

THE OMAHA GUIDE

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

EDITORIALS

OMAHA MUNICIPAL BANK SYSTEM

The voters of the City of Omaha will on May 9, 1939 have an opportunity to express their choice on the establishment of a municipal bank system in Omaha.

In view of the establishment of the First Municipal Bank in Birmingham, England in the year of 1915 and now established throughout the various municipalities of Australia and New Zealand by the labor governments which is made up of the wage-earners of these countries, where labor rules supreme and a system of unemployment insurance and old age pensions as well as the blind, indigent and dependant mothers are properly taken care of from the earning of these municipal banks.

For its latest development of municipal enterprise a system has been worked out where, by poverty is overcome by the establishment of an unemployment and old age pension system without taxation simply by taking the profits of the banking system and applying the benefits to the economic needs of the people. That it has attracted wide spread attention and there must be many students of social conditions of the local government who will desire to obtain a closer acquaintance with its methods and to trace the sources of its success.

The main object of a municipal bank system is to encourage thrift amongst the working classes and the small business men who are denied bank credit under the old system of banking by the international bankers. The fact that financial relations between the bank and the municipality are of a service to the people, because it reduces taxation is one of the essential features of its existence, it makes loans of credit to the common worker which have in the past been a victim of the loan sharks and exorbitant rates of interest which has pauperized the working classes. The municipal bank makes loans to the wage-earners and the unemployed and to the small business interests which are today denied credit from any source.

The municipal bank owned by the people is constantly in the public eye; it commands the service of its most respected citizens; the councilors, the clergy, the magistrates, the teachers, creed via one another in proclaiming and the local leaders of every class and its virtues. Its elasticity and adaptability in meeting the needs of the people from any defect in administration which has hampered the people and prevented them from securing the necessary credit to provide for their wants. And through its own numerous branches throughout the cities, it familiarizes the general public with the opportunity it offers and no one appears to feel any difference about entering a municipal bank which is provided for the building which is recognized as a municipal

convenience of the people.

The city of Birmingham composed of the workers of Great Britain, the first municipal bank was established and it has today over \$85,000,000 on deposit for the needs of the people, especially the post-Municipal enterprises take care unemployed where a municipal bank is established. Birmingham has been the pioneer in municipal banking. She has opened up the mine, drive shafts which reveal the possibilities before us. By skill and prudence she has hitherto avoided the perils which beset such operations. Marked the danger spots, laid out the regulations by which disaster may be avoided, and by the use of municipal credit has provided a means to take care of the unemployed paying them a liberal wage while out of work, provided for the aged over 50 years of age with an old age pension-taken care of the blind, mothers and children.

Omaha is municipally minded; it has municipal water, municipal gas and ice. Why not have a municipal owned bank to handle the taxpayers money which today is being handled by national banks without interest being paid to the city? Why not use the people's money for the benefit of the people and not the banker?

Roy M. Harrop.

CALVIN'S DIGEST

"The Negro Woman Worker," a new bulletin issued by the Department of Labor, Washington, reveals the points which must be most vigorously attacked by our women if their economic status is to be improved. "In all," says the Bulletin, "Negro women in what may be termed 'white-collar occupations'—in transportation and communication, trade, public service, professional service, and clerical occupations—totaled about 91,600 in 1930, or only 5 per cent of the Negro woman gainfully occupied. On the other hand, native white women in the same occupations totaled 4,330,000 in the same year, or 56 per cent of all gainfully occupied white women of native birth."

Here is the crux of the problem—more jobs in the "white collar" area. But this is the area in which prejudice is strongest, North and South. Even Negro men often forget that they owe the same obligation to their women as to themselves in their fight to smash barriers holding them back.

Recently the Secretary of War, Mr. Woodring, said the Negro himself accepts the principle that the races should not be mixed in organizations. However, Mr. W. Frank Parsons, director of the United States Employment Service, speaking to the second national conference held by the NYA in Washington on Negro youth recently, reported that Negroes now have an opportunity to get jobs as administrative officers—"managers, assistant managers, junior and senior interviewers, vocational counselors, receptionists, stenographers, typists, clerks, telephone operators, messengers and custodial workers." Mr. Parsons reported further that: "They are working in separate divisions or offices in some cities and in mixed offices in others."

"This is important. The U. S. Government is employing Negroes in mixed staffs and according to Mr. Parsons, "Careful observation of workers in the Service over a period of years lead me to the opinion that Negro workers have proved themselves efficient in every position in the Service to which they have been appointed. These Negro appointees have contributed to a better understanding of the problems of unemployment as they affect their particular group; and have aided in interpreting the Service to the public."

If this is true in the Federal service, then it must be made more increasingly true in private industry. Great employers of white-collar workers like the Metropolitan Life Insurance Company and the public utilities, like the electric light and telephone interests, must be made to give more employment to Negro workers, and to Negro women workers. Trained Negro women simply must find more outlets for their talent and ability than school teaching and social service.

