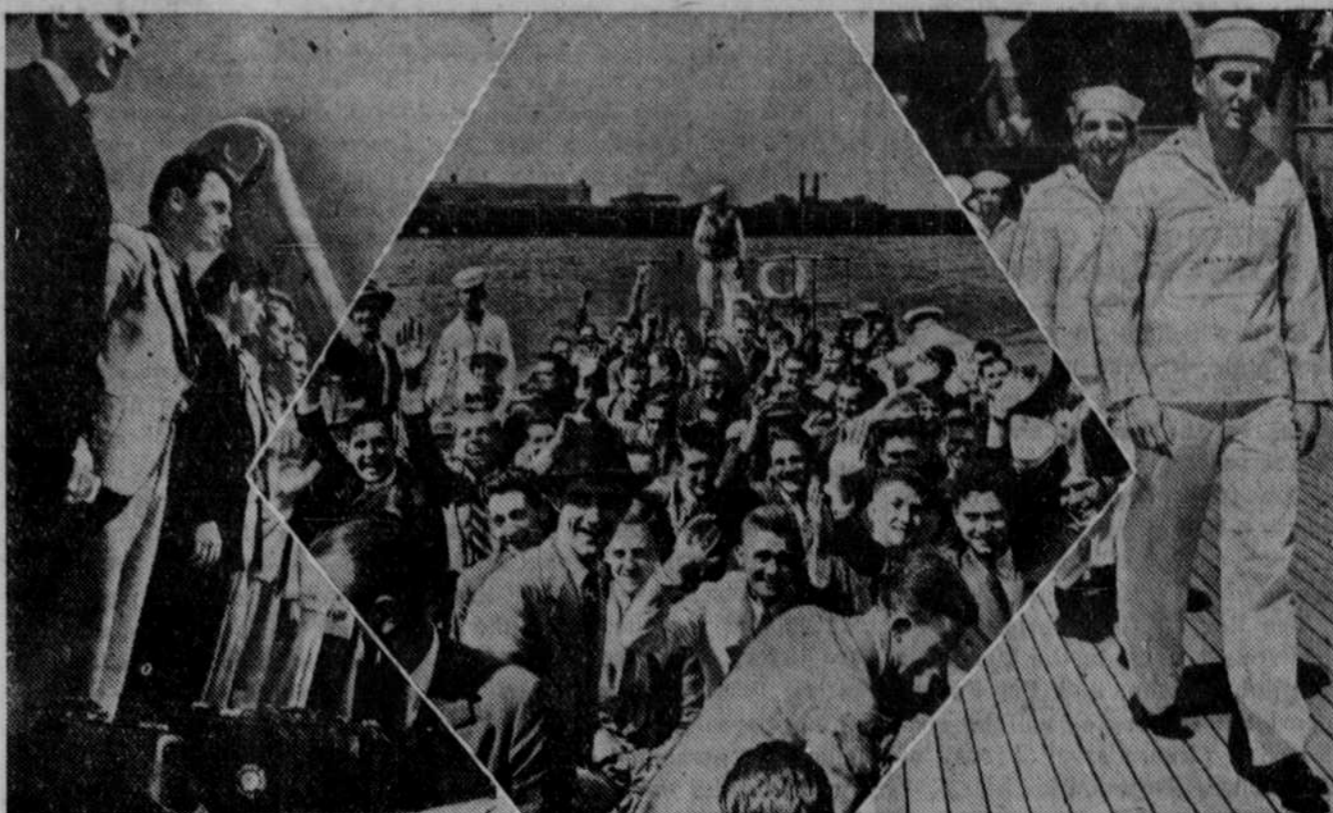


Democratic Nominees Plan Campaign Strategy



Unlike Republican presidential and vice presidential nominees Wendell L. Willkie and Sen. Charles L. McNary who had never met before their selection as the party's 1940 standard bearers, Franklin D. Roosevelt and Henry A. Wallace, the Democratic candidates, have been closely associated in the past seven and a half years. President Roosevelt and Secretary of Agriculture Wallace are shown above conferring on strategy for the coming campaign in which the President will seek a third term.

