

# EDITORIALS

## The Omaha Guide

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**Race prejudice must go—The Fatherhood of God and the Brotherhood of Man must prevail. These are the only principles which will stand the acid test of good citizenship in time of peace, war and death.**

Omaha, Nebraska, Saturday, AUGUST 17, 1935

### CAN YOU ANSWER "YES"?

Most of us, knowingly or otherwise, take chances with fire. And that's a game in which the player always loses. He can't win.

Here's a simple little questionnaire that may aid you in eliminating common fire risks—and may give you an inkling into the unnecessary chances you have been taking:

Have your furnace, its pipes, and other heating devices and equipment been recently inspected and approved by an expert? Has your electric wiring likewise been checked by an approved electrician—not by an amateur? Do you make it a practice to keep your basement, attic and unused rooms free from accumulations of paper, rags and other waste? Do you store explosive and inflammable liquids in safe places, and in approved metal containers? Do you take constant care with matches, tobacco and smoking materials? If you have done any building or remodeling, have you conformed to an up-to-date building code calling for the most approved construction and the most fire-resistant materials? And, finally, do you take advantage of expert inspection services offered by fire marshals, insurance organizations and other bodies?

If your answer to any of these questions is "No" you are taking chances with fire. You are imperiling your property and that of your neighbor—and perhaps imperiling lives as well. Most fire hazards can be eliminated with but small expenditure of either time or money—and whatever investment you make will pay big dividends in safety and security.

### IN THE BALANCE

Ask any business man, investor, property owner or thinking worker what is most needed to give the nation the confidence, the spirit and the optimism that will break depression.

You might get the same answer from each: "Tax reduction, plus a determined policy that will balance the budget as soon as possible, and gradually reduce and eventually eliminate the vast national debt."

Real, permanent and sound recovery cannot arrive so long as industry faces the prospect of confiscatory taxes that will seize whatever profits it is able to make. We cannot have a wave of home-building so long as our citizens realize that increasing taxes may soon make it impossible for them to keep their property. We cannot have re-employment of the jobless so long as investors are afraid to put their money into productive enterprises—because rising taxes imperil both principal and income.

The national debt is approaching the \$35,000,000,000 mark. Hundreds of millions of dollars a year are required to meet the interest. More hundreds of millions are required for sinking funds with which to pay off the bonds when they fall due. Long after the money has been spent, and the things it bought have disappeared, we and our children will be paying the bill.

The Federal government has attempted to "spend us back to prosperity". In the view of many unbiased commentators we would have gone a long way farther toward recovery had spending been held down—in other words, the government's policy, in their belief, has hindered and not helped the nation. Yet more spending is in prospect—and more taxes.

The people want tax reduction. Business wants tax reduction. Investors and workers want tax reduction. Unless it is achieved, the nation's economic future is in the balance.

### A NATIONAL ASSET

At the end of 1925, life insurance outstanding surance outstanding with American legal reserve companies amounted to \$23,757,000,000. The total assets of the companies were \$5,500,000,000.

At the end of 1925, life insurance outstanding had increased to more than \$75,000,000,000, and assets to \$11,500,000,000.

At the end of 1934, insurance had reached \$100,000,000,000 and assets \$22,000,000,000—a gain of 400 percent in less than twenty years.

Even during the five years of the present depression, life insurance continued its investment growth, according to Dr. S. S. Huebner, President of the American College of Life Underwriters, by about \$4,818,000,000—an average of \$863,000,000 for each of those twelve-months.

Disbursements to policyholders by the 318 life companies during the years from 1930 to 1933, inclusive, totaled almost \$11,000,000,000—an amount equal to 1/23 of the national wealth. Of that vast

sum, \$3,553,000,000 went to beneficiaries of dead policyholders—and twice as much, \$7,318,000,000, went to living policyholders.

These figures illustrate, better than argument, the magnitude and essential service of life insurance. It is, from a social, economic or any other standpoint, one of our most valuable national assets.

### LET THE TRUTH PREVAIL By E. Hofer

As the Senate investigation into the activities of one large electric holding company in opposing the Wheeler-Rayburn bill develops, the danger becomes great that the public may be led to believe that the utility industry as a whole approves or pursues unethical, misleading or dishonest practices.

Evidence so far indicates that the company under investigation used reprehensible lobbying methods to defeat the proposed anti-holding company legislation.

Every effort should be made to uncover such activities, to publicize and to punish them. But a grave injustice will be done if the force of newspaper scareheads, plus denunciatory comments by various government officials, results in a widespread belief that one company is representative of the utility business. It will be remembered that some years ago, when the so-called "power issue" first came into the national spotlight, the acts of a handful of companies were responsible for it—the same thing is true today.