Individual Negroes can aid this program by resolutely standing behind all picket lines which seek to force entry into avenues of employment now denied the group, particularly where the group is a large per cent of the consumers of such enterprises. This method has proved effective in several northern cities, and must be used even more vigorously to force new openings.

Let Negro men not make the mistake of fighting for themselves alone, and forgetting to carry their women with them. All should go up together.

NO SUBSTITUTE

Those who subscribe to the doctrine that a government can "spend its way into prosperity," are due for a rude awakening, as a study recently published by the National Bureau of Economic Research indicates.

According to this study, tremendous drops have taken place in the production of durable goods and in privately financed construction. Between 1919 and 1929, the money spent for these purposes averaged about \$19,000,000,000 annually. In recent years, the average has dropped to \$6,500,000,000.

In those years, government spending has been at record levels—levels so high that the bulk of disinterested the federal government—which means money going into construction and durable goods industries—has over-economists freely forecast ruin for the country if they are long maintained. Yet, in spite of that, pump-priming by aged but \$2,620,000,000 a year.

As the Morning Oregonian observes, "The incapacity of government to overcome the decline in private investment in durable goods is at once apparent." Furthermore, the very weight of government spending is in itself a tremendous barrier to a resumption of private spending on any substantial scale. Government pump-priming means continually rising taxes plus a continually rising debt—and the result is to frighten the investor, dishearten industry, which finds its profits diminishing even when it manages to hold its volume of sales to good levels, and drive money into hiding in tax-exempt government securities.

No one argues that this so-called "emergency" spending by the government can now be terminated at once. But all the valid economic evidence at hand proves that the salvation of the country depends on a program to gradually reduce this terrific spending—and to encourage, through sound tax policies, a resumption of private spending in the durable goods field. There is no substitute for private capital—even as there is no substitute for private initiative and energy in making the wheels go 'round.

A NEW PRODUCES—CONSUMER PROGRAM

Speaking before the American Farm Bureau Federation, Edward A. O'Neil, the organization's president, recently said: "The chain store has extended its efficiency beyond question. The cost of distribution is one of the great unsolved problems and we must admit that the chains have rendered great service to producers and consu-

mers in shortening the route between the farmer and city consumer." Following this, the Federation went on record with a strong resolution condemning punitive taxation of business.

Reports have been lately made public concerning a "new set of ideas" being developed by the U. S. Department of Agriculture for the purpose of improving the distribution of food. It is said that the intention of this government program which is designed to aid both producers and consumers, is to move surpluses into consumption; to stimulate consumption; to increase volume by reducing costs all along the distributive line that reaches from productive to consumer.

It is apparent to anyone that this ambitious and worth-while program can be made successful only by enlisting the aid of our existing mass-distribution systems—which means the chain group, and the organized independent stores. Those who are working on the program point to the need for standardizing packages, minimizing gluts and shortages in the market, stabilizing prices, etc. And this is just where large-scale distribution, with centralized management and great turnover, is all important. The chains and the organized independents can point to many fine achievements in the past on behalf of farmers and consumers. And, given encouragement, they can achieve still more in the future.

It's a real pleasure to see the government planning a program that really will help the people. And it is to be hoped that this program will dampen the ardor of those "special pleaders" in Congress who are seeking to destroy mass distribution at the expense of farmer, consumer and worker, for political purposes.

BUYER'S GUIDE by Clarence H. Peacock

Southern Negroes eat more chicken, duck and turkey than any other residents of the United States except those of the North Atlantic States, where the average consumption is four pounds more, says the Department of Agriculture in their palate poll of the American worker.

Over a billion dollars a year is spent on food by the thirteen million colored people in this country. Through indiscriminate spending our people are not reaping the full benefits of this huge buying power.

A recent consumer survey conducted in Harlem disclosed the fact that Negroes in this community preferred the brands of many companies that ignore the Negro market and Negro labor.

First choice was given to the following brands, yet not one of these brands advertised in our papers, not is there any special effort made for colored patronage. Maxwell House Coffee, Quaker Oats, Del Monte canned goods and Kirkman Laundry Soap.

Others first preference were, Lucky Strike Cigarette, Colgate Tooth Paste, Libebuoy Soap and Eureka Vacuum Cleaners. Not any of these brands were advertised in our papers last year.

The following brands advertised regularly in our papers, they also received first preference. For greater economic security read our papers and buy their advertised products.

A visitor to Hollywood says the only real things he saw there were sparrows hopping around on the gypsum snow. Huh! How does he know they were real sparrows?

Women seem to have been misunderstood. "They don't originate gossip," says Elsa Maxwell. "They merely repeat what they heard from men."