Landlubbers Will Be U. S. Ensigns Bye and Bye



Landlubbers from colleges all over the United States (above left) are lined up in civilian clothes in New York city as they prepare to participate in a program of training 600 young men for naval reserve ensign commissions. A boatload of reservists (center) shown on their way out to the U. S. S. Wyoming, the training ship. Right, Robert Morgenthau, son of the secretary of the treasury, is pictured in formation with other reservists after donning the uniform of an apprentice seaman.

NATIONAL AFFAIRS

Reviewed by CARTER FIELD

President Roosevelt's approval of the amortization for war profits taxes aids preparedness program . . . Democratic leaders do not seem to be ruffled by Republicans in cabinet jobs. (Bell Syndicate—WNU Service.)

CHICAGO.—There is astonishingly little soreness among the Democratic leaders and followers because their President has so recently appointed two Republicans to his cabinet, or about the fact that, as his original cabinet contained two former Republicans, it might be said now that there are four non-Democrats out of ten in the "official family."

Careful inquiry reveals the reasoning. Nobody wanted the jobs! That is not quite true, for Louis Johnson not only wanted the job Roosevelt gave to Frank Knox, but has insisted on many occasions that he was promised it. And heaven knows that Harry Woodring didn't want to give it up.

But that's just a summer of the Democracy, and the truth remains that nobody is particularly burned up because he didn't get the place—either war or navy—himself, or because he wanted it for some lieutenant.

Boies Penrose once told a President that he didn't want any \$8,000 or \$10,000 jobs for his Pennsylvania Republicans.

"Give that \$8,000 job to somebody from Ohio," he is alleged to have said, "and give me five \$1,500 jobs instead."

WHAT HE WANTED

It later developed that he wanted all the \$1,500 job-holders to work in or near Pennsylvania, so that they would keep on playing their part in the "organization."

Since that time a congressman's pay has jumped from \$5,000 to \$10,000, and most other government salaries in proportion, so you have to double the figures to apply his ideas to present-day politics. But once this is done there is little doubt about the political wisdom involved. It's not the big jobs that help in organization building. It's the little jobs.

So very few of the big city bosses were annoyed when Roosevelt put Stimson and Knox in his cabinet. They didn't have any candidates for the jobs. Most of the other men who would have liked the jobs for themselves had either been taken care of, had become persona non grata at the White House, or just obviously didn't fit.

CORRECTS THE MORASS

President Roosevelt has gone part of the way to correct the morass into which the national defense program had bogged down. This was in his endorsement of the five-year amortization plan for computing war profits, which is embodied in the new legislation to be pushed through to "take the profit out of war."

The trouble was due chiefly to the determination of Secretary Henry Morgenthau's bright young men to let no guilty tax dollar escape in the spending of billions for national defense.

Airplane motors are the best illustration, though this particular problem may be solved shortly. But with engines the admitted bottleneck, and with skilled machinists to make the tools and dies admitted the chief lack, as realized long before President Roosevelt's promise of 50,000 planes, weeks stretched into months at the treasury without action.

AN ILLUSTRATION

"It was like asking us to buy bonds—not stock with a chance to make a killing," said one big manufacturer who gets along fine with Knudsen but bogs down at the treasury. "The trouble is that these bonds may pay their interest for one year, maybe for four, but after that, when the defense crisis passes, the bonds will default. We will have millions tied up in additions to plant, which, as Mr. Roosevelt so graphically put it in his acceptance speech at Chicago in 1932, will be 'standing stark and idle.'"

