

THE OMAHA GUIDE

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Race prejudice must go. The Brotherhood of Man must prevail. These are the only principles which will stand the acid test of gold.

All News Copy of Church and other organizations must be in our office not later than 5:00 p. m. Monday for our issue. All Advertising Copy or Paid Articles not later than Wednesday noon, preceding date of issue, to insure publication.

EDITORIALS

Get Rid of This Depression

Get rid of the capital gains tax—and we'll get rid of one of the principal obstacles to the development of industry and the reemployment of labor!

So long as we keep a tax that places punitive financial penalties against capital increases that are made from investments, new endeavors and new business of all kinds, over and above income taxes and all other taxes, capital will largely keep in hiding. And the capital gains tax does all of that. The man who takes a chance and risks his money in some venture that provides jobs and opportunities must absorb the entire loss if it fails—but if it succeeds the government takes an extortionate amount of his profits.

That's why some of the country's best economists are calling the capital gains tax "Job Killer Number 1"—and why they are pointing out that it has to be repealed if we are to have the capital investment that will bring good times to the United States.

Where Crime Doesn't Pay

The Washington Star recently observed that the Governing Committee of the New York Stock Exchange "is to be commended for its decision to put into effect a new rule requiring exchange brokerage firms to make available statements of their financial condition to any customer upon request. To make this rule effective, Charles R. Gay, President of the Exchange, announced that the Exchange is cooperating with the Securities and Exchange Commission in the preparation of a new and simplified form of financial statement that can be easily understood by the 'man on the street.' It is this rule, if adequately enforced, and there is every reason that it will be, the possibility that dishonest brokers might deceive their customers in the future will be largely eliminated."

There are crooks in every calling whether it be government, banking, or the peanut trade. The Stock Exchange has not been to them. But, out of regard for fact, it must be pointed out that the percentage of failures of Exchange members has been miraculously low—far lower, for example, than in the case of banks. And those brokers who have been derelict of the trust placed in the have been exposed and punished, no matter how high their position, as soon as their manipulations came to light. The Whitney case in which only a few weeks passed between the Exchange's discovery of his embezzlement and his commitment to a long term in Sing Sing, is dramatic proof of this.

The Exchange's new ruling requiring brokers to provide their customers understandable statements of financial condition, is simply one of the many steps that have been voluntarily taken to place security dealings on the highest conceivable ethical basis.

The Rare Exception

Whenever a brokerage firm connected with the New York Stock Exchange is suspended for insolvency, due to admittedly criminal activities, as in the Whitney case, an immense amount of publicity naturally follows. But such occurrences are rare.

As a matter of fact, the record of solvency of members of this Exchange is nothing short of astonishing, as a recently published summary comparing failures among Stock Exchange members, all U. S. banks, national banks, and commercial houses testifies. The figures on which the summary is based are taken from the records of the Exchange, Dun and Bradstreet, the Federal Reserve Board and the Controller of the Currency.

In no year since 1901, have failures of the Exchange totaled 1 per cent of the membership even though the amount handled by these brokers is irrevocably great. By contrast, in 13 years since 1901 failures of U. S. banks have exceeded 1 per cent.

The worst year for bank failures since the turn of the century was 1933, when 14.90 per cent of all U. S. banks and 15.65 per cent of all national banks closed because of insolvency. In that year Stock Exchange member failures totaled the microscopic percentage of .071. And in the years 1935, 1936 and 1937, the percentage was precisely zero—there was not a single suspension for insolvency.

What line of business can such this record? The reason for such a record is the Exchange's almost incredibly stringent rules, regulations and ethical standards which have been in force for many years. Constant "poli-ing" of members firms by Exchange accountants and other experts, is carried on to unearth and instantly punish any and all irregularities. Consequently there are few irregularities.

Contrary to Public Interest

As a result of two years of painstaking study and research the Special Committee on Taxation of the Twentieth Century Fund recommends that all special taxes on chain stores be immediately repealed.

The Twentieth Century Fund represents an impartial view of the chain store tax problem, and its recommendations are based upon the grounds that such special taxes against chain stores are "contrary to public interest."