The utility industry did oppose—aggressively, frankly and openly—the Wheeler-Rayburn bill, in the belief that its passage was unnecessary and unjustifiable, and would do untold damage to its stockholders, employees and customers. The industry's representatives appeared before House and Senate committees and presented their side of the case. The industry sent out press releases—properly signed and credited—in order to provide the public with facts and opinions necessary to reaching a logical decision on the issue at stake. The industry, in order to do this, created an organization called "The Committee of Public Utility Executives", of which Philip H. Gadsen of the United Gas Improvement Company, universally believed to be one of the best and most progressive of holding companies, is chairman. The holding company which committed the acts probed by the Senate, was not a member of the Committee.

On July 18, Mr. Gadsen, on behalf of the Committee, wrote Senator Black, Chairman of the Senate Committee investigating lobbying activities, in part, as follows: "It is, to say the least, unfortunate that representatives of any company should so depart from the standards set by the utility industry in general. It is acts like this, committed by a small number of companies, which have brought discredit upon the industry and which have made it necessary for us to come to Washington and defend ourselves against a bill seeking to destroy us."

Improper or questionable practices are found in any business or calling and in government itself. But they are the exception, not the rule. That is true of the utilities—no industry maintains higher ethical standards, or is more conscientious in discharging its public obligations. Any attempt to make it appear that sharp practices are typical of the whole industry is extremely unfair and is uncalled for.

### THE FRUITS OF CAPITALISM

It is common fallacy that, under capitalism, the worker's share of business' income tends to constantly decrease.

The truth is that precisely the opposite occurs. For example, the worker's share in the national income level increased from 38 percent in 1850 to 85 percent in 1929.

Of even greater interest is the fact that during times of depression the worker's share of income is even higher than in times of prosperity. In 1931 and 1932 the worker received 75 to 80 percent of the income produced. And, in the case of manufacturing and related industries, the worker received \$2,500,000,000 MORE than these industries in total receipts during the two years. In other words, the industries paid their workers out of surplus or capital borrowings when their receipts were no longer adequate to foot the cost.

Under the capitalistic system, as practiced and developed in America, the worker has attained the highest standard of living in the world. He has been able to purchase infinitely more luxuries than have his European or Asiatic counterparts—and services and articles that he regards as necessities are actually luxuries to foreign workers. Radios, automobiles, labor-saving appliances, central heating, even bathtubs, are still regarded as the exclusive possessions of the rich in many countries—but not in America where the worker has tended to become a capitalist along with his employer.

These are facts that the theorists cannot dispute. Those who would inflict us with fascism, communism and other alien doctrines say little about what has happened to the worker in the countries which have adopted them. They do not say that the worker has almost always been ground down and made poorer—and has been kept from insurrection by barbaric, iron-handed dictatorship.

Capitalism has succeeded. Given a fair chance, it will continue to succeed—and bring new benefits to the American people of all economic levels.

## ECONOMIC HIGHLIGHTS

**Happenings That Affect the Dinner Pails, Dividend Checks and Tax Bills of Every Individual. National and International Problems Inseparable from Local Welfare.**

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The new tax bill—designed to increase the Federal government's annual income by the neat sum of \$270,000,000—as framed by the House, is in accordance with the President's wishes in general, but goes against them in a number of particulars.

The bill is based on the "Share the Wealth" idea. It would boost taxes on individual incomes in excess of \$50,000 per year; would replace the existing flat corporation tax with a graduated levy; place new levies on inheritances and gifts and tax excess corporation profits from 5 to 20 percent.

Thus it broadly follows Mr. Roosevelt's recommendations. As an Associated Press dispatch recently pointed out, it differs from them in four important instances:

First, the President proposed that the existing 13 3/4 percent corporation tax be replaced with a levy graduated from 10 3/4 percent to 16 3/4 percent. The House bill provides for a graduation of only one percent—from 13 1/4 percent to 14 1/4 percent.

Second, the President strenuously objected to letting corporations deduct from their taxable income gifts made to charity. This recommendation stirred up a flood of opposition throughout the country, resulted in many unfavorable editorials in papers usually friendly to Mr. Roosevelt. The House, apparently taking notice of what seems to be the popular side, has put in the bill a provision allowing corporations to make tax-exempt gifts to charity to the extent of 5 percent of their income.

Third, the President recommended that a new tax be levied on dividends paid by one corporation to another. The House bill does not provide for this.

Fourth, the House bill contains an excess profits tax, something that was not mentioned in Mr. Roosevelt's message.

Aside from these discrepancies the bill's course through the House we all that the Administration could have desired. Amendment after amendment designed to take some of the sting out of the bill was overwhelmingly defeated. Only amendment adopted was the one concerning corporation gifts.

Attitude of business is one of complete, unqualified opposition to the bill, and to the principles it represents. Harper Sibley, President of the Chamber of Commerce of the United States, spoke for industry at large when he said passage of the bill "would increase the forces of disorganization", and that the Chamber would not relax its efforts to defeat the measure. Republican spokesmen in the House denounced the bill as "confiscatory, socialism and demagoguery".

