

WEEKLY NEWS ANALYSIS

Stabilization Policy Designed To Spur Production; Argentine Military Junta Under U. S. Fire

Released by Western Newspaper Union. (EDITOR'S NOTE: When opinions are expressed in these columns, they are those of Western Newspaper Union's news analysts and not necessarily of this newspaper.)

WAGE-PRICES: Go Sign

Formulation of the administration's new stabilization policy setting a pattern for wage increases of from 15 to 17 per cent and permitting price boosts wherever necessary to assure prewar profit margins, represented a victory for the conservative advisers of President Truman.

Spearheaded by John Snyder, St. Louis banker and director of war mobilization and reconversion, the conservatives held that price as well as wage readjustment was necessary to spur postwar production. With goods flowing to market in volume, they held, prices would automatically find their right level in a competitive economy.

In announcing the new wage-price policy, which was designed to settle the major steel, auto and electrical strikes, Mr. Truman hoped that it would result in an early resumption of mass production that alone could head off an inflationary spiral. In the meantime, he asked for extension of price control, subsidies and allocations and priorities to temporarily hold living costs in line and break industrial bottlenecks.

In winning his point of view, Snyder was permitted to retain his over-all control over the stabilization policy, with former OPA chief Chester Bowles put in charge of administering the new formula. Bowles had stood firmly for a more rigid wage-price program, believing lower costs would lead to greater purchasing power and volume, but agreed to co-operate in making the new policy work.

showed that the average person will have about 12 per cent less to eat than in prewar years.

In reporting its findings, however, the department pointed out that striking of an "average" balance did not truly reflect conditions abroad, with wheat near starvation levels persisting in Italy, Germany, French North Africa, France, Spain, India and China.

Itemizing individual supplies, the department said that the world supply of bread will remain tight, with reduced rations in some countries. Demand for wheat will exceed supplies by 200 million bushels and stocks of other grains will be limited. From 15 to 20 per cent less rice will be available than in prewar years.

A shortage of meat will persist in Europe and Russia, the department said, with increased production retarded by use of feed grains for human consumption. While 1946 supplies of fish will be higher than last year, cheese and egg stocks will not meet demands.

The total of fats and oils will approximate only two-thirds of import needs while sugar consumption will fall to the lowest level in a decade. Only half as much butter will be available for world trade as in prewar years.

In contrast to the tight world food situation, the American larder will stay well stocked, barring poor crops. Only butter and sugar supplies are expected to show no appreciable improvement, and while fewer eggs are predicted, availability of more meat should cut demand for the product.

Butcher Old Dobbin

From the steadily declining horse population of the U. S., 77,887 equines went to the slaughter houses in 1945 to provide meat for American tables. Lowest on record, the number of horses in this country stands at less than half that of a quarter century ago.

Reflecting the steady increase in horse slaughter during the war, when overall meat supplies failed to meet popular demand, the butchering of equines in 1945 showed a 49 per cent rise over the 1944 figure of 52,063.

Along with the horse, the old goat has been sent to the stockyards with increasing frequency, the slaughter of 13,150 by federally inspected packers in 1945 representing a 98 per cent boost over the figure for the previous year.

TIRES: Good Prospects

With the manpower situation improving with the return of many veterans and new facilities scheduled to get into production soon, the tire outlook for 1946 has grown increasingly promising, though stocks adequate to meet record demand will not be forthcoming before late in the year.

With 24 million cars in operation, with many running on tires five or more years old, the government set a goal of 66 million passenger cords for 1946. Under present favorable conditions, manufacturers hope to even exceed the mark. Because of the continued scarcity of natural rubber, substantial proportions of both tires and tubes will be made of synthetics.

Since 90 per cent of all tires produced go to the market and only 10 per cent are retained for new automobiles, not many more additional cords have been made available during the closedown of auto plants by the General Motors strike, trade circles pointed out.

NATIONAL GUARD: Postwar Increase

In accordance with plans to keep America strong in the postwar world, the national guard will be increased to 622,500 officers and men, more than double the total of 300,034 in the prewar period.

Of the 622,500 men and officers, 571,000 will be included in the ground forces, 47,600 in the air wings and 4,000 in miscellaneous services. This compares with the prewar establishment of 295,000 on the ground and 5,000 in the air.

Twenty-two infantry divisions will constitute the bulk of the ground forces, with two armored divisions and 18 regimental combat teams making up the remainder. The 12 air wings will be composed of 27 groups, 84 squadrons and 12 control and warning units.

With 47,777 men and officers, New York's national guard will be the largest in the country, followed by Pennsylvania with 39,580; California, 39,568, and Illinois, 32,908.

GOOD NEIGHBOR: Not So Good

In issuing its historic "blue book" condemning the Argentine military regime and its strong-man leadership of Juan Peron, the U. S. state department raised the whole question of continued U. S. and Allied relationship with the South American country.

At the same time, the state department's indictment against the army junta, charging collaboration during the war and in establishing a fascist economy in peace, came



"Strong Man" Juan Peron, whose military junta was under state department fire.

on the eve of the Argentine presidential election, lending possibilities to a nationwide swing against Peron's candidacy. Taking cognizance of the U. S. action, Peron laid blame for the strained relations between the two countries on the Assistant Secretary of State Spruille Braden, whom he accused of undermining previous accords.

In charging Argentina with collaboration with the axis in war, the state department's "blue book" declared that the military regime engaged in espionage against the allies, sought to undermine governments in neighboring countries friendly to the united nations, and protected German economic interests.

Asserting that the military junta had permitted the establishment of a fascist economy in Argentina to serve as a base for reviving Germany's imperial ambitions, the "blue book" stated that Germans now controlled such key industries as chemicals and pharmaceuticals, construction, electrical equipment, metallurgy and agriculture.

FOOD SUPPLIES: World Outlook

While per capita food consumption in the U. S. in 1946 is expected to reach a new peak, a survey of 65 foreign countries conducted by the department of agriculture

Boundary Problems Plague Peace Makers

Indicative of the complex problems facing the Big Five committee drafting the postwar European peace treaty are the rival claims of Italy and Austria to the southern Tyrol, ceded to the former after the first World War.

Italy has opposed the transfer partly because of her investment in several hydro-electric plants along the Adige river, a turbulent stream about 225 miles long. Italian opposition has persisted even though Austria has agreed to waive control of the plants and co-operate in further hydro-electric developments.

Meanwhile, one of Austria's chief interests in the region lies in its output of vegetables and fruits, including potatoes, cabbage, apples and pears.

CAPITOL HILL: Dems Row

With Harold L. Ickes having quit the department of the interior after President Truman had questioned the accuracy of his testimony before a senatorial committee probing Edwin W. Pauley's nomination as undersecretary of navy, political sages pondered what effect the self-styled "Old Curmudgeon's" action would have on Democratic chances in the 1946 congressional and 1948 presidential elections.

In resigning from the cabinet after 13 years of service as one of the liberal New Deal stalwarts, "Honest Harold," as Ickes is sometimes known, warned Mr. Truman that political pressure for retention of state control over underwater oil reserves could result in a scandal similar to Teapot Dome. He also said that pressure to assess administrative personnel for campaign purposes might create a major scandal.

Although it was long rumored that Ickes might leave the President's cabinet, his dramatic departure grew out of his charges that Pauley had suggested to him that \$300,000 could be raised for the 1944 presidential race if the government dropped a suit the interior secretary instituted to place underwater oil reserves under federal rather than state control. When Pauley denied the allegation and Mr. Truman declared that Ickes' testimony might be inaccurate, the "Old Curmudgeon" stated that the President's lack of confidence in him left him no alternative but to submit his resignation.

All feelings between Ickes and Mr. Truman were further pointed up by the President's order making the resignation immediately effective rather than on March 31 as the interior secretary had requested so that he might push through the Anglo-American oil treaty "which (he) had nurtured and raised by bottle from the beginning."

While the liberal Ickes, long a prominent figure in reform politics, said he would not oppose the President's re-election in 1948, he qualified his statement by pointing out that he had cast his ballot as a delegate to the 1944 convention for Henry A. Wallace for vice president.

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GRAIN MOVEMENTS: Co-Op Proposals

Holding an emergency meeting in Chicago, Ill., the National Federation of Grain Co-operatives urged President Truman to speed up movement of box cars and clarify the price and tax situation to spur lagging shipment of grain to market.

Representing member groups which handle approximately 400 million bushels of grain annually, the federation said that the acute shortage of box cars has been further aggravated by delays in movement. Runs that normally required four or five days from the northwest to Minneapolis-St. Paul, now take 30 days or more, officials said.