The Committee, in its report, declared: "The present taxes on chain stores, to say nothing of new ones, tend to raise the cost of living for the large number of people with small incomes who depend on efficient merchandising to get the most for their money."

Special taxes on chain stores, in effect, direct attacks on the consumer's pocketbook. And the fact that such taxes are usually inspired, not with an eye on public welfare so much as in an effort to destroy competition makes them doubly offensive. Facts merchandising standards to a plane that was undreamed of a few years ago. Consequently wide-awake independents as well as chains have benefited, not to mention the American public which enjoys the highest standards of living the world has ever seen.

The recommendation of the Twentieth Century Fund to repeal all punitive chain store tax law is simply practical common sense.

Common Cause

Agricultural marketing cooperatives and consumers of farm products are interested in a common cause. The purpose of such co-ops is to provide the consumer with a constant supply of products of established quality and purity, at a price which will bring the producer a decent profit—and still be attractive to the buyer.

"It seems inconsistent for the government to prosecute oil companies and others on a charge of price-fixing and monopolistic control—while that same government is spending hundreds of millions in the Tennessee Valley in an effort to monopolize and control the price of electric current."—The Daily Free-Lance, Henryetta, Oklahoma.

Niggardly Rate Policy

Further retrenchment in expenditures by the railroad industry may be expected in the near future—and there is also a strong possibility that it will become necessary for the lines to lower rates.

No one wants this to happen. For many years the relatively low volume of railroad spending has been a drag on the nation, and a further reduction will make the problem of attaining general economic recovery doubly difficult. But, in the light of existing conditions, the railroad no alternative.

The railroad asked the Interstate Commerce Commission for a 15 per cent freight rate increase. It is estimated that this would have increased railroad revenues by \$437,000,000 a year, which is no more than is necessary to compensate for increases in the price of materials and supplies, and in wages and taxes.

The ICC granted a rate increase ranging from 5 to 10 per cent, with certain important exceptions, such as soft coal, on which no increase whatever will be allowed. According to J. J. Peley of the Association of American Railroads, the increase granted will average little more than 5 per cent on the total volume of traffic, and will increase revenues by only \$175,000,000 a year. This leaves the lines more than \$250,000,000 per year short of the money needed to make up for the increases in operating expenses that have occurred during the past six years. As Mr. Peley said, "The decision is depressing not only to the railroads but to industry as a whole and to general employment."

So it seems unavoidable that the nation will feel even more severely the effects of a niggardly regulatory policy toward our greatest single industry. An inevitable consequence is a further slumping of confidence, and a still more clouded outlook for the future.

Just Pass A Law

And now the political doctors want to send power from the Bonneville dam, 500 miles up into Idaho. Of course the cost of transmitting this government-owned power is a secondary consideration, as well as the fact that Idaho already has its great power development.

In the past, long-distance transmission has added tremendously to the cost of power, but probably more brainy people can be found to do with the tax-exempt government power, what it has been impossible to do with power produced by private enterprise, which gives the public the electric service it enjoys today.

It is all rather bewildering to think how much smarter the promoters of the new regime of socialization of the power industry must be than he men who pioneered and carried on the industry up to date. The blessings that our people can now look forward to from socialization of the power industry under political management, should give them new courage to face life in the future.

Power carried 500 miles from Bonneville! What of it? Pass a law and forget the bills!

THE LOW DOWN from HICKORY GROVE

I was talking to my neighbor the other day and I says, is sure is a hot joke on those Tennessee folks. I don't know there whether they was going to have all these new lights put in by the Govt. And the outfit running the shebang, it is getting in trouble and looks like another fizzle—and no light.



But this duck, he says, brother, you needn't be so amused about any joke on these Tennessee people; you are the guy that's payin' the bill. And I says, is that so? I am not expecting to use their lights. And he says, if you would think beyond your nose you would savvy.

He says with Govt. taxes, it don't make any difference where they lose the money. Maybe you live in Arkansas and they spend the money in Maine—it is all the same—everybody pays equal. Boy, this neighbor knows things. And then he went to work and says you don't need to go to Tennessee for a joke.

Yours, with the low-down, Jo Serra.

Protest Against Poor Housing; Jim Crow

New York, May 14—A protest against the inadequate and jim crow housing arrangements for colored New York high school boys, who were members of the track teams which competed in the us.