The new and increased taxes provide by the bill will produce relatively little revenue, in the light of the government's vast spending. They will tend to frighten investors, force money into tax-free government bonds. (Mr. Roosevelt has said that these bonds should be taxed, but that requires a constitutional amendment.) However, the President appears to believe that the benefits of the bill outweigh the disadvantages. That, like the bill's final date, remains to be seen.

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More than a century the United States has led the world by a wide margin in the cotton trade. On this leadership has depended the economic destiny of half-a-dozen states.

Now the leadership is rapidly being lost. For example, during the 12 months from July, 1933, to July, 1934, America exported almost 8,000,000 bales of cotton. During the 12 months from July, 1934, to July, 1935, exports amounted to only 4,826,000 bales. That, says the U. S. News,

meant the loss of a market for more than 3,000,000 bales of cotton with a value of more than \$150,000,000.

The drop was not due to a general decline in the cotton trade. During the year when American exports were touching bottom, foreign competitors increased sales. Where we used to supply 60 per cent of the world's cotton requirements, we now supply less than 45 per cent, and the trend is still downward.

Three primary reasons are given for this unhappy condition. First, prices in this country are higher than those of other cotton producing countries, because of the government's cotton-pegging policy. American cotton is under strict federal control, buttressed by a price fixing loan of 12 cents per pound. Plowing-under has also reduced our crop.

Second, new competitors have appeared—Brazil, for instance, formerly sold little cotton abroad, but will have 1,000,000 bales for the foreign market next year.

Third, foreign users bought large quantities of our cotton at low prices, are still using it.

Of the three reasons, government policy is the most important. Strong pressure will be brought to bear in an effort to change it, in the hope that we may again regain our position as the world's preeminent trader in cotton.

### 'Association of Colored Women' Pledges Herndon Support

Cleveland, Ohio, (CNA)—With vigorous and prolonged applause, the 500 delegates to the 19th biennial convention of the National Association of Colored Women in session here, adopted at their closing meeting a resolution pledging the organization to an active part in the fight to free Angelo Herndon, militant young leader sentenced to serve 18 to 20 years on the Georgia chain gang.

The convention also sent a telegram to Governor Eugene Talmadge of Georgia, asking Herndon's freedom.

#### To Collect Signatures

The 500 delegates represent 100,000 women organized in clubs, churches and other groups. The convention decided that the organization is to collect signatures to the petition now being circulated for Herndon, addressed to Governor Talmadge of Georgia, and asking Herndon freedom and the repeal of the "slave insurrection" law under which he was indicted. It was also decided to distribute pamphlets on the Herndon case, and to collect money for the defense.

The National Association of Colored Women will also urge similar action upon the International Council of Women.

Many of the outstanding leaders of the National Association for the Advancement of Colored People are active in the National Association of Colored Women, including Mrs. Mary McLeod Bethune, winner of this year's Spingarn medal, Miss Nannie H. Burroughs, Mrs. Daisy Lampkin and others.

#### Leaders Pledge Support.

Several of the delegates spoke from the platform in favor of throwing the full support of the Women's organization into the fight for Herndon. These included Miss Marie Madra Marshall, of the District of Columbia; Miss Naola Smith of Illinois; Miss Margaret Nottage of California; and Miss Grace Evans of Indiana. Their speeches were received by the convention with applause and cheers.

Dr. Mary F. Waring, president of the National Association of Colored Women, wrote to the International Labor Defense: "Herndon is a prisoner in the struggle for the rights of Colored American citizens. As president of this organization, I pledge to throw my full support behind the struggle for Herndon's unconditional freedom."

Notice, Subscribers: If you don't get your paper by Saturday, 2 p. m., call Webster 1750. No reduction in subscriptions unless request is completed with.

## Lynch Gang Kidnaps and Murders Farm Hand

Louisburg, N. C., (CNA)—Govan "Sweat" Ward, 25-year-old farm hand, was kidnapped and lynched by a band of 25 white men four hours after he was alleged to have run amuck and murdered a white farmer. The death of Ward was the 10th reported lynching this year.

Sheriff J. T. Moore, white, assisted by Deputy T. P. Bean, white, turned Ward over to the murder gang while they were supposedly transferring him by car to a nearby town, Rocky Mount, for "safekeeping." The local coroner white washed the brutal slaying by returning a verdict of "death at the hands of persons unknown," although none of the kidnapers were masked.

Alleged witnesses state that Ward, while at work in the fields had suddenly lost his mind and struck his sister, Sturgeon Ayesue. When C. G. Stokes, white farmer, intervened, Ward is asserted to have struck him with a stone and severed his head with an axe.

The insane man was seized by white farmers and placed in the local jail. Gov. J. C. B. Ehringhaus, fearing nation-wide protest if a lynching were to occur, ordered out the National Guard to save Ward for more orderly legal lynching in the Carolina court.

However, when the troops arrived, Ward's bullet-ridden body was already swaying from an oak tree a half-mile from the alleged attack on Stokes.

### Police Beating of Woman Enrages Harlem Citizenry

New York, (CNA)—Resentment against the police clubbing of a helpless woman precipitated a fight between Harlem citizens and the emergency squad of the 32nd police precinct.

The squad and three radio cars had responded to a false "riot" call to Lenox Avenue and 133rd St. Their arrival had attracted a crowd of several hundred people.

#### Rough Woman.

The police, with their customary brutality and disregard for the welfare of Harlem residents, shoved and roughed the spectators. Mrs. Griffiths, 30, a laundress of 633 Lenox Avenue, protested the jostling she received at the hands of Patrolman John Jenkins.

To silence her, the policeman, with callous indifference, cracked her head with his night stick and placed her under arrest. The enraged crowd roared vehement protest.

#### Shoot at Citizens.

The cops then tore pell mell into the onlookers, swinging clubs and pistol butts indiscriminately over the heads of all men, women and children.

The crowd fought back valiantly but when additional police reinforcements appeared, they were forced to seek protection in hallways and side streets and on roof tops. The police then took pot shots at the citizens who had gathered on the roofs.

To add insult to injury, the police charged Mrs. Griffith with "felonious assault."

### "Stevodore" Feature of New Eng. Congress For Negro Rights

Boston, Mass., (CNA)—One of the dramatic features of the New England Congress for Negro Rights to be held in Boston this fall, will be the production of the famous play and Broadway hit, "Stevodore," by Paul Peters and George Sklar.

At the fortnightly meeting of the Provisional Committee for Equal Opportunities, plans were outlined for a week's performance of this stirring play a tone of Boston's largest theaters.

Several members of the original New York cast, including Rex

Ingram, who played the leading role, have donated their services for the cause of the Congress. The actors will be augmented by actors from Mr. Coleman's group, and the white parts will be played by the New Theater Players of Boston.

Plans for the Congress indicate that it will be one of the broadest representations or religious, political, fraternal and social organizations ever to be assembled in the capitol city for welding a united determined program against jim-crowism and for equal rights for Negroes.

### Lynch Elements Frighten Negro Population

Ville Platte, La., (CNA)—Two days after a threat in the Ville Platte Gazette that any attempt to prosecute the members of the lynch-gang that kidnapped and beat Adam Joseph, local farmhand, on July 2nd, would result in reprisals against the Negro population, E. J. Brown, a friend of Joseph, was arrested here on a charge of "attempting to rape a white woman" three years ago.

#### Frame-Up

The "rape which Brown is charged with committing is supposed to have occurred on July 23, 1932. This cynical charge is in line with the editorial in the Gazette, which stated: "Any legal procedure (against the would-be lynchers of Joseph) will cause the speedy removal of hide from the rest of the blacks around here."

Herman Midlo, New Orleans attorney, is entering suit for \$10,000 against each of the seven members of the lynch gang whom Joseph was able to recognize. The International Labor Defense of New Orleans has presented the names of the seven to District Attorney Gaston Porterie, with a demand for their immediate indictment.

#### Lynchers.

The seven are Ferdinand Deville, merchant and recognized ring-leader of the lynchers; Otis Deville, Johnnie LeFleur, Loren Seileau, Jack Peete, Chester LeFleur and Ferdinand Vidrine.

The near-lynching of Joseph resulted from the pique felt by Otis Deville, white merchant, when Joseph "talked back to him". This fact, and details of the events as seen by eye-witnesses, were brought to light last week when Ann Miller, secretary of the New Orleans, I. L. D., came to Ville Platte and interviewed the principals in the affair.

### Relief Officials Attempt to Hinder Cropper's Strike

Montgomery, Ala., (CNA)—The relief administration in cahoots with the wealthy white landlord clique are seeking to abort the cotton croppers strike here.

"All cotton pickers who are offered employment at cotton picking," Thad Holt, white, state relief administrator warned, "will be expected to accept such employment. Local directors of relief are instructed to investigate immediately any cases where such employment has been offered and refused."

This strike-breaking ukase was seen here as an official advance notice to all farm workers that if they strike against the miserable 35c a day wage scale, they will be dropped from the relief rolls.

Local citizens are urged to cooperate with the local director of relief and advise when such employment is available and has been refused," Holt declared.

Although the "old guard" leaders of the American Federation of Labor have signed a no-strike agreement with the relief administration, farm workers are determined to battle against the coolie wages.

Thousands of leaflets calling upon city and town workers to support the cotton croppers strike and to refuse to work for less than the strike demands has been issued by the Share Croppers Union.