

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.

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EDITORIALS

LONGER WEEK-ENDS

In week-ends nations mirror their character. In the case of week-ending this will be more true in the future than in the past for we are in the process of making week-ends for more people. The five day week promises to put the already large week end industry in the front rank of our largest enterprises.

There will be more week end motoring. More building of cottages. More demand for suburban homes for quiet week ends. More excursioning. More business for resorts catering to week enders. More planting and gardening in suburban communities.

Say what you will about the American as a spender, the fact remains that he is about as thrifty a mortal as this globe has produced to date. Not many of the five day workers will be content sitting out the other two days. Odd jobs producing a little extra money will be at a premium and will put a large share of the country's imagination and initiative to work.

The week end was not made for fun in everybody's plan of living.

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ECONOMIC HIGHLIGHTS

Happenings that Affect the Dinner Pails, Dividend Checks and Tax Bills of Every Individual. National and Intentional Inseparable from Local Welfare

To attempt to analyze and project the future course of business at present amounts to seeking a short cut to the insane asylum. Today and for months past) the purely economic factors that in normal times determine what business and industry are going to do have been at least relatively good. There is an abundance of credit. There are almost unlimited opportunities for expansion of important industries in both the consumer's and producers' goods fields. The inventory situation, with one or two more or less minor exceptions is favorable. And, according to trustworthy reports, representative business, weary of almost endless years of depression broken by occasional, sporadic upturns, is chafing at the bit to go ahead.

But business doesn't go ahead. New industrial financing remains practically at the zero level. No major basic industry is expanding on any important scale. Little preparation is being made for the future. And long-planned expansion programs, some of them of the most ambitious nature, are being held in abeyance for an indefinite time.

This isn't as puzzling as it may seem. For business is still dominated by the political factor, as against the purely economic factor. It is afraid of what politicians may do next. It fears for the future of earning and profits. It fears the constantly growing specter of government control and, in some cases, actual government competition. It is waiting—as it has been waiting for many moons—to see what happens. And so far as it is able it is husbanding its resources, spending almost nothing

that is not necessary to the day by day routine conduct of its affairs.

You can find eloquent advocates who will say that is the wrong attitude—that business has more than discounted political conditions and isn't justified in its fears. You can find equally eloquent advocates who will say that business is right—that, under present circumstances, it can do nothing else. But, regardless of opinions, that is the way business at large feels and that is the reason depression hangs tenaciously on.

In the light of this, a recent event is of potential significance as a possible factor in break the log jam of pessimism that holds back business. That event is Secretary Morgenthau's "tax relief" proposal to a Congress which is becoming increasingly economy minded. Mr. Morgenthau has the unenviable job of having to finance a government with an ever soaring national debt, and he has long pondered the obtuse problems of taxation. Some time ago it was announced that he had a definite program he wished enacted in an effort to encourage business. Then the program dropped out of sight, as the President reaffirmed his faith in the spending for prosperity policy. Late in May another change took place. Senator Harrison, one of the leaders of the economy bloc in Congress, went to the White House. And, according to Newsweek, "Harrison started in by telling President Roosevelt flatly that, having talked for months about giving business the tax changes it seemed to want, Congress intended to see business get the changes whether the President liked it or not." The next day the President consulted with Senator Byrnes a Democratic whip who also tends towards economy.

Results: A week later Secretary Morgenthau appeared before a meeting of the House Ways and Means Committee with a detailed tax-revision program recommended by the Treasury and, according to the Secretary endorsed by the President.

Mr. Morgenthau's program calls for repeal of the undistributed profits tax, the excess profits tax, and the capital stock tax; a change in the law to permit business to carry over net losses for several years; reduction of the surtax in high brackets; a change in the corporate income tax, to make it a flat 18 per cent on incomes over \$25,000; reduction in the tax on small corporations.

Mr. Garner's announcement that he will seek the Democratic Presidential nomination next year turns a rumour into a fact.

It also serves to further emphasize the split in the ranks of the majority party. Mr. Garner has a solid following among the relatively conservative Democrats—which includes the influential Southern bloc almost 100 per cent—and he is heartily disliked by the more extreme New Dealers. He will probably go the convention with enough votes to make it tough for any candidate he opposes.

At the same time, talk of nominating Secretary Hull, as a sort of compromise candidate, grows. Many feel Mr. Hull would be the strongest candidate the Democrats could put in the field.

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IT'S WATERMELON TIME

This is the season when sticklers for table etiquette are in partial eclipse; the season when melon pips fly, and the sound of corn on the cob is heard in the land. This is the season when many consider it permissible, even necessary, to relax somewhat from a strict observance of the formal codes of the knife and fork.

So far, corn on the cob has won its own way. But at table one is still expected to overcome the watermelon with a fork. As we expect the hardened eater of green corn to face his seasonal feast in the shape of kernels divorced from the cob as law down the rule of fork to the genuine devotee of watermelon. After all, the juice is the main part of a watermelon, and who would eat soup with a fork?

