JULY 14, 1941

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THE MAGAZINE OF NEWS SIGNIFICANCE



Moscow's Hope: Red Blasters vs. Panzers

### The best reason to buy it is because it is a Ford

It is a fact, we believe, that no name in the automobile business tells you as much about the car that bears it as the name Ford.

If you knew nothing about cars, you could buy a Ford on faith, with full assurance that you had bought great value. Or you could know all about cars, and buy a Ford because of the great mechanical quality that goes into it.

This has been true of Ford cars now for more than thirty-eight years. It is true because of the very nature and beliefs of this company.

Henry Ford did not start the Ford business just to compete, but to create. Good low-cost cars were needed and did not exist. He saw a way to make them, and he did it.

And our main purpose today at Ford is not just to make a car that we can sell, but to make cars that will keep on bringing better things to buyers in the low-price field.

In that purpose, we are helped by a

motor car plant which has no equal, and by the fact that as a company we do not need and do not take big profits on our work. Although we produce more of our own Ford parts and materials now than ever, the only profit that we take is still the small one on the finished car.

This year we invite you to drive the finest Ford we've ever made. At many points its quality is greater than its price buys elsewhere simply because it is a Ford.



### Some Ford Advantages for 1941:

NEW ROOMINESS. Bodies of the big 1941 Ford are longer and wider this year. Front seating width, for instance, is increased as much as seven inches. soft, QUIET RIDE. A new Ford ride, with new frame and stabilizer, softer springs and improved shock absorbers.

### GREAT POWER WITH ECONOMY.

This year, more than ever, Ford owners are enthusiastic about the economy and fine all-round performance of Ford cars. BIG WINDOWS. Windshield and windows increased all around to give nearly four square feet of added vision area in each '41 Ford Sedan.

LARGEST HYDRAULIC BRAKES in the Ford price field. 12-inch drums. For added safety, longer brake-lining wear. GET THE FACTS...
AND YOU'LL GET A

FORD

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You get a WIDE VARIETY! Choose from over 100 different industrial and commercial FLEUR-O-LIER designs—now available to help you get fluorescent lighting fitted to your specific needs.

Get GOOD ADVICE. Be sure your fluorescent lighting is properly installed. Your local lighting company will be glad to give you expert advice on how to get the most out of your investment in fluorescent.

And when you buy fluorescent fixtures insist that they carry the FLEUR-O-LIER tag at the right.

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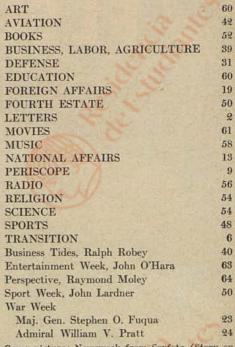
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for July 14, 1941



Cover picture: Newsweek from Sovfoto (Story on Page 19)

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### LETTERS

### Life in England

Just for fun and fancy and because so many who have read it have found it interesting, I am enclosing a letter received from one of my cousins in England and passed along to me. She and her husband were bombed out of Plymouth, where he is stationed as a naval officer, and are now living at Saltash in Cornwall.

BETTY PINNOCK

New York City

The letter enclosed by Miss Pinnock, dated May 22, follows:

DEAREST AMY,

As you will see, we have moved. Our old address became more than I could stand, things crashing all around us every night. I felt as we had no ties there, it was foolish to remain slap in the middle of the target area. We were most remarkably lucky to get this bungalow. We came along at the exact moment when the owner wanted to join her husband, now stationed in the wilds "somewhere in England." It is the dearest little place, very tiny but nicely furnished; with an ideal boiler for hot water and electric cooker. We moved in last Saturday and it was an untold joy to get a bath (my first for three weeks!!!) and to look out on to green fields. I must confess I got quite proficient at cooking in a biscuit tin stuck up on a



Bell Airacobras at Selfridge and other Army fields tell the story of how we've telescoped time. Every minute is doing double duty in our production. The Airacobra was designed for speedy assembly - ordinary manufacturing methods were discarded at the start. Our mass production system makes the best use of thousands of workers, and precision machines have been invented which cut hours down to minutes. It takes many people, working hand in hand, to accomplish our production ... it's the co-ordination of their loyal efforts which makes possible the fastgrowing number of Bell Airacobras.

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# WHO'S REALLY WINNING THE BATTLE OF THE ATLANTIC?



vincent sheean went out on convoy duty with a British destroyer, and now reports first hand on the British Navy at its toughest job. What is cutting down the success of convoys? What new tricks have Nazi submarines learned? What is the weakness of the Nazi bomber "specially built for the Battle of the Atlantic"? Sheean's radio dispatch gives you factual news both encouraging and discouraging—as well as the first detailed story of the capture of the Germans' ace sub commander. Read Shepherds of the Sea.

by VINCENT SHEEAN

### Murder repeats itself

Weaver Pray had murdered, and the folks at Galilee Landing knew he had another murder on his mind. Then, to foil a crime, the girl who loved him did a strange thing—led him to the very victim he was after. A dramatic short story, No Storm on Galilee, by Mackinlay Kantor

### Shipyard men have their pride

The yard was sour. No strike talk. No sabotage—but some indefinable discontent was slowing the job of building more and more steel ships for defense. It took a boss who had slung hot rivets in '17 to guess the trouble. Read Comin' at You, by Borden Chase. In the new Post.

### Are you a SPELUNKER?

Do you like to explore speluncae—caves? Do you know there are a million miles of caverns under America? Clay Perry, who has been actively burrowing in them for years, takes you on a color camera tour of some of the most beautiful and dangerous. Post page 14.

### Big Joe goes mail-order crazy

Naturally Uncle Pete knew Big Joe was crazy when he told Babe and Little Joe to buy anything in the mail-order catalog. But nobody knew Big Joe had his own catalog—that showed how to get money out of the government! A short story, Truly Thankful, by R. Ross Annett. Page 12.

### "Let's be in love three days"

"Then we'll get over it," he said, "and I'll leave for South America." But a girl couldn't leave the shelter of her store job to marry a stranger. Or could she? Read A Couple of Blocks from Utopia.



### Booth Tarkington's own story

My Grandmother Invents My First Lie...I Discover I am a Nonentity . . . I Do Talented Things With My Ears . . . Boothie Tarkington Gives His Teacher a Lesson! . . . He Discovers God at the State Fair . . . Continuing the delightful reminiscences of the grand old man of American letters.