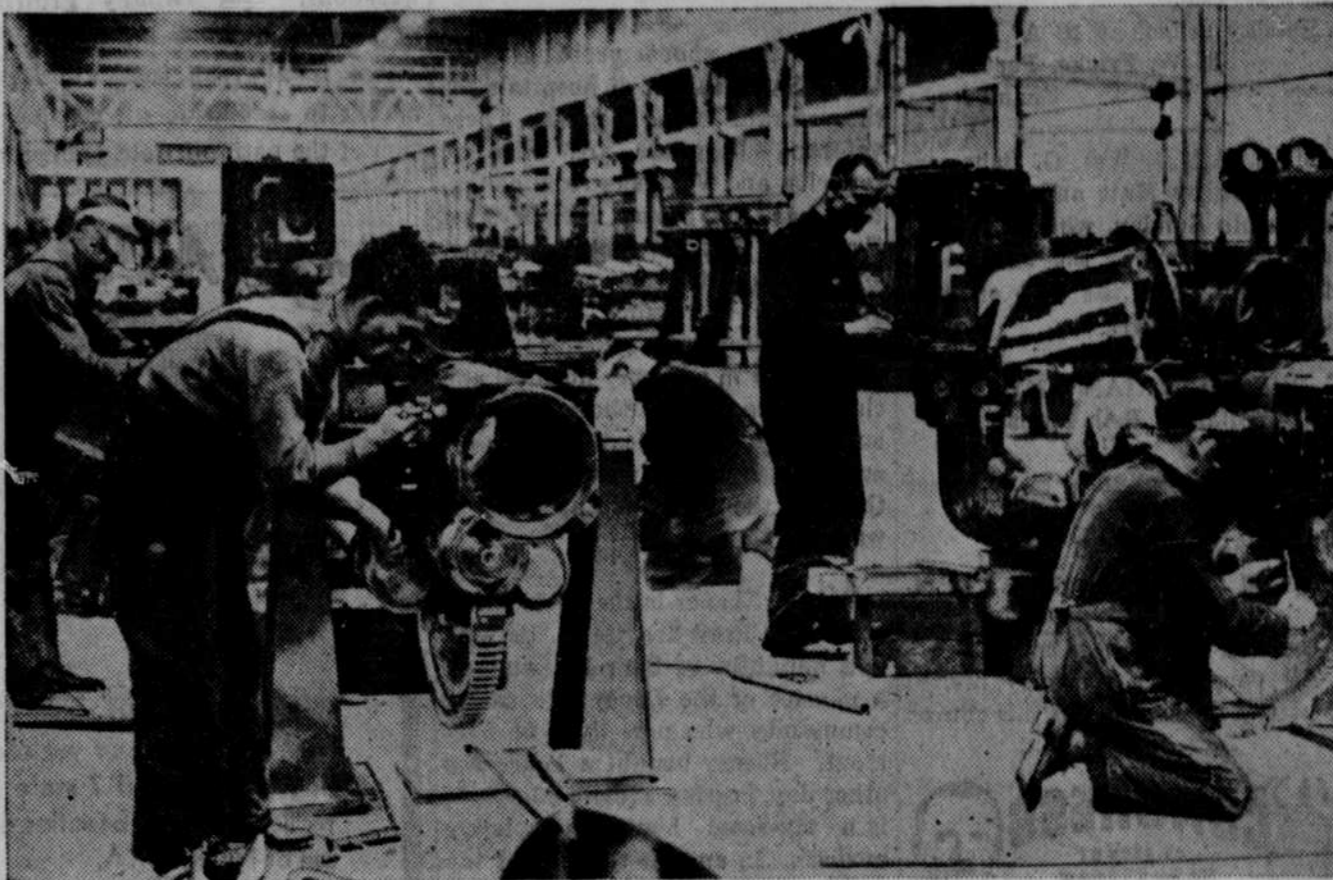
"It's not a question of how much profit we make. It's whether we have any chance at all to get out without a loss. The amount of profit is not nearly so important as a guarantee of some sort against losing our shirts. For example, suppose a company makes \$1,000,000 net profit on a war order. Of that, under the existing tax law, one-fifth, or \$200,000, would go to the federal treasury anyhow under the corporation income tax. Other federal taxes take a piece. The new war profits tax will then take a big chunk of what is left. Finally, the residue presumably will be paid out to the stockholders. So what? Percentages of those dividends running way up to nearly three-quarters, according to the individual incomes of the recipients, will be paid into the treasury under personal income tax levies."

When Hitler Returned in Triumph to Berlin



Storm troopers with arms linked hold back the crowds as Adolf Hitler, leader of the Reich, returns to Berlin in triumph after the successful military operations of his armies in France. One of his first acts on his return was to promote a number of his generals to the rank of marshal. Goering was made a "Reich's Marshal." Hitler stands upright in his official car and returns the salutes of thousands of his greeters.