If watermelon is to be eaten at the table, then please, Mrs. Post, let us have knife, fork and spoon, any one or all three as fancy may dictate. A really man size slice of watermelon is a bit of unmanageable on any ordinary sort of a plate however, and hence it is the ordered plan of some to eat it beside the kitchen sink. But, there is the task of cleaning up the seeds. And there is nothing more elusive than a melon pip in a porcelain sink unless it is a melon pip on the kitchen floor. The pursuit of a melon seed on waxed linoleum really should be classed among the major sports.

But, after all, the most desirable place of all for the enjoyment of watermelon is the bottom step of the back porch. Here in the open air one may attack the luscious pink half moon openly and let the seeds fly where they may.

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JULY

If the time ever comes when the calendar reformers decide that new names should be given to the months, history and romance will lose much by the disappearance of July.

Ever since the year 46 B. C., when Gaius Julius Caesar allowed his name to displace that of the fifth Roman month, Quintilis, the second summer month has been known by some term corresponding to the English rendering July. July, which is now the seventh month of the Gregorian calendar, is fixed immovably in the history of two great republics, for it was on the fourth day of that month that America had its origin as a separate nation, and it was on the fourteenth that France, America's ally in the struggle for independence, broke with its royal masters and struck out boldly for its own liberty.

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HEAT

By far the best way to deal with excessively hot weather is to snub it. Be contemptuous and superior. Pretend that you aren't aware of its presence. A considerable reserve of philosophy and common sense is necessary to this way of escape from the extreme discomforts of summer in this climate. But the fact remains that agitation and feverish attention to leaping thermometers has the effect of making heat seem hotter than it really is.

If you cannot snub the weather, if you are one of those who have indignant convictions about it, do the next best thing. Keep in the shady side of the streets. Eat lightly, and wear the lightest and loosest garments you have. Avoid stress and hurry. Then the doctors will be less likely to get you.

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PLAY NO FAVORITES

Seventy three years ago, the capital stock fire insurance companies of this country has issued policies totaling less than \$4,000,000,000, and their annual premium income was \$39,000,000. Today capital stock fire insurance carries the responsibility for more than \$60,000,000,000 in property values, and premium income totals \$460,000,000.

That speaks well for the soundness of this great industry. And it is evidence of the growth and development of the United States. For fire insurance is an essential factor in every commercial venture. It is the backbone of all credit. Who could loan money to

build a home if there were no means of protecting against loss in the event of its destruction by fire? Who could send a ship to sea without insurance to guard against loss and ruin? Who could invest in commerce and industry without this all important protection?

As America has grown, and fire insurance has grown with it, this protection has been provided at a steadily declining rate. In 1938 the average rate was not much more than half what it was in 1913. And, as a fire insurance expert has said "This great constructive service is rendered without regard to any distinctions of wealth, or class or creed, or geography, except in measuring exactly as possible, hazards involved in each individual case."

Thus has fire insurance discharged its vast responsibilities to the nation. And, in addition, it has carried on a constant work in favor of fire prevention, the establishment of adequate safe building codes, the inspection of building materials and machines and commodities of many kinds in the light of their safety as regards fire, etc. There isn't an individual or a business in the land this work hasn't benefited. It is responsible each year for saving thousands of lives and millions of dollars worth of property.

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"WEIGHTS ON ANDY JACKSON'S GRAVE"

In a recent column, Paul Mallon, the well known Washington commentator, said: "Weights will probably be placed on Andy Jackson's grave so he cannot arise against these three new financing proposals which would come somewhere near creating a quasi United States Bank (the Mead bill for small business loan insurance, the capital financing proposal for big loans and the public works financing for building.)"

It may be that some of these proposals are designed to serve a necessary and deserving end. But there is a very evident danger in a method of achieving such an end which further extends the power of the government over the banking structure.

The money in America's banks belongs to the people. And, under our private banking system, it is controlled by the people. No type of business is more thoroughly or more stringently regulated in the public interest. Every conceivable safeguard has been created to assure the depositor safety for his savings.

A very different situation would obtain once politics got banking firmly under its thumb. It would be possible to use the money of the people for any political ends desired. The existing safeguards would necessarily be weakened. And the public—with its millions of bank accounts, and its billions of savings—would be the goat.

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UP TO THE INDIVIDUAL

There can be cooperation in the hard pressed dairy industry said F. H. Sexauer, President of the Dairymen's League Cooperative Association of New York, recently. There can be cooperation between dairy groups, and the federal and state governments. And he added these significant words: "Three months of united effort will find us well on our way toward rebuilding prices. Three months of division and fighting among farmers will lead us to continued low prices."

In other words, it's up to the individual producer. He can work with his neighbors, through dairy marketing cooperatives and make his influence felt. Or he can succumb to despair, and take what come. Luckily judging by the past history of the cooperative marketing movement, he will take the first course—and get results.