"The only effective course for us to pursue is by way of the courthouse route. This method of procedure will require thousands of dollars. Our legal department has been handicapped more or less by reason of poor support and insufficient funds, therefore I am going to lead the way and ask for others to follow. Beginning with the month of May, 1937, I am going to pay into our legal defense fund \$5.00, each and every month, until this fight is over.

"As chief executive, I pledge you my word that I will give every contributor a prompt receipt, and at the end of each month I will furnish each contributor a list showing the name and location of the men who contribute to the legal defense fund during that particular month.

"In the past, white rail workers have spent millions of dollars in an effort to eliminate you and me from rail service. Why, then, should not we be willing to spend a few thousand dollars in an honest effort to protect our legal, vital and seniority rights? If we are real men, we will do it without argument."

'Play Street' Tried

Washington, May 14 (ANP)—Fenton street, Northeast, a thickly settled minor street in one of the city's most densely settled or congested neighborhoods, is receiving its first test as a "play street." From 3 until 6 o'clock each afternoon, it is closed to through traffic, and outdoor games are indulged in by the neighborhood children. Five other councils are interested in promoting this safe scheme of play for children, the Central Neighborhood Council being directly responsible for the opening up of Fenton street.

Church Ushers to Hold Convention

Washington, D. C., May 14 (ANP)—plans are being formulated for the 19th annual convention of the National United Ushers' association, to be held here July 26-30, at Vermont Avenue Baptist church. Rev. C. T. Murray, pastor. Convention details may be had by communicating with Ralph E. Evans, general chairman committee on arrangements, 1208 Kenyon Washington D. C.

Cleveland Boy Fourth In Scholarship Test

Cleveland, O., May 14 (ANP)—Adding further laurels to those already captured by students of Central high school here, Kenneth Clement, a Central student, and one of 60 students to take the competitive examination for scholarship at Western Reserve university, was fourth from the top of the list, according to grades, to receive one of the 12 scholarships offered.

Clement, despite the loss of an entire semester from school due to illness, will graduate with his class in June with an average of 95.7 per cent.

Calvin's Digest

By Floyd J. Calvin

(Only column in the Negro Press listed by Editor and Publisher)

Commencement Orations

It will be interesting to hear what the commencement orators will tell college graduates this year. A year ago the depression seemed to be lifting, but now it is back, full force, with opportunities far around the corner for youth going out into the world.

Perhaps the safest theme the orators can take will be that it always pays to be optimistic; that the darkest cloud has a silver lining; and that "even this will pass away."

However, we believe the most practical thing the orators might tell the graduates is something of the art of holding money if they are lucky enough to earn any. It does not take a "seer" to note that one great weakness of the Negro group is improvidence. This seems to be basic, for it is true of those who have had superior advantages as well as of those who may actually not know better.

Recently, the New York Times made a survey of Harlem retail stores, and from the published reports, the only figures which were sufficiently impressive for circulation were the sales of "dollar whiskey."

A sad commentary. Of course Harlem has recently "lost face" on several economic counts, but this influence in the "dollar whiskey" class is, to our mind, most disheartening of all.

We wish the commencement orators would warn young people who will live in industrial centers and earn from \$12 to \$30 a week, that if they do not watch their pennies they will most likely find the pawn shops getting \$1.25 and up a week for furnishings from \$5 to \$8 a week "ready cash;" they will find themselves paying three times the worth of clothing because they buy "on credit" ("easy payments") and that they may eventually get married, and mortgage their future for years to come buying what they want but what they really do not need. Many will be unable to live sound economic lives because even though they may have a job they are weighed down by debt.

If our young people knew these things when they left school, and as a consequence avoided some of these pitfalls, our group life would be improved to a marked degree almost over night.

Our Newspapers

The latest report on our Newspapers from the Department of Commerce gives hope for the continued growth of that industry. Life Insurance is in the lead as our economic bulwark but the press, according to the report just issued, has investments ranging from \$300 to \$500,000; and 34 concerns own equipment valued at more than \$5,000.

Ninety-eight newspapers employ 1,064 persons and 70 papers have a combined average monthly payroll of \$72,349.95. Forty-nine news paper enterprises have invested \$1,523,960 in equipment.