### Dream school in Kentucky

The story of a mountain teacher with gumption who built a backwoods school the hard way—without public money. See *The Last of the School Builders* on page 27.

READ IT IN THE SATURDAY EVENING

DOST

JULY 12TH ISSUE . . . NOW ON SALE

### World's Most Thrilling Golf

At Del Monte on the Monterey Peninsula your golf can be as easy - or as difficult - as you want. But every bit of it will be thrilling. For here in Del Monte's 20,000 acres are four famed championship courses. At Pebble Beach you play along the ocean's shore, drive out across the water from the tee and down the fairways beside the blue Pacific. At easier Del Monte course the scenery is hardly less spectacular, with every green set like an emerald in the pines. The Country Club and Cypress Point are thrilling too. . . . But golf's not all!



FOUR GREAT GOLF COURSES within Del Monte's 20,000 acres

100 miles of bridle path lead through the forests to the Missions and the Shrines of California's Spanish past; to polo field and shooting ground; to snow-white sandy beaches and bathing in the sparkling surf; to high wooded hills that overlook this whole peninsula and the loveliest bay you'll ever find anywhere.

Best of all, set in the midst of this exciting scene are Hotel Del Monte and Del Monte Lodge at Pebble Beach, where people from all the world come again and again to enjoy the warm hospitality, the sports, the fine food, or just to loaf and tan in the bright sun beside the sea . . . or at Del Monte's Roman Plunge.



GAY NIGHT LIFE centers in the Bali Room

You can have all this for \$9 a day each for two, including meals and swimming, tennis and many another sport. Write for free colored map and book that tell all about California's best loved vacation place. Address Carl S. Stanley, Manager, Dept. 45C, Hotel Del Monte, Del Monte, California.

Hotel Del Monte on the Monterey Peninsula California

couple of flower pots in front of my lounge open fire. I made some super Cornish pasties in it and even cakes.

Unless you have lived through it, you cannot possibly conceive what it's like to live right in a target area; though we all think America has been splendid-the clothes they have sent are most awfully nice, and the mobile canteens a godsend. One used to park right outside our old flat, duly labeled a gift from the American Red Cross. It always brought you all to my mind. What tales I shall be able to tell you when all this horror is just a memory.

John has been back at work four weeks tomorrow. It seems a miracle he was out of hospital in time. I think I should have gone mad if he had been there during our heavy blitz nights. He is a tower of strength to me on these occasions. We all sat huddled up together and prayed we might all go together if our time had come, but evidently we are not fit to go yet! And the other place must be a bit crowded with Huns by now!!!

Have I told you my family has increased by a cat? He is a beautiful blue Persian, 51/2 years old. He and Sammy are very pretty together. I originally expected to have him for six months or so while his mistress was away with her husband in Scotland, but now their beautiful home (he is a Capt. R. N., lots of money) has been completely destroyed. Gladys says she doesn't want to come back to Plymouth ever, so I don't know what will happen to dear Parker. I'm such a fool over animals, and he really is a most aristocratic old thing. I could never bear to have him put to sleep, so I expect he will remain our pampered object with Sammy, though I find him more of a tie than the dog since one can't take a cat around everywhere on the end of a lead. I tell you, it's some job to get my family all together to go to shelter in the black-

I am also glad to get away from Devonport. I lost my closest friend in the blitz. She was a doctor and was killed on her way to the hospital to help with casualties. It upset me very much, and I miss her at every turn. I was exercising her dog daily while I was there, and it nearly broke my heart, he seems such a little orphan-she never moved without him.

The news is just due so I must stop. We go to bed directly after and get an hour or so sleep before the chance of sirens. Thank God for these light evenings and our extra "hour."

NORAH

### Criticizing a Critic

In connection with the controversy over Bildads' radio criticism, I am surprised and pained that Registrar W. D. Anthony should himself violate correct English while posing as one "who knows and appreciates good English." His use of "demean" is entirely incorrect. It never means "to degrade" as he uses it in the second line of his letter on page 4 of Newsweek for June 23.

Tut, Tut, W.D.

GEORGE H. READ State Visitor

Massachusetts Training Schools Springfield, Mass.

From Webster's New International Dictionary: demean. To debase; to lower; to degrade;—usually followed by the reflexive pronoun.

### Newsweek

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anized equipment of our defense forces—spark plugs, batteries, instruments and gauges, complete ignition systems. In addition, the production facilities of the 18 great Auto-Lite plants are being used in making all manner of defense material, projectiles, fuses, boosters, mess kits, trigger arm assemblies, steel kitchen utensils and gunfiring solenoids...¶ The ability of The Electric Auto-Lite Company to meet the Nation's ever increasing need is the result of progressive

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### TRANSITION



Miss Lawrence

BIRTHDAY: Gertrude Lawrence, stage star who also celebrated the first anniversary of her marriage to the producer Richard S. Aldrich, 43, July 4... Alec Templeton, blind British pianist and musical caricaturist, 32, July 4.

Now living in Chicago, Templeton became a naturalized American two weeks ago.

MARRIED: Paul Draper, musical-comedy dancing star and nephew of Ruth Draper, the monologist, and Heidi Vosseler, ballet dancer, in Rio de Janeiro, July 1 . . . Mrs. Franklyn L. Hutton, widow of Franklyn L. Hutton, father of Countess Barbara Hutton Haugwitz-Reventlow, and James A. Moffett, former vice president of Standard Oil of New Jersey and now chairman of the board of the California-Texas Oil Co., in White Sulphur Springs, W. Va., June 30 . . . A. Atwater Kent Jr., son of the founder of Atwater Kent radios and himself president of the Kent Aircraft & Machine Tool Co. of Camden, N.J., and Denyse Binon of Cannes, France, in Ardmore, Pa., July 2.

DIVORCED: Marion Talley, former Metropolitan Opera singer, and Adolph Eckstrom, once her voice teacher, in Los Angeles, Calif., July 1. The custody of their 6-year-old daughter Susan, the subject of bitter court battles for nearly three years, was awarded to Miss Talley.

DIED: Sam H. Harris, 69, successful producer of such Broadway hits as "Of Thee I Sing," "Stage Door," "You Can't Take It With You," and "The Man Who Came to Dinner," of pneumonia, in New York City, July 3 . . . Lord Parmoor, 88, British peace advocate, Labor leader, and father of Sir Stafford Cripps, British Ambassador to Soviet Russia, at his home in Buckinghamshire, June 30 . . . Alexander Bell, 54, chief of the Criminal Investigation Department at Scotland Yard, in London, July 5.