Australians Turning Out Guns for the Empire



Straining every nerve to aid the mother country in her hour of need, Australian factory workers are toiling day and night turning out tanks, planes, guns and ammunition that will be used in the defense of Great Britain. Above is a scene in a Melbourne factory where gun parts are manufactured for shipment by sea to ports in the United Kingdom where they will be assembled and turned over to the defending British army.

Sino-Japanese War Goes Savagely Ahead 'Phonies' Beware

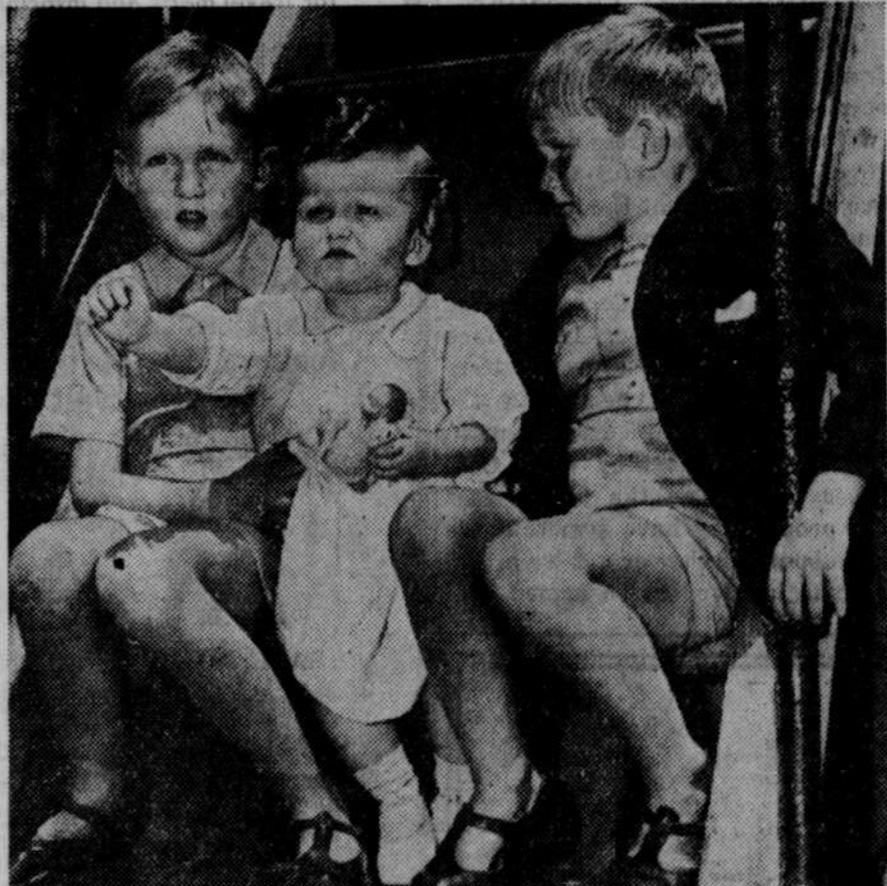


While the war in Europe has diverted attention away from the Sino-Japanese conflicts, scenes like the one above show that hostilities are still in progress. The Japanese soldier is one of a party wiping out the streets of Ichang, one of the most important strategic points in the defending army of Generalissimo Chiang Kai-shek. A bomb explodes in the background.



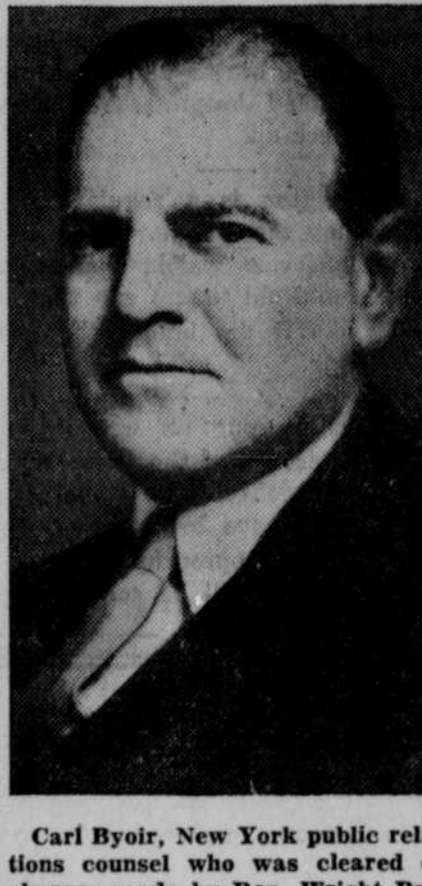
As a means of aiding citizens to detect counterfeit bills and coin, paper match folders such as the young lady above is holding are being issued by the U. S. secret service in Washington, D. C.