As long as uncertainty exists over extension of federal price controls, the federation declared, farmers will keep substantial quantities of grain off the market in the hope of higher returns. Further, farmers may be adverse to selling both their carryover and the ripened 1946 crop in the same year unless tax laws are revised or loans of actual grain to the government are arranged and operators are permitted to elect the time for collection.

AIR PACT: U. S., Britain Agree

Resolving differences over the question of regulating international air travel, the U. S. and Britain reached agreement after month-long discussions in Hamilton, Bermuda, on a postwar pattern inclining toward the American concept of freest possible flight.

At the same time, the U. S. agreed to open American military bases on leased British islands in the Atlantic to commercial planes. Obtained by the U. S. for 99 years in the famous over-age destroyer deal of 1940, the islands stretch from Newfoundland to British Guiana in the Caribbean.

Under the U. S. - British pact, planes will be permitted to pick up passengers in either country; equitable rates will be determined; routes will be marked out for travel by American and British craft over the two countries; consultations will be held for resolving civil air problems; the provisional international aviation organization will be asked to settle disputes upon which the U. S. and Britain cannot reach agreement, and no limitation will be placed upon the number of flights air lines may make.

REA:

Complete rural electrification is nearer a reality in the northeastern states than any other section of the country, the Rural Electrification administration has reported. Seventy-seven per cent of the farms in the area already are receiving central station electric service.

Electricity has proved adaptable to all types of farming in this section, including the maple sugar and syrup industry of the northernmost states.

Washington Digest

Proposes Rural Social Security Minus Red Tape

Simple Stamp Plan Evolved to Record Modest Beneficiary Payments and Avoid Complicated Bookkeeping Duties.

By BAUKHAGE News Analyst and Commentator.

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There are 7,148,422 specimens of wildlife in the United States—not wildlife as represented by the recently vindicated Esquire magazine—but big game animals like deer, buffalo and mountain goats. The fish and wildlife service counted them, canvassing the wide open spaces to do it.

Prof. Murray R. Benedict of the University of California has been doing some counting too in the wide open spaces, or at least down on the farm, and he came up with the conclusion that in 1939 more than half the farm owners in the country raised less than \$750 worth of products on their land. Consequently these low-income farmers, and a great many other farmers in only slightly higher income brackets, find it almost impossible to save money toward the time when they can no longer work. They are harassed by a feeling of economic insecurity—the kind of economic insecurity which President Truman recently said was tending to break down family life in this country. Mr. Truman suggested that perhaps we ought to have a "Bill of Rights" for the family as well as for the individual.

Professor Benedict doesn't suggest a Bill of Rights for the farmer, but in a pamphlet entitled "A Retirement System for Farmers" he does suggest that the farmer be included in the federal social security system.

The farmer earning no more than \$750 from the sale of products would be listed as a self-employed worker making an assumed net income of \$400. He would pay into the social security fund 2 per cent of his income each year, and to make the yearly payments a little easier to take, the farmer would use a stamp book, buying social security stamps to paste in whenever he had some spare cash.

Farmers who earn \$750 or more can follow the same procedure. They are given a standard deduction based on how much they earn. For example, those farmers earning between \$750 and \$1,000 get a \$300 deduction; there's a \$400 deduction for the next highest group and so on. They take their deduction, make the simple report of net income, and that's that.

But some farmers may insist that their expenses exceed the deduction allowed them. That's okay with Mr. Benedict. For them, he would provide a separate form so the farmer could list his actual expenses and deduct them.

Farm Hands Also Covered

All this applies to farm-owners. But perhaps the farm owner, Jake Duncan, has a helper, Tom. Tom is a farm wage-worker, and if Mr. Benedict has his way, farm wage-workers like Tom would be treated much the same as industrial workers, insofar as social security is concerned. That means Jake, the employer would deduct Tom's 1 per cent from his wages, add his own payment of 1 per cent to Tom's 1 per cent and transmit to the government at the end of each quarter, the funds and a certified statement of wages paid.

Here again, Mr. Benedict wants to save Jake, the employer, from long nights spent at the roltop desk pouring over social security records. He suggests as one way to eliminate paper work, a stamp book system. Tom would get a stamp book from the post office. Each time Jake pays Tom off, Jake would affix and cancel the proper stamps. That's a painless way of recording payments.

Mr. Benedict doesn't think that nine million farmers and farm-workers can be brought into the social security system overnight. Neither does he predict smooth sailing right from the start if they were brought in. It will take time and a far-reaching educational program.