Killed: In an automobile accident near Hutchinson Kan., Auriol Lee, 60, English actress, director, and producer, July 2. Often called "the most versatile woman of the theater," Miss Lee in 1928 left a successful career as an actress to pro-



European Miss Lee

duce John Van Druten's "Diversion" and thereafter staged all of that British playwright's productions both in this country and in England. With her bemonocled eye, restless stride, and demanding voice, she easily dominated rehearsals of even the biggest stars.

### SPEEDING PRODUCTION

TO PRESERVE THE "AMERICAN WAY"



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To speed production of these basic defense materials Pullman-Standard's plants and men have enlisted for the duration.

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On May 28, 1940, when Pullman-Standard received its first order for defense materials, it was solely engaged in the construction of railroad and transit equipment. Today, it is not only turning out one of the fundamental weapons of defense... freight cars... at the rate of one every 4½ minutes of the working day... to speed production through our entire industrial system; but it is also continually multiplying its output of the following essential armaments:

TANKS: 28-ton tanks on a 24-hour schedule.

GUNS: Trench mortars and mounts, and carriages for the new 105 m/m howitzers rolling off the lines day and night.

SHELLS: forging and machining of six-inch

Transportation is the primary arm of National Defense and the freight car is the primary arm of transportation.

shells for the British Government; forging and machining of 105 m/m shells, and machining of 155 m/m shells for the U.S. Government, is proceeding on a 24-hour-day schedule in two mammoth plants.

AIRPLANE WINGS for bombers and transport ships will soon be produced in everincreasing quantities.

This record of speed is even more reassuring when you consider that the factors which make it possible are characteristic of many of our great American industries. In Pullman-Standard's case these are . . . the know-how derived from 82 productive

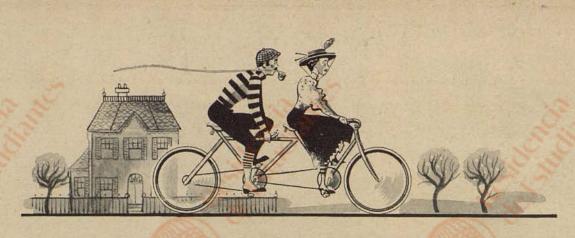
years...expert knowledge of metals...
capacity and organization to back that
knowledge with millions of man- and
machine-hours to quicken production...
and engineering and research staffs capable of overcoming the uncharted problems mechanized war imposes... and
finally, on armaments, the co-operation of
516 other manufacturing companies and
41 suppliers of raw materials. Negotiations
are proceeding for expanding this program.

### Loyalty and co-operation will bring victory for the American Way

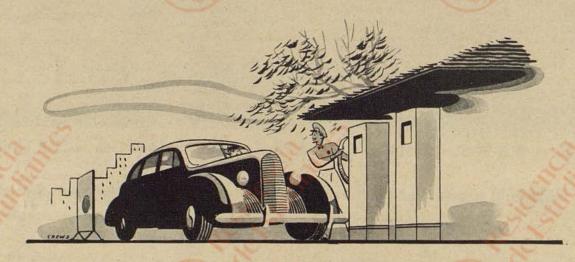
One more thing—and that the most important of all—makes Pullman-Standard's accomplishment possible: the loyal and patriotic will on the part of every worker to make his an all-out effort in defense of his country. In this voluntary effort lies the demonstration that men trained in a free democratic system can out-manufacture, out-plan, and out-think the dictators. And, as long as that is true, free government shall not perish from the earth.

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On this page, September 1: How Veeder-Root helps smooth your travel-paths

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### The Periscope

What's Behind Today's News, and What's to be Expected in Tomorrow's

### Japan-U.S. Dickering

For some time now, unofficial but important negotiations toward a sweeping Japanese-American political and economic agreement have been under way. Largely because of the importance attached to loss of "face" in the Orient, neither the State Department nor the Japanese Foreign Office has officially participated in the dickering. But both F.D.R. and Premier Konove have been kept informed of the unofficial negotiations. If and when the groundwork is fully prepared, official negotiating will begin. Lately the representatives on both sides have come to feel there's a real possibility-not necessarily a probability-that their work might bear important fruit.

### Economic Defense

Barring still another upset, the Administration will shortly set up the long-proposed office of economic defense, or foreign trade control. To soothe Cabinet officers' feelings, it has been tentatively decided to have the office's general policies controlled by a council of high-ranking officials from various departments. A single administrator will see to it that the policies are executed. Navy Under Secretary Forrestal was originally chosen for the job, but F. D. R. decided he couldn't be spared from his Navy work. Present possibilities include Adolf Berle, Dean Acheson, Ben Cohen, Brig. Gen. R. L. Maxwell, Bernard Baruch, and several others.

### Defense Reorganization?

Washington's defense machinery is showing gradually improved efficiency. But there's still widespread criticism because the improvement is too slow, because there's too much overlapping of responsibilities, and because F.D.R. must make too many of the decisions and is overburdened. Some important Roosevelt aides are urging that William L. Batt or Donald Nelson be pulled out of the OPM and made the President's personal assistant to oversee the defense drive. Later, they suggest, the man chosen should be promoted to over-all boss of the defense setup. F.D.R. now seems cool to this idea, but he's expected to come around

to some such move as criticism continues. Incidentally, Batt, now OPM's deputy production director, seems certain to get a bigger job in any important reorganization.

### Catholic Help

The State Department, worried over the effects of the Russo-German war on Latin America's Communist-hating Catholic hierarchy, had begun to feel a bit more optimistic by this week. The Administration had received letters from several leading members of the U.S. Catholic clergy saying they still endorsed its foreign policy. Also, plans were afoot for groups of liberal Catholic leaders to visit Latin America and emphasize the point that Hitler's regime is just as godless as Stalin's. The situation has been helped immensely, of course, by the Pope's pointed failure to denounce Russia in clear-cut terms.

### Non-Axis Airlines

Similar action in other South American countries is expected to follow the RFC's recent \$700,000 loan to help Bolivia nationalize the former German-controlled LAB airline. U.S. representatives have now been sent to Argentina to survey the possibilities for eliminating Nazi airline interests there. After that, the plan is to encourage and aid Peru and Brazil in "buying out Hitler's interest" in their airways.