Again, it is noted that 124 newspapers reported a total circulation of 1,206,787, "or 86,589 more than was reported in 1936 by 106 newspapers." And 183 publications (newspapers and magazines) reported combined average net circulation per issue of 1,411,087.

This is a very fine record for the press. And we are glad to have as compiler of these statistics a former editor, Charles E. Hall whose love of the press causes him to gather such basic data as will enable publishers to gain a larger share of the advertising revenue of the nation's business.

Politics

It is reported that Republican Congressman Hamilton Fish of New York, speaking to Harlemite recently, told them that they are themselves to blame for the low estate of the Negro in national politics. The Congressman, it is said, asserted that the race should hold the balance of power politically in about seven states and should perform, wield a tremendous influence in the nation.

It is not hard to see that the Negro group, by astute leadership might seriously effect local and national elections in seven northern and middle western states. But it is another matter for the group to have the proper counsel and guidance to make that power effective in their racial behalf. Hardly any white man would condescend such a situation as a matter of right and justice to the group. That is one of the main reasons why such a possibility is highly improbable.

Fishop Fountain in Va

Augusta, Ga., May 14 (ANP)—The Rt. Rev. William Alfred Fountain, Bishop of the Sixth Episcopal district, of Georgia, accompanied by his wife, and sister-in-law, were in Augusta Sunday, April 24. Bishop Fountain preached morning and evening at Bethel A. M. E. church, Rev. J. Frank Rogers, pastor at an Educational Rally.

He preached at 3:00 p. m. at Ward Chapel A.M.E. church, Rev. G. Alfred Roberts, pastor. Large crowds greeted the Bishop at these services, which were held in the interest of Morris Brown college, in Atlanta, Ga., of which Rev. W. A. Fountain, Jr., is president.

Iolas Install Officers

Washington, D. C., May 14 (ANP)—The well appointed home of Mrs. Cantolia Horn, 47 R St. Northwest, Washington, D. C. was the scene of the installation of the new officers of Gamma Chapter of Iota Phi Lambda Sorority on Sunday afternoon, at four o'clock. Gamma is one of the two chapters of this widely reorganized business sorority in Washington and has become outstanding for its consecutive work as well as for its social activities.

The following officers were installed by Miss Harvey: Sara C. Plater, president; Jane R. Bosfield, vice president; Emmie L. Floyd, recording secretary; Louise Jenkins, treasurer; Bessie A. Rhyans, journalist; Vivian Brown, dean of pledgees.

The announcement from the national office that the president of Gamma had been appointed Eastern Regional Directress was received by the group with great joy.

Congratulatory remarks were made by the following guests: Miss Catherine (Bobbe), Alpha Chapter, Chicago; Mrs. Olla Jenkins Omicron Chapter, New York City; and Miss Iola Smith, Washington. The installation was terminated with a tasty repast.

New York, May 14—Picture postcards on sale in five and ten cent stores in the South, and particularly in South Carolina, drew a protest from the National Association for the Advancement of Colored People this week to the officials of the F. W. Woolworth and the S. H. Kress chain stores.

Crispus Attacks

Council Protests

Brooklyn, N. Y., May 21 (ANP)—At a meeting Monday, of the Crispus Attucks held at the Carlton Avenue YMCA, George E. Wibean, president of the council brought to the attention of the members of he vicious attack on our group uttered by Monsignor Belford, of the Catholic church located on Clawson avenue and Putnam.

A special committee was appointed to visit the Brooklyn Eagle office, lay the protest before the city editor and have them retract the statements made by Mgr. Belford, who said that the Negroes living along the Fulton street L. line had depreciated realty values and that they should be restricted to a certain section of the country. He went on further to state that he could not hold meeting at night at his church, because of the vagrants in the district, mostly Negroes.

Wibean referred to the Rev. Blackshear case and to stated that some of the best Negro citizens of the Catholic faith live in the district he mentions. And that his vituperations will hurt the cause of he Catholic faith in their efforts to bring Negroes into their faith.

At a council held by the Catholic universities of St. John's college and other instructions of the Catholic faith, Wibean was the invited guest and made mention of Father Belford's announcements about our group being the cause of the L. are of the white race. Our group pay higher rental than the whites for less accommodation he said.

Mrs. M. C. Lawton read a prepared statement from the federation of women's clubs, of which organization she is a member and past president, and scored Father Belford for his untidy remarks.

The committee was composed of the following: Rev. Dr. Willis of the Seventh Day Adventist church, Rev. Dr. Roy Proctor, Counsellor John M. Colean, Mr. and Mrs. Caeston Brainbridge, Mrs. M. C. Lawton, William J. Ash, Associated Negro Press, N. Y.

The committee was promised that the Eagle would print all that had taken place at the meeting.

Economic Highlights

To quote a leading business magazine, the threat of a world war "will affect almost everything that is done in Washington from now on: Naval construction, merchant marine, army expansion taxes, Secretary Hull's reciprocal trade program, perhaps even government reorganization." War—past, present and future—is an ominous and exceedingly active element in American affairs today.

Most obvious example of our preoccupation with the prospe of war is the naval building program, the largest in our recent history. Its proponents—and there are many—argue that our best guarantee of peace is a mailed fist second to none. On the other hand there are men of distinction and authority who argue with force that this program is leading us straight into war. Reason: Navy specifications today call for fighting ships of tremendous cruising ranges, and for supply vessels able to make runs of thousands of miles, provide the fleet with oil, food, munitions and return to bases on the continental United States. How say the opponents of the building program, can ships of this type be justified as essential tools of the national defense? Why do we not build instead small fast ships with a relatively short cruising range, sufficient in number and power to defend our coasts—or to fight in foreign waters? Is it possible, they conclude that the unspoken purpose behind the current program is the creation of a U. S. fleet primarily designed for and capable of fighting in the China seas or the Mediterranean?

There is no definite answer to these questions now—but they are indicative of the confusion that exists in the minds of the people. Even more important, perhaps, is the attitude of the State Department toward European troubles—an attitude that has received a great deal less interpretation than a subject of such moment deserves.

Apparently the day is over when representatives of great governments could sit down, argue differences, arrive at agreements and go home, with all concerned knowing that the agreements will be kept, at least until some crisis arrive which made one of the participants feel that it was necessary to sacrifice principle to expediency. The U. S. State Department at the present time doesn't say it in so many words—but it obviously feels that words, treaties and promises of the belligerent powers—Germany, Japan and Italy—cannot be trusted. There are two concrete examples of this to which are not widely known. A few months ago the Japanese government intimated that it was again ready to discuss a treaty for the limitation of capital fighting ships—and the U. S. government offered no encouragement. And for two years, Hitler has periodically proposed an agreement among the great powers to ameliorate some of the evils of war, such as the unrestricted use of submarines and the ruthless bombing of civilian centers—and again this government has turned a deaf ear to the suggestion.

It is, of course, almost unthinkable to blame the U. S. government for this attitude. The dictators who agreed to non-intervention in the Spanish revolution have all but made a Franco victory certain by sending him apparently unlimited quantities of men, planes, cannons, and other essentials of war—and Japan, which now burdened under a staggering debt, might wish to slow down the world naval building race, was the first to violate the previous naval building treaty. The States Department's attitude is simply an indication of the difficulties of carrying on diplomacy in a world where the old values have been so largely destroyed.

One by-product of this is Secretary Hull's policy of caution. Officially, we have not recognized Italy's conquest of Abyssinia, nor Germany's sudden seizure of Austria. We have made protests against these acts—but mostly in veiled and indirect terms. Our prominent part in seeking to curb the ravages and injustices of the dictators. Yet no one thinks that the feeling of this country is a neutral one—American sentiment against the dictators is almost 100 per cent strong. Judging by what evidence there is, the majority of Americans were disappointed at the failure of Eden and the adoption by England of the Chamberlain "peace at any price" foreign policy. It is not a remote possibility that this partisan sentiment will in the future be reflected in the government's attitude, and result in a more aggressive and pointed U. S. policy toward the totalitarian states. Whether that would make our participation in the next world war unavoidable is a topic that is being fiercely debated by all manner of theorists—but it cannot be settled save in the infallible test-tube of Time.