The idea of including farmers under the social security plan is not a new one. Most of the important farm organizations have okayed the idea; both presidential candidates en-

dorsed it in the last election campaign, the social security board last month broached the subject to congressional attention once again, and there is a bill which would accomplish it—the Wagner - Murray - Dingell bill. This bill was sent to the house ways and means committee on May 24, 1945, and it's still there, gathering dust. It is doubtful that the committee will take any action unless some pressure is brought to bear by interested parties.

Of course, there is opposition to the idea in some quarters. Some persons who oppose including farmers, and other workers not now insured, advance the nation-can't-afford-it argument. They say that as more and more persons in occupations covered by social security reach the retirement age, the amounts paid into the trust fund aren't going to be sufficient to pay them off, unless the treasury digs down and adds public funds.

In 1939, the lawmakers threshed this out and came up with a plan to make the fund continuously self-supporting. They decided to make the contributions high enough so that the government would not have to help out. They agreed to keep the present 1 per cent from employee and 1 per cent from employer rate until 1943. After that, they'd increase it to 2 per cent each; then to 2.5 per cent; then to 3 per cent from 1948 on. However, congress deferred the rate increase during the war, and hasn't ever gotten around to upping it. Unless rates are increased, undoubtedly the treasury will have to shell out in future years, when the system gets into full swing. And if farmers and other presently uninsured workers are brought in—undoubtedly the treasury will have to shell out more.

Other Aid Now Tops Billion

Consider what the government is already handing out to support aged persons not covered by social security. The costs of old-age assistance and aid to dependent children from 1933 to 1944, to the country, added up to a tidy billion dollars. And costs will continue to go up as the average age of the population rises. All of which means the government has dispensed almost a billion dollars in charity to persons who might, had they been able to make regular social security contributions during their working years, have been able to get along without such charity.

Other opponents foresee the farmer bogged down in an avalanche of government questionnaires, financial reports, lists, ledgers and statistics, should he be made a participating member of the social security system. But under Mr. Benedict's plan, the farmer's duties to his government where social security is concerned are a minimum. He won't have to keep detailed farm records. The reports he does have to make are simple ones. As a matter of fact, if he uses the stamp plan to take care of his employee's social security payments, he won't have as much paper work as industrial or professional employers have.

Still another argument is advanced by people who predict gloomily that if workers are assured of a regular income from social security after retirement, they won't work; they won't save during the years they can work.

Mr. Benedict thinks that argument is as ancient as the reconstructed dodo in the Smithsonian institution. Social security benefits, as set up now, will certainly not buy retiring oldsters any mink coats or Cadillac coupes. The benefits are very modest ones. Any sensible person can see he'll have to have some other resources besides social security if he wants to live at any level above the barest minimum of subsistence when he reaches retirement age. He'll save money, try to accumulate property, perhaps carry private business insurance too. But if he can't save, and it's not only the farmers who can't, social security benefits in later years may keep him from becoming a public charge.

BARBS . . . by Baukhage

While the troubles of this world continue, our scientists insist on boring more, even if they have to go to the moon to do it. I suppose as soon as the United Nations abolishes war, we'll begin to have trouble with the Martians, and it will take another couple of millennia before we get the United Planets set down and talk things over peaceably.

During the senate questioning of Edwin W. Pauley (nominated for undersecretary of the navy) former Interior Secretary Ickes managed to anoint Pauley's head with oil—and not in the biblical sense.

Better Mouse Trap department: Latest invention . . . a comb that sprays hair tonic as it combs. Only the bald can live the simple life.



Star Dust STAGE SCREEN RADIO

Released by Western Newspaper Union. By VIRGINIA VALE

VIRGINIA JOHNSON, who on November 16, was chosen "Photogenic Day" queen on Mutual's "Queen for a Day" broadcast and won a seven-year contract at 20th Century-Fox, has had her option picked up by the studio, and is ready to go into her third picture on the lot. She was "Emmie," a merry-go-round ticket seller, in "Three Little Girls in Blue," has just finished "The Shocking Miss Pilgrim," and goes into "It Shouldn't Happen to a Dog." Virginia's taking singing and dramatic lessons, being groomed for stardom.

Danny O'Neil, CBS "Powder Box Theater" star, was discovered by Chaplain Hjalmar Hansen, who heard him singing in the Blue Jacket Choir at Great Lakes Naval Training Station and gave him his



DANNY O'NEIL

first chance at a solo. Danny will be featured guest artist at an All Irish concert to be held at Boston Symphony Hall, Boston, Mass., on St. Patrick's Day. He'll feature John McCormack's favorite.

Bette Davis drove 9,920 miles during the four weeks following her marriage to William Grant Sherry, on a round trip that took her from Hollywood to Mexico, to New Hampshire, and back to Hollywood. A souvenir of Mexico is a dozen solid silver service plates, a gift to her from the governor of Mexico. She's completing "A Stolen Life," for which she began testing a year ago.

Everything was set for a love scene between Eleanor Parker and Errol Flynn, for "Escape Me Never." But the electricians got an arc light too close to the stage sprinkling system, and Flynn fled the deluge, dragging Miss Parker behind him.

When Tom Harmon, football star and war hero, decided to run for Mayor of Studio City against Jack Carson and Roy Rogers, the burden of the campaign fell on his wife, Elyse Knox, star of "Joe Palooka, Champ." He invited undecided voters home to dinner, and she did the cooking. All she feels really sure about is fried chicken, so that was the bait for the voters.

Sheik, the famous movie hero, a palomino, might well carol "Or would you rather be a horse?" He appeared with Betty Hutton in "Incendiary Blonde," was used by Barbara Britton in "The Virginian," and Ray Milland rides him in Milland's first Western role, that of a wagon-train guide, in "California." But don't be fooled—Sheik has a double for chases and rough stuff—his own colt, Sheila.

Frank Sinatra has his bid in for a two-place advance trainer fighter plane; Pianist Skitch Henderson, who taught cadets to fly the training plane at Fresno, will be his teacher. Just to make sure of him, Sinatra looked Henderson up as soon as he was discharged from the army and arranged for the pianist to begin his postwar radio career as guest artist on the Sinatra show.

Sheldon Leonard, "Orville Sharp" of "Meet Me at Parky's" is the first actor to set up a regular commuting schedule between New York and Hollywood. He has an acting commitment in Manhattan; he's there from Monday to Wednesday of each week, then hops a plane for Hollywood and leaves again when the radio show is over. But just about now he'll be calling it off.

ODDS AND ENDS—Dinah Shore has a new, transparent pink raincoat—her dog has one to match. . . . Dancing is the chief hobby of Johnny Desmond, star of "Follies of 46"; he learned to dance when he wasn't allowed to sing because his voice was changing. . . . Zasu Pitts returns in "The Perfect Marriage." . . . At Warners they're starring Bruce Bennett, Joan Crawford's first husband in "Mildred Pierce," and is one of Ann Sheridan's love interests in "The Sentence." . . . Ray Meyer, of "Holiday and Co.," is probably the only performer in radio who plays the calliope; learned when he ran away from home and joined a circus.

Happy Relief When You're Sluggish, Upset



WHEN CONSTIPATION makes you feel punk as the dickens, brings on stomach upset, sour taste, gassy discomfort, take Dr. Caldwell's famous medicine to quickly pull the trigger on lax "in-nards" and help you feel bright and chipper again. DR. CALDWELL'S is the wonderful senna laxative contained in good old Syrup Pepsin to make it so easy to take. MANY DOCTORS use Pepsin preparations in prescriptions to make the medicine more palatable and agreeable to take. So be sure your laxative is contained in Syrup Pepsin. INSIST ON DR. CALDWELL'S—the favorite of military doctors and feel that wholesome relief from constipation. Even finicky children love it. CAUTION: Use only as directed.

DR. CALDWELL'S SENNA LAXATIVE CONTAINED IN SYRUP PEPSIN

Invest in Your Country—Buy U. S. Savings Bonds!

HELP BUILD UP Cold Resistance with High Energy Tonic

Advertisement for SCOTT'S EMULSION YEAR-ROUND TONIC, featuring a man carrying a large fish on his back.

Advertisement for BARGAINS IN GOVT SURPLUS, listing various military surplus items and prices.

Advertisement for SORETONE, a muscle pain relief product, featuring a man in pain and a bottle of the product.

Advertisement for How To Relieve Bronchitis, featuring a man coughing and a bottle of CREOMULSION.

Advertisement for BUILD UP RED BLOOD, featuring a woman and a bottle of PINKHAM'S TABLETS.