### Caribbean Economic Plan

Plans are being formulated for a joint Anglo-American program to improve economic conditions in Caribbean islands. The aim is to head off Nazi propaganda among the natives. The move, which won't be confined to the islands where the U.S. has bases, stems from a survey made for F.D.R. by Charles W. Taussig and is being worked on now by State, Interior, and Agriculture officials. A main item in the program will be promotion of self-sustaining farms to replace part of the island sugar production.

#### Trivia

Secretary Knox has ordered that British ships here for repairs are to be given no larder replenishments that aren't standard for the U.S. Navy. He was annoyed by requisitioning of special wines, brandy snifters, and food delicacies for British ship officers . . . Checking rail freight movements, the U.S. Chamber of Commerce has found that the biggest item of

export from Washington is wastepaper, which is baled and sent to paper mills for reclamation . . . The old Greenback party isn't yet dead; it was again reorganized in Indianapolis last week; one John Zahnd is now its national chairman . . . supposedly to avoid disclosing defense secrets, the Labor Department no longer releases employment data for the aircraft and shipbuilding industries; yet the government still gives out total production figures for both industries.

### Russo-German Outlook

Among so-called experts, there are two distinct groups of forecasters on the Russo-German war. Most military men have consistently said Hitler would thoroughly mop up the Soviet in six to twelve weeks. In contrast, experienced students of Russia and the Russians grant that the Nazis will get deep into the U.S.S.R. but insist there's real likelihood that the Reds, by dogged Chinese-like guerrilla methods, may keep the Nazis bogged for months, perhaps even years. These latter are particularly pleased by authentic tips that the Germans plan to install old Gen. Pavlo Skoropadsky as Ukrainian puppet. He's so universally hated, they say, that the Nazis would encounter continuous sabotage and never get decent production out of the area.

### Japanese Peace Move

Japan has again been seeking peace with China. Behind the move are (1) a growing realization that the invasion is hopelessly bogged down and (2) rapidly deteriorating morale among Japan's ragged, underpaid soldiers. So Japanese authorities recently sent Dr. Leighton Stuart of Yenching University, in Peking, to Chungking as an intermediary. Dr. Stuart, an ardent pacifist who is trusted alike by Chinese and Japanese, had instructions to sit down with Chiang Kai-shek and seek an agreement that wouldn't involve undue loss of face by either side. At last word, Japan had sharply lowered its terms, while Chiang had increased his to include indemnities.

### Nazi Invasion Threat

While there's no complete unanimity, the dominant feeling among best informed Washington officials is that Hitler still hopes to make a full-scale attempt to invade Britain before November. Piecing together countless reports, this group has concluded that: (1) Hitler decided to remove the Russian threat from Ger-

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many's rear before attempting an all-out offensive in the west. (2) As soon as he gets fairly complete domination of the air over Russia, he intends to switch all first-line planes back to the invasion coast. (3) If airports there are still in decent condition, he'll make a pro forma peace bid, then launch mass aerial on-slaughts, seeking the control of the air which must precede any real invasion effort.

### Argentine Clean-up?

Don't be surprised if there are soon major moves to cleanse Argentina's army of pro-Nazi elements. An unpublicized raid on alleged Nazi plotters there last month involved a few minor army officers. Now the Taborda committee (Argentina's Dies committee) is preparing to "expose" further army men, and a general clean-up is expected to follow.

### Russian Air Losses

Every indication is that last week's German boast of having destroyed 4,725 Russian planes in the first ten days of fighting was thoroughly misleading. First, most experienced observers say the figure, at best, could be only a hazy guess. Second, even if it were accurate, 50% or more of the planes were probably obsolete anyway. Russia has long declined to scrap old planes and has left hundreds of them lined up on the edges of airfields. The Germans undoubtedly bombed great numbers of these. The most prevalent guess is that Germany can soon dominate the air over Western Russia but is unlikely to wipe out the enemy air force completely (as in Poland, the Low Countries, etc.), because the Soviet has countless airports far in the interior from which night bombers and hit-and-run raiders might operate for many months.

### Foreign Notes

Two, perhaps three, changes in Canada's Cabinet are expected within the next few weeks . . . It's now confirmed that Spain is permitting the Nazis to operate submarine fueling bases in Vigo and in the Canaries . . . The German Railways are now arming train and track employes in the occupied countries and even in the Reich proper because of growing night sabotage.

#### Small Business Protector

Assistant Attorney General Arnold is moving along with his plan to establish a special section in his Antitrust Division as a protector of small business. He's now preparing letters to be sent to farmers and small businessmen explaining his program for helping them protect themselves from possible "monopoly control." He plans to make the section a clearinghouse for small

business' complaints, establish officers who will listen to such complaints in "absolute confidence," and direct legal efforts to "free small businessmen from the restrictions of organized groups."

### Aircraft Wage Rise

Knudsen has privately advised aircraft manufacturers that national policy calls for general adoption of the 10-cent-anhour wage increase granted by North American. So the industry's management thinks it has little choice but to write the increase into the aircraft labor stabilization agreements Hillman is launching. Note: This, plus the contemplated increase in shop employment from the present 262,000 to 470,000 by July 1942, will add \$58,696,000 to aircraft factory payrolls in the next twelve months.

### Fund Freezing Devices

U.S. efforts to enforce Roosevelt's freezing of Axis funds are being greatly helped by the precautions taken long ago by some of the larger banks. For many months these banks have recorded the serial numbers of large-denomination bills withdrawn by German and Italian interests. The records are considered extremely valuable for preventing Germans and Italians from evading the freezing regulations by getting American citizens to take bills off their hands and put them in circulation. Incidentally, banks checking their corporate customers to see which fall under the freezing order have discovered that a great many, obviously Axis controlled, are chartered in Latin America. The U.S. is now warning the Latin-American countries, giving them information about these companies, and pressuring them to issue freezing orders of their own.

### Russian Photo Troubles

Here's why all the Russo-German war pictures have been of Nazi origin: Russian photographers have taken many war pictures, but there are no radio-picture transmitting facilities in Moscow, and photos can no longer be sent via European points. The Soviet is now trying to rush out its own picture versions of the war by flying them from Moscow to Chungking, then sending them via China National airlines to Hong Kong, and there putting them on a Clipper for San Francisco. This slow procedure is being followed now and, barring airline delays, the photos should begin appearing in U.S. papers within a few days.

### Radio Notes

The Legion of Decency has started highpressuring networks and advertising agencies to put certain radio serial dramas on a "higher plane" . . . The major networks some months ago excluded nearly all German-accent parts from radio dramas to avoid ill feeling; now they have started permitting a few such parts to reappear in shows . . . Berlin has abandoned plans for a short-wave program of American jazz to the U.S. upon finding that too many of the composers and orchestras on available records were either Jewish or Negro.