They're Ready to Learn American Ways



Safe from the horrors of war are these three children of Maj. Arthur Lockhart of the British army who landed in New York city recently. They were members of another band of refugee British children seeking a haven in the United States. Their father is an officer in the King's Hussars, now fighting for England against the Axis powers. The young refugees are being cared for by relatives in America.

Cleared by FBI



Carl Byoir, New York public relations counsel who was cleared of charges made by Rep. Wright Patman of Texas that he had engaged in un-American activities. The department of justice declared that an FBI investigation "disclosed no evidence whatever" to support the allegation.

Young Briton Inaugurates Big Push



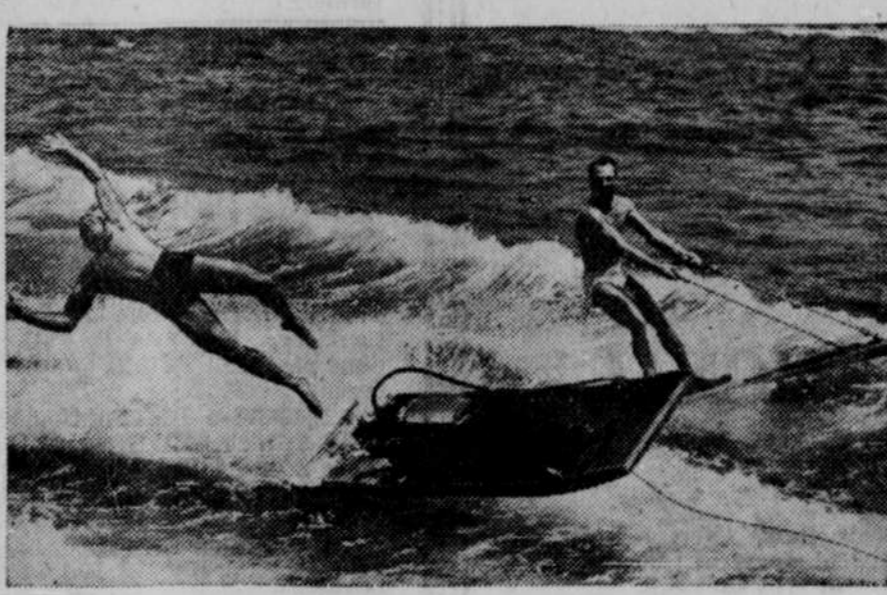
This young citizen of Southgate, England, is doing his bit for king and country, following a call by the mayor of his city for citizens to turn in their old scrap metal and help make the sinews of war for the defense of Britain. The youngster went from door to door with his homemade cart collecting odds and ends. The campaign in Southgate was duplicated in other English towns with citizens turning in scrap metal.

Radio Executive



Niles Trammell, newly elected president of the National Broadcasting company, is shown above. A pioneer in network broadcasting, Mr. Trammell has been associated with radio for 12 years.

Even the Experts Spill Sometimes



Proving that even the most expert of experts will spill once in a while, Ed Stanley takes a header during a practice run for the annual Catalina-Hermosa-Manhattan beach aquaplane race at Hermosa beach, Calif. Still upright and riding high is Bob Brown, who won the race three years ago. The event draws the champion aquaplanists of the Pacific coast each year.

Literary Exile



His long hair put up in a net, Maurice Maeterlinck, famous Belgian author of "The Bluebird," is shown soon after his arrival in the United States as a war refugee, following the German triumph.