

THE CHARLOTTE NEWS

And Evening Chronicle

Published Every Afternoon Except Sunday by The News Publishing Co., Inc. W. C. Dowd Jr., President and General Manager. J. E. Dowd, Vice-President and Editor. W. C. Dowd, 1865-1927

The daily edition of The Charlotte News was established in 1858. The Evening Chronicle (established 1903) was purchased by and consolidated with The Charlotte News May 8, 1914.

The News desires to be notified promptly of errors in any of its reports that proper correction may be made at once.

MEMBER ASSOCIATED PRESS AND WIDE WORLD The Associated Press is exclusively entitled to the use for publication of all news dispatches credited to it or not otherwise credited to this paper, and also the local news published herein.

Second-class matter at the Post Office at Charlotte, N. C., under the act of March 3, 1879.

SUBSCRIPTION RATES

By carrier: 20 cents a week; one month, \$1.00. By mail: One month, \$1.00; three months, \$2.80; six months, \$5.20; one year, \$10.40.

MONDAY, JUNE 29, 1942

Shooting Time

Eight Axis Agents Are Firing Squad Fodder

Now we have our chance to prove that America knows she is at war, and that she knows what kind of war she is fighting. In our clutches are eight German agents brought to justice by submarine warfare. To us we have called them only spies and saboteurs. As Hitler had hoped, we have not recognized them as spies, and thus fit only for the firing squad.

One great advantage the Axis hold over us is its will to die in any blow inflicted in victory. We have persisted in fighting the gentleman's war. Our lives in the subjugated lands have suffered death and torture, our own fighting men have been riddled as they drift in lifeboats, as they floated to earth in parachutes. We have not struck retaliation.

If we miss this chance to prove our ends to survive we will only postpone them one more time. It should be obvious that the one way to make the German Axis agents undesirable, is to make them large targets for the lives of our catch and put an end to their offenses against our cause.

Howard Rises You Might Almost Say That "Local Boy Makes Good"

Those who have some way of knowing say that Morris Field, the Army Air Base, is one of the best of the Air Corps posts, well run and on the job at all times. The officers and men quarantined at Morris Field are to reach the same thing, knowingly. There is a pride of service and command which goes by the fancier name of esprit de corps.

For this impress of quality, one man is principally responsible. He is, of course, Colonel Clinton W. Howard. It was in 1941 when Colonel Howard first hove into Charlotte to take charge of the insufficient runways and red dust which at the time comprised Douglas Airport. Things began to happen immediately and have been happening ever since. The Colonel was not one to let his command remain either secondary or inferior, and while he had a great many difficulties of one kind and another to overcome he kept plugging away.

It, and that the world could get along without it. Now comes, in this year 1942, another to argue that the gold standard is outmoded. He is Marriner Eccles, Federal Reserve Chairman, and Paul Mallon condensed Mr. Eccles' views on the gold standard by saying: "In Mr. words, gold is good for teeth and for selling to Mr. Morgenthau at the arbitrarily-inflated figure of \$35 an ounce, but not for much else."

Mr. Eccles is a mighty smart man, an independent thinker who dares to break with all the hoary traditions. And it may be that in relegating the gold standard to the order of outmoded institutions, he has simply followed the lead of signs of logic. On the other hand, he may have attached far too little importance to the psychological factor which for hundreds of centuries has made gold the most precious of metals.

The country's experience with Mr. Eccles, in fact, should be a caution against accepting his abstract reasoning as sound practical doctrine. The gentleman once before went all-out for a theory which may have been flawless in principle but in practice was full of holes. He is the champion of the radical measure of governmental spending to break up depressions, and as far as that went it looked like simple good sense.

But the other half of the Eccles theory was to discontinue the spending in good times and to pay off deficits. And there it came a cropper. It neglected the political factor, you see. Congress could be persuaded to spend—yes, but Congress could not be persuaded to stop spending when the emergency was over. And so today we may attribute to Mr. Eccles and his followers his school a good part of a national debt which even before the war was heading toward fifty billions of dollars.

His Mental Explorations Have Cost a Pretty Penny

The late Heywood Brown once made a story which he told with an air of a smart fellow as I. It was about gold standard. All the nations had agreed and agreed that they would get their gold on a remote island in the Pacific, where it could be most safely kept and easily transferred from one to another. Against this gold the owners would issue their gold-backed

A cardiac specialist believes the heart muscle incapable of pain. What the lyric writer describes as unrequited love is possibly something he ate.

While We Spend For Victory The National Debt Goes Out Of Sight

By Paul Mallon

THE war cost is already \$208,000,000,000, appropriated by Congress so far. The common estimate here is that it will run to \$300,000,000,000, although this is based on pure supposition that the conflict will end in 1943.

It is difficult to explain the size of \$208,000,000,000 because such an amount has never before been expended by men in one lump sum. Perhaps the best way to express its vastness is that it represents about 10 years of labor for every wage earner in this country.

We had 42,847,000 earning adults last year, made up of 13,597,000 families and 10,956,000 single employed persons. Their average net wage was \$2,203. The share of each one in the war appropriations made by Congress so far would be more than twice as much, roughly \$4,800.

What this will mean to the lives of millions is beginning to be apparent as the size of the problem becomes clearer. Some few Congressmen are beginning to see the unprecedented \$42,000,000,000 Army appropriation bill the other day as a means of financing bank-ruptcy if expenditures kept piling up, but they apparently had not bothered to figure the real probability.

Obviously we are going to have a Federal debt of at least \$200,000,000,000.

At the end of this war, five times the size of the feared debt limit reached in nine years of New Deal upping before we entered upon war preparations.

That will be a permanent obligation upon which the Treasury will have to pay annual interest. The average interest rate now is 2.25 per cent and before the war it was 4.2 per cent. (During the first World War it was 4.2 per cent.)

The Treasury, while financing these war sums, is at the same time hammering the interest rate down. Some expect to get it down to around 2 per cent before the war is over.

If they do, and the entire war debt is no more than \$200,000,000,000, the Treasury will have to tax the people \$4,000,000,000 a year after this war merely to pay interest charges—fixed charges, not including any actual cost of Government operation.

If Government securities run around \$9,000,000,000 as they have been running, the Treasury will have to tax \$13,000,000,000 a year from the people to keep going. There are two ways to handle that. One is by inflation, which is a government's way of going into bankruptcy.

Cheapening the value of dollars reduces the cost of its



debt and accomplishes a wash-out of all values. That need not be done this time if the nation can be kept on a sufficiently high level of prosperity to enable the Treasury to drain around \$13,000,000,000 a year in taxes.

It is collecting this coming year about \$24,000,000,000. If it continues these confiscatory rates after the war (which of course is im-

possible because you cannot run a profitable system without good profits) it could use about \$10,000,000,000 a year for debt retirement and pay off the debt in twenty years.

Certainly these figures show: (1)—A national property income of at least \$100,000,000,000 a year will have to be maintained after the war to support the kind of debt and Government we are in.

(2)—Vast post-war peace expenditures such as financing the industrialization of farming nations will, our public funds or a quart of milk a day for the citizens of the world, cannot be undertaken with any reasonable expectation of maintaining Government financing.

In other words, we would work ourselves out by careful and successful planning, but we cannot afford to throw money around the world.

Some authorities even ask if the Treasury can raise so much money to run the war. That will be the easiest part of it. Little ingenuity is ever required to run up debt. Paying it generally the troublesome part.

Obviously, such vast sums are required that most of the war debt will have to be taken by banks and insurance companies. Commercial banks and Federal Reserve banks will get the bulk of it, and the Government can practically force them to take any interest rate.

It considers likely to be enough to be used as open.

As for the coming fiscal year, \$7,000,000,000 is being spent and only \$4,000,000,000 is being raised by taxes. Another \$10,000,000,000 will come from sale of bonds, savings banks, insurance companies, Government trust funds, etc. That leaves \$43,000,000,000 to be raised by war bonds.

At present the Treasury is selling bonds at a rate of about \$5,000,000,000 a year. Mr. Morgenthau expects to bring this up to \$12,000,000,000 by these sugar drives. If he does the commercial banks will have to take the rest, about \$31,000,000,000.

Even a compulsory bond buying program would not change this situation, materially. There is most of that could be expected from \$20,000,000,000 which would leave \$11,000,000,000 to be absorbed by the people's money market.

Clearly the banks must take between one-third and two-fifths of it, whose expected interest percentage will rise. They have no money themselves, except the people's money deposited with them.

Figures may be boring to the average individual but these figures need his attention, because they involve the weal of the nation, as well as the economic and political future of this country.

Secrets Are Out

By Raymond Clapper

AT LAST President Roosevelt has released and made public certain specific war-production "secrets."

For a long time in the Government have been arguing that it would be unwise to reveal secrets to the wop-sand-a-abroad to tell what we were doing. And so today we see the military was against it and the President was for it.

Now some of the figures are out. Many figures were given. In that month nearly 4,000 planes were produced, more than 1,500 tanks, nearly 2,000 artillery and anti-tank guns, besides aircraft and anti-air guns to be mounted in tanks, more than 50,000 machine guns and about as many more submarine guns.

Production in the two basic weapons indicate a staggering annual rate—about 10,000 tanks a year and 18,000 tanks. Safe to say production will rise from the May rates as the year goes on.

Those figures will tell Hitler that his only chance to win the war is to get it over. They will tell him that force is building up that he cannot possibly match. Donald Nelson says Allied production exceeds that of the Axis now.

Those figures also tell us that private industry has never been approached in all time before. True we had large sources to start with. Hitler's plants had to be built, and one had to be converted. Hitler has been building for nearly ten years—and we have been at it two years. The strain placed on management and engineering ability is something beyond anything ever before loaded on the shoulders of private industry. The test has been met. Not only met. Some expectations have been exceeded. Hitler did not only did what was asked, but it has beaten the schedule.

Second Front

By Herb Cook

WASHINGTON

MR. HOPKINS made a remarkable statement in his speech on June 22. He said, "A defeat of the Russian Army would be a major disaster and prolong the war for months."

I submit that this is the most important statement the Russian people have ever made. It is the only large force on our side in this war, and it is the only large force which, first, understands the nature of modern war, and second, understands the enemy they are fighting. They know what is at stake. It is the only force in the Russian people and the Russian nation. Neither the British nor we yet fully understand this—that what is at stake is our whole civilization and our individual lives. This is no war in which we can reduce the Russian position to a mere tactical advantage for a few decades in which we can pull ourselves together for another throw of the dice with history.

This is a war, with chase and slavery, poverty and affliction, for the democratic West. This is a war on the one side for the sacking, looting and destruction of our world—the permanent sack; its continual loss.

Only those amongst us possessed of the intuition of superb imagination understand it. The Gerbs understand it, for they once suffered a defeat which took its toll for centuries. Rebecca West understands it because she knows what happened to the Serbs. She knows what is at stake in the defeat of England tomorrow merely, but for tomorrow and tomorrow. She knows that nations, peoples, empires, civilization can perish—can be exterminated. Miss West in her book, "Black Lamb and Gray Falcon"—a book that rises to the clarity and passion equal to the war—describes what this defeat would mean.

"Defeat would mean to England the squatter it meant to Serbia. Five centuries hence gentleness would be forgotten by our people; leathery hands would be raised against their women's backs and walk beside their unshamed, and would be careless of our dung... the discoveries made by the past genius of our race would be phantoms that would haunt the memory, and our very land would lie the fatal jettam left by the receding line of a conquering race... women wearing lank blonde plaits, little with lack of possessions, would pile up the long grasses in their paths and cry, 'Strength Through Joy movement... homeless children, children of homeless children, themselves of like parentage, would slip into eating houses and grovel on the floor for scraps of food dropped by diners reared in a society long ignorant of the vice.'"

Platform Of The People The Colonel Leaves Us

Editors, The News:

It is with deep regret that the exigencies of the service have dictated my separation from Morris Field and Charlotte, putting my tenure here, it has been most refreshing to be associated with the good people of Charlotte and to have made the contacts and friendships which have been so pleasant.

It is felt, in leaving, that the community will be endowed with one of the finest airports in the country. The improvements that have been made by the Federal Government, and the planning and accomplishment of improvement, have been more far-reaching than is appreciated by the local community. When it is possible for complete examination of the installations which are to be turned over to the military, it is felt that it will be with a great deal of pride that the local community will point to the installation which is to become theirs. (The Colonel) means, of course, after the war—Editors, The News?

I want to thank The Charlotte News for its editorial policy and its unhesitating support of the field, its projects, and the aid given in accomplishing its objectives. The Community's contribution is due The Charlotte News for its support of things military. It has been through your wholehearted efforts that the enlisted men, the officers, and particularly the Commanding Officer, camp and duty have been made pleasant and easy.

I desire to thank you not only in my behalf, but in the behalf of the military personnel at Morris Field for the support and the wholehearted furtherance of the military effort. I know that you will continue your liberal and forthright policy with the military command at Morris Field, and that they can rely on you for your continued

USSR Means Everything

By Dorothy Thompson

WASHINGTON

MR. HOPKINS made a remarkable statement in his speech on June 22. He said, "A defeat of the Russian Army would be a major disaster and prolong the war for months."

I submit that this is the most important statement the Russian people have ever made. It is the only large force on our side in this war, and it is the only large force which, first, understands the nature of modern war, and second, understands the enemy they are fighting. They know what is at stake. It is the only force in the Russian people and the Russian nation. Neither the British nor we yet fully understand this—that what is at stake is our whole civilization and our individual lives. This is no war in which we can reduce the Russian position to a mere tactical advantage for a few decades in which we can pull ourselves together for another throw of the dice with history.

This is a war, with chase and slavery, poverty and affliction, for the democratic West. This is a war on the one side for the sacking, looting and destruction of our world—the permanent sack; its continual loss.

Only those amongst us possessed of the intuition of superb imagination understand it. The Gerbs understand it, for they once suffered a defeat which took its toll for centuries. Rebecca West understands it because she knows what happened to the Serbs. She knows what is at stake in the defeat of England tomorrow merely, but for tomorrow and tomorrow. She knows that nations, peoples, empires, civilization can perish—can be exterminated. Miss West in her book, "Black Lamb and Gray Falcon"—a book that rises to the clarity and passion equal to the war—describes what this defeat would mean.

"Defeat would mean to England the squatter it meant to Serbia. Five centuries hence gentleness would be forgotten by our people; leathery hands would be raised against their women's backs and walk beside their unshamed, and would be careless of our dung... the discoveries made by the past genius of our race would be phantoms that would haunt the memory, and our very land would lie the fatal jettam left by the receding line of a conquering race... women wearing lank blonde plaits, little with lack of possessions, would pile up the long grasses in their paths and cry, 'Strength Through Joy movement... homeless children, children of homeless children, themselves of like parentage, would slip into eating houses and grovel on the floor for scraps of food dropped by diners reared in a society long ignorant of the vice.'"

Visitin' Around

The Vanishing Here's (Buffalo Cow) Here's (Lemon News-Tops)

Mr. and Mrs. Will Robbins have moved from Buffalo Cove to Mulberry



TODAY'S BIBLE THOUGHT

Fear is ever present with the eyes, do it will not escape your own conscience be it never so careful. God is not mocked; There is a reward to the Lord even unto the wicked.—Isaiah 45:22.

Visitin' Around