### Subscription Broadcasts

The press has generally overlooked plans for a unique experiment which might possibly have far-reaching effects on American broadcasting. The Muzak Corp., which now sells wired musical programs to hotels and restaurants, has obtained FCC permission for an experimental FM station to broadcast non-advertising programs on a subscription basis. The broadcasts will be accompanied by a "pig squeal" which can be eliminated only by special receivers or attachments leased from the company, thus preventing non-payers from tuning in. The programs will consist entirely of music and news, without any commercial announcements. FCC officials hope the experiment will answer the old question of whether many Americans would pay a small charge for music-news broadcasts uninterrupted by commercials.

### Movie Lines

To cut the number of flagrant errors in Hollywood's South American films, the Nelson Rockefeller office has induced major studios to take on Latin-American experts who can veto anything considered offensive; in event of dispute, the question will be referred to a special panel of experts, whose decisions are to be final . . . Jane Cowl, who co-authored and starred in the original "Smilin' Through" on Broadway, is acting as a semi-official coach on the current movie production of the show . . . Regular movie distributors are now sending out three-minute films produced by the OPM; exhibitors are urged to consider the shorts as a "must" for inclusion in their programs . . . Both Paramount and Selznick are now dickering to do a movie on Lou Gehrig's life.

### What's Happened To—?

Carrie Jacobs Bond, composer of "I Love You Truly," "Just A-Wearyin' for You," and "The End of a Perfect Day," now divides her time between her Hollywood home and her mountain house near San Diego; at 78, she's not now composing but is spending much time motoring and recently made a trip to Alaska . . . Jay Lovestone, executive head of the American Communist party until Stalin had him removed in 1928 and later the leader of his own anti-Stalinist Communist group, has quietly become the director of the Trade Union Division of the Committee to Defend America.

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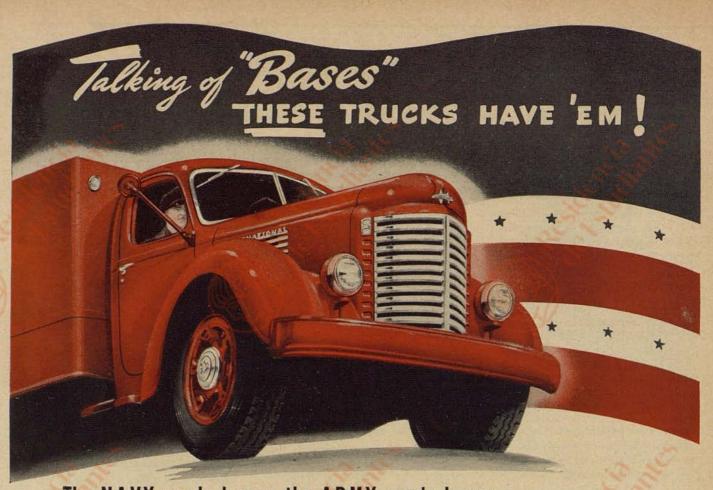
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### Newsweek

The Magazine of News Significance

VOLUME XVIII

July 14, 1941

NUMBER 2

### Iceland Move Establishes U.S. Athwart Atlantic Battle Zone

New Protection Assured for Lines Stretching Overseas; Pressure on Britain Eased

Last Sunday one of Pope Pius XII's most trusted American prelates, the Most Reverend Joseph P. Hurley, Roman Catholic Bishop of the Diocese of St. Augustine, Fla., in a broadcast to the nation on "Papal Pronouncements and American Foreign Policy," startled Capitol Hill with the statement that "it is manifestly impossible that the day-to-day decisions which must be taken often in the greatest secrecy should be submitted to the Congress . . . Important decisions of far-reaching effect must be taken by the President."

Four days before, Gen. George C. Marshall, Army Chief of Staff, in his semi-annual report to Secretary of War Henry L. Stimson, had asked for removal of the ban on dispatching American troops outside the Western Hemisphere. And Sen. Burton K. Wheeler, Montana Democrat and noninterventionist spokesman, rebuking Marshall for the suggestion, had told reporters that he was "reliably informed that American troops will shortly embark for Iceland to take over that island."

On Monday afternoon President Roosevelt revealed that he was way ahead of them all. In an unexpected message to Congress, the Chief Executive advised the legislators that he had received a communication from Prime Minister Herman Jónasson of Iceland and that he had sent a reply "in accordance with" which "forces of the United States Navy today have arrived in Iceland in order to supplement and eventually to replace the British forces which have until now been stationed in Iceland."

The two notes told the whole story. The decision to bring American forces into the very center of the Battle of the Atlantic, only 530 nautical miles from Nazi-occupied Norway and 450 nautical miles from the

nearest point in the British Isles, in a zone formally proclaimed by Berlin to be dangerous, had been initiated by a message from British Prime Minister Winston Churchill to Jónasson making it clear that some 15,000 Canadian and other British troops now stationed in the island "are required elsewhere." Churchill had suggested that Jónasson "invite" American forces to take over his island, which severed its ties with the Danish Crown when Nazi troops moved into Denmark. Jónasson's note to the President followed. Mr. Roosevelt received the note on July 1 and, suiting action to his words, accepted the Icelander's offer on condition that it be made clear that American forces would not interfere with the local government or sovereignty of Iceland, and that they

would be withdrawn "upon the termination of the present international emergency."

"The United States," Mr. Roosevelt's message to Congress went on, "cannot permit the occupation by Germany of strategic outposts in the Atlantic to be used as air or naval bases for eventual attack against the Western Hemisphere . . . For the same reason, substantial forces of the United States have now been sent to the bases acquired last year from Great Britain in Trinidad and in British Guiana, in the south, in order to forestall any pincers movement undertaken by Germany."

Elaborating on his reasons for speedy action in the case of Iceland, the President pointed out that "the occupation of Iceland by Germany would constitute a serious threat in three dimensions: (1) the threat against Greenland and the northern portion of the North American continent, including the islands which lie off it; (2) the threat against all shipping in the North Atlantic, and (3) the threat against the steady flow of munitions to Britain . . .



Wide World

These Canadian troops in Iceland will make way for Americans



Newsweek map

How occupation of Iceland extends U.S. in Atlantic. Shaded portion shows limits of original patrol zone; black dotted line indicates probable patrol extension into Nazi blockade. Stars show U.S. bases.

As Commander-in-Chief I have consequently issued orders to the Navy that all necessary steps be taken to insure the safety of communications in the approaches between Iceland and the United States, as well as on the seas between the United States and all other strategic outposts."

The noninterventionist bloc on Capitol Hill was caught flat-footed. At a caucus last week its members had decided that the time was ripe for a concentrated blitz on the "warmongers." The factors on which they had based their hopes included: (1) Secretary of the Navy Frank Knox's statement to 28 governors meeting in Boston that "the time to use our Navy to clear the Atlantic of the German menace is at hand"; (2) the conviction that Hitler's invasion of Russia had lessened America's zeal for fighting; (3) the result of Rep. Hamilton Fish's postcard poll of his Congressional district, which showed the President's Hudson River neighbors 9 to 1 against entering the war; (4) the unexpected attack a fortnight ago on the Administration's foreign policy by Chairman Walter F. George of the Senate Foreign Relations Committee; (5) the Wheelerinitiated inquiry by Sen. David I. Walsh's Naval Affairs Committee into published reports that the Navy already had fired its first shot, and (6) the belief that Mr. Roosevelt's July 4 broadcast to the world would follow Knox's belligerent tone.

But by this week the fight on Knox had apparently fizzled. Polls conducted by The Chicago Tribune and The New York Daily News, leading noninterventionist newspapers, were lagging behind Fish's totals, the former showing a ratio of about 4 to 1 against war as of Tuesday morning's editions, and the latter a ratio of a little more than 2 to 1 (see page 51). Senator George

had assured intimates that he still favored "all aid necessary to Britain, including American belligerency if necessary—although I hope it won't be."

Moreover, Americans were not being diverted by the Nazi "crusade" against Bolshevism. A nonpolitical businessman, William S. Knudsen, Director General of the OPM, was saying: "Some seem to feel that this [Hitler's invasion of Russia] means our danger is again averted. Nothing could be further from the truth." nonpolitical veteran of the last war, National Commander Milo J. Warner, who spoke for the entire executive committee of the American Legion, was saying: "The invasion of Russia by Germany forms an occasion for the United States to increase and speed up her aid to Great Britain." And a nonpolitical prelate, Bishop Hurley, who lashed out at "a few Catholic publicists in America" who "have been giving expression to views which are comforting to the Axis" and are "now engaged in popularizing the ostrich school of strategy, was saying: "America's attitude toward this new war should not be swayed by Nazi propaganda . . . The Nazi remains Enemy No. 1 of America and of the world."

The heart went out of the Walsh inquiry, scheduled to begin this week, with Knox's categorical denial that the Navy had done any shooting. And, finally, the President on Independence Day said nothing more truculent than: "I tell the American people solemnly that the United States will never survive as a happy and prosperous oasis of liberty surrounded by a cruel desert of dictatorship. And so it is that when we repeat the great pledge to our country and to our flag, it must be our deep conviction that we pledge as well our

work, our will and, if necessary, our lives."

Far more warlike was Legionnaire Warner's July 4 address: "Let us . . . talk common sense. How long will we, the American people, stand for having an American ship sunk in the middle of the Atlantic? . . . Will we stand for being told that we cannot navigate the North Atlantic or the Mediterranean or the Red Sea? And what if we are presently told we cannot cross the Pacific to Sumatra or Java for rubber or tin, or to China for silk and tea? . . . We are convinced the Nazi threat to our freedom of the seas is . . . a prelude to the Nazi attempt at domination of the Western Hemisphere . . . We of the American Legion are not of the defeatist school. We are ready to fight again if need be to preserve America as we know it and keep it free from Hitler."

Marshall's report gave the noninterventionists new hope of a showdown. But Monday's announcement of Mr. Roosevelt's fait accompli again cut the ground from under them, and they were not slow to reveal their chagrin. Wheeler, who had been right about Iceland in every respect but timing, warned that if Congress sanctioned the present move, "it will not be long before our troops are occupying the Cape Verde Islands, the Azores, and Dakar."

The immediate reaction of other noninterventionists, however, was not altogether in the same vein. There was a marked tendency to accept the President's arguments for the necessity of the step as a purely defensive measure, so long as it did not actually draw the country closer to war.

Outside Washington, opposition sentiment was more outspoken. In Chicago, Gen. Robert E. Wood, speaking for America First, charged that the move was designed to "edge us into war," and chal-

lenged the Administration to put to Congress the issue "either to go into the war as an active ally of England or to stay out" and "advise England to make a negotiated peace."

What neither Congress nor the country knew was how many Americans had landed in Iceland, how many more were going, when the United States would take over in toto, or how many of the planes on which the Iceland Government had laid great stress would be stationed on the island. The President had asked the legislators only one thing: to establish full diplomatic relationship with Reykjavik. For the rest, they were merely being told what had already been done. Statements like Charles A. Lindbergh's "I would a hundred times rather see my country ally herself ... with Germany ... than with ... Soviet Russia," and Sen. Robert A. Taft's "I don't think we can assume that Hitler will be unreasonable," seemed somehow dated by events. So, too, did the tempests over Marshall's request and Knox's chal-

### Significance---

The fact that the Iceland arrangement was initiated by Churchill and Jónasson, rather than by Mr. Roosevelt, would seem to indicate that both London and Reykjavik had reason to fear a possible Nazi attack on the tiny British garrison in Iceland. Jónasson's emphasis on the necessity of sending "sufficient airplanes for defensive purposes wherever they are required" would indicate that a parachute attack, either during or following the Russian campaign, was believed possible, as a prelude to an attempted invasion of the British Isles, or to give Hitler an outpost from which to wage an even more intensive war against British shipping.

In any event, at the very moment when talk in Congressional cloakrooms was buzzing about how the legislators would give the Marshall proposal to send troops outside the Western Hemisphere a good, long debate treatment, the President acted in time to forestall whatever plans Hitler may have had.

And in so doing, Mr. Roosevelt upset the plans of his critics on Capitol Hill, as well. For the promised debate over whether or not the country should let its armed forces go outside the traditional limits of the Western World would be bound to seem rather academic to a nation that has pledged itself to getting the weapons to Britain and that can see by a glance at the map what Nazi troops in Iceland might do to that pledge.

As matters stand, the advantages that such a move might have given Hitler, had he had all the time a Congressional debate would have permitted him, now accrue to the United States and Britain. Among the more immediate will be the release of the 15,000 well-trained Britons for badly needed service elsewhere. Iceland bases will provide augmented protection for shipments of war materials to Russia via the Arctic Sea. And the island will furnish the last needed steppingstone to ferry warplanes too small to fly the Atlantic in one hop (see Admiral Pratt's War Week).

Perhaps most important of all, occupation of the island puts Uncle Sam astride the Denmark Strait, through which many German submarines and surface raiders are believed to have found access to the open sea, with one foot on Greenland and the other less than 500 miles from Scotland. If American ships deliver Lend-Lease goods in Iceland, the British will not have far to carry them alone.

But for Hitler, the most significant passage in Mr. Roosevelt's message may have been: "I have . . . issued orders . . . that all necessary steps be taken to insure the safety of communications . . . on the seas between the United States and all other strategic outposts."

### Townsend's Plan

A grizzled, bespectacled country doctor mounted the stage at Memorial Auditorium in Buffalo, N. Y., last week amid cheers from 8,500 elderly folk expecting him to outline old-age-pension demands at the sixth annual convention of the Townsend Clubs. Instead their 74-year-old founder and president, Dr. Francis E. Townsend, tossed aside his prepared address to urge the nation to "fight to the death" alongside Great Britain. "Let's send our fleet," he shouted. "Let's not see our wealth sunk in midocean. Let's see that it gets across. If England goes down, we go down."

Cries of "No! No! No!" rippled across the floor. "You can holler until you're black in the face," the World War Medical Corps lieutenant shot back, "but you've got to face the facts . . . We'll be in the war shortly . . . Let's go through with it." Subsequently, although an all-out-aid-to-Britain resolution was smothered in committee, the convention unanimously voted to endorse the leadership of Dr. Townsend.

The war's impact was omnipresent throughout the five-day convention. In a foreign-policy debate, Sen. Claude Pepper of Florida accused isolationists of being the real "warmongers of America" by "encouraging Hitler to loose the dogs of war upon the world," while his fellow Democrat, Sen. Burton K, Wheeler, of Montana, advised a negotiated peace because "a Europe at peace means that the Hitler empire will crack and crumble."

More to the delegates' liking was a promise by Sen. Sheridan Downey, California Democrat, that despite the national emergency he would press for Congressional enactment of the Townsend Plan, to raise \$6,600,000,000 in 1941 by means of a 2 per cent tax on gross incomes exceed-







Acm

Old-age-pension enthusiasts heard Dr. Townsend urge U.S. to 'fight to the death' alongside Britain

ing \$250 a month and distribute this sum to every person more than 60 years old who would agree to quit his job, if any, and spend his pension of approximately \$50 per month within one month.

### Alien Mop-Up

Drive on Spy Suspects Pushed; Expelled Agents to Sail Soon

Uncle Sam mopped up on the remnants of the international spy ring this week and made the final arrangements to expel several hundred German and Italian consular and propaganda agents on July 15.

As United States Attorney Harold M. Kennedy began pouring evidence into the ears of a Brooklyn, N. Y., grand jury, FBI operatives seized their 33rd suspect in the gigantic conspiracy to sell American defense secrets to Nazi Germany. He was William G. Kaercher, 45, of Westwood, N. J., a naturalized German who had been employed as a draftsman by the American Gas & Electric Co. and who was once a Storm Troop leader in the German-American Bund. He pleaded not guilty and was held in \$25,000 bail, but four others admitted their guilt, bringing to eleven the number of those who have made a clean breast of their complicity and who may turn state's evidence.

Although the nation was demanding vigorous action on the heels of the ring's discovery, the House of Representatives killed by a vote of 154 to 146 a bill which would have permitted the Justice Department to tap telephone and telegraph wires to collect evidence in espionage, sabotage, and other cases.

The departure of the Nazi-Fascist agents and their families will be taken in style, it was revealed, inasmuch as they will sail on the \$17,000,000 luxury liner America, recently converted into the naval transport West Point, which will be making her maiden voyage across the Atlantic. With her flags flying and her sides brightly lighted, she will bring back nearly a hundred American consular and travel agents who have been ordered out of Germany, Italy, and Axis-occupied countries as a reprisal. One of these, Raymond Hall, a consular clerk, was arrested in Milan, Italy, held incommunicado in prison for four days, and suddenly released without an explanation as to his offense.

The aliens' farewells in this country were saddened by two suicides in their ranks. Julius L. Otto, 54, Austrian-born clerk in the German Consulate General in New York City, hanged himself at his home because, his wife said, he dreaded returning to live under the Swastika. Heinrich K. W. Nostiz, 40, an administrative clerk, shot himself at the German Embassy in Washington, but his death was attributed to despondency over ill health.

### Solemn Fourth

Soberly and thoughtfully, the United States of America last week celebrated the 165th anniversary of its independence. At 5 p.m. E.D.S.T., millions of people all over the nation paused to listen to their President broadcast a short address from his Hyde Park home (see page 13). Reflectively, they repeated the pledge of allegiance to the flag with Chief Justice Harlan Fiske Stone, who spoke from his lodge in Rocky Mountain Park, Colo. With sincerity and determination, they joined in singing the national anthem at the conclusion of the radio program. The impassioned oratory, the cheers and flag-waving of other years, were missing. Even fireworks, traditional symbols of the Fourth, were curtailed. The manufacturers, with sales regulated by law in fifteen states and many communities and supplies cut down by defense priorities, have turned as much as 80 per cent of productive capacity to the more serious business of making flares and rockets for the armed forces and loading shells for the United States and Great Britain.

Celebration of the Fourth throughout the world served as a diplomatic barometer. In the Far East, American diplomats pledged their nation to maintenance of the struggle against aggression. Japan countered with felicitations to President Roosevelt from Emperor Hirohito. The Moscow radio dedicated an hour-long program to the American people on "their glorious national holiday," and the British went "all out" in expressions of good will and solidarity. In unoccupied France, streets were void of American flags, despite a twenty-year-old ordinance prescribing their display.

Death, meanwhile, had taken no holiday. As countless people surged between city and country, and extra trains were scheduled to carry soldiers on leave, more than 600 deaths for the week end were reported.

### Latin Bases for U.S.

Brazil Endorses Uruguay Plan, but Argentina Turns It Down

International law provides that neutral nations must deny to belligerents the use of their harbors and other bases. During the World War, however, Uruguay considered as nonbelligerent any American nation fighting for its defense against a non-American power, and permitted the United States to use its seaport-capital of Montevideo as a naval base. Last month, its Foreign Minister, Alberto Guani, proposed that a similar formula be adopted for hemispheric defense by all 21 American republics (Newsweek, June 23).

As far as the United States is concerned, Uruguay's proposal would open to it bases



New York Post

'SPPDRB': Sidney Ascher, 29-year-old Brooklyn-born, Brooklyn-educated, Brooklyn-married resident of Brooklyn, formed a Society for the Prevention of the Propagation of Disparaging Remarks about Brooklyn. Taking the motto 'We hate people who hate Brooklyn,' he pens indignant letters protesting gibes against you know what.



Wide World

Anti-Axis riot: Uruguay students tore up pro-Nazi paper Libertad

in Brazil and Argentina, which are closer to the potential Nazi base of Dakar than to Trinidad, the nearest major United States outpost, and permit the Navy and air force to operate more effectively in the South Atlantic. More specifically, reopening of Montevideo to the United States would facilitate the defense of the mouth of the Rio de la Plata, South America's second longest and commercially most important river. La Plata, whose tributaries stretch 2,300 miles to Bolivia, Paraguay, and Southwestern Brazil, is the gateway to Argentina's metropolis of Buenos Aires, 124 miles upstream from Montevideo. Yet Uruguay, South America's smallest republic, has only one small cruiser, three gunboats, an army of 6,000 men, and no coast defenses to protect this vital spot. The inadequacy of its defenses was suddenly brought home when the German pocket battleship Graf Spee was trapped in its waters and again when it uncovered a Nazi plot to overthrow its government.

The Uruguayan plan was promptly accepted by Brazil, whose Foreign Minister, Oswaldo Aranha, announced that "our neutrality refers to war in other continents, but in no case is this true if the war extends to our America." But Argentina, traditionally reluctant to follow other nations' leadership in movements for hemispheric cooperation, flatly rejected the proposal. Its Acting President, Ramón S. Castillo, reaffirmed his country's "strict neutrality" toward the United States, as well as toward non-American nations.

Sharply criticized by La Prensa and La Nación, Buenos Aires' leading dailies, the Argentine Government maintained that adoption of the Uruguayan proposal would be superfluous in view of its signature to Article 15 of the Declaration of Havana last summer. This article, declaring that

a non-American attack against an American nation "shall be considered as an act of aggression" against all the Americas, provides that the signatories shall negotiate complementary agreements for cooperation in defense, such as Uruguay is now proposing.

As if to bring pressure on Buenos Aires, Washington last week threw its diplomatic weight behind Montevideo's scheme. In a memorandum to Uruguay, Acting Secretary of State Sumner Welles declared that the United States "wholeheartedly supports" the plan and "earnestly hopes" for its approval by every American republic, a sentiment promptly seconded by Bolivia. Meanwhile, returning from a government fact-finding mission in South America, Douglas Fairbanks Jr., vice chairman of the Committee to Defend America, warned that "the vanguard of Hitler's army is right now preparing for a Nazi putsch below the Rio Grande." Declaring the Latins to be "fed up with good-will missions," the movie actor recommended instead practical economic cooperation, a suggestion echoed at the University of Virginia's Institute of Public Affairs.

Simultaneously, Uruguay's pro-democratic sentiments were demonstrated when anti-Fascist riots swept the country following the fatal shooting by Italian nationals of Prof. Gregorio Morales, 70-yearold drawing teacher, while Axis enemies were picketing an Italian Red Cross benefit in the small town of Durazno. Thereupon the General Council of University Students called a nationwide strike demanding the ousting of pro-totalitarian professors, the closing of Nazi newspapers, and the ousting from Parliament of Alejandro Kayel, publisher of the pro-Nazi Libertad in Montevideo, copies of which the students last week seized and destroyed.

### Cupid's Year

More Americans married last year than in any previous year, the Census Bureau cheerfully announced last week. But when people began pointing to the draft and rising prosperity, the bureau reminded them there was a bumper crop of babies in 1921, two years after World War demobilization; the girls of that crop are now of age.

The 1940 record marriage rate of 11.8 per thousand was no abrupt upturn in the gradual increase since the low of 7.87 in 1932, but the announcement put the census in the news, which is just what Frank R. Wilson, public-relations chief, wanted. Wilson, hired to put over the 1940 census, is no novice at headline-grabbing. He ballyhooed Liberty Loans in the World War, financed and publicized D. W. Griffith and Martin Johnson films, and was the publicity force behind the 1937 unemployment census. A fortnight ago he informed single women where marriageable males were to be found (Newsweek, July 7), and since then he has been deluged with letters asking for further particulars.

### Pardon Probe

Eurith D. Rivers, 45-year-old Arkansasborn lawyer who has alternated with Eugene Talmadge as Governor of Georgia since 1933, issued some 1,700 pardons during his four years in office. According to the Atlanta press, he signed 40 per cent of them in the last four months of his second term, working steadily for 24 hours on releasing prisoners as he left office last Jan. 14. Last week the jailbirds came home to roost.

A Fulton County grand jury handed up a presentment calling for an investigation "to uncover what is behind this pardon racket, who is promoting it, and the motive." It charged that the "prison racket will never stop until it is taken out of politics." And it requested the Federal government to "check most carefully" all the sources of Rivers' income since he became Governor in January 1937.

Meanwhile Albert Chandler, Rivers' 34-year-old former chauffeur, was arrested in Great Neck, N. Y., on an indictment returned by the grand jury charging him with peddling "hundreds" of pardons at prices ranging from \$25 to \$100 a head. He was returned to Atlanta after waiving extradition and was taken before the grand jurors. A few days before Rivers' term ended, it was charged, the Negro got possession of 1,000 blank pardons allegedly signed by the Governor, visited every chain gang in the state, and sold them to those who had the price, including 22 convicted murderers.

The case quickly became a political football. Attorney General Ellis Arnall, originally a Rivers appointee and re-

garded as certain to oppose Talmadge in 1942, declared that the "pardon racket, whether operated by Talmadge or Rivers, must be wiped out." Talmadge, who granted 70 paroles in one day last week, assigned a special attorney to aid the grand jury, but declined to instruct Arnall to "investigate Ed Rivers." From San Francisco, where he was attending a convention, Rivers refused to comment. So did the Treasury and Justice Departments in Washington.

### Dun for Doris

Doris Duke Cromwell, only heir of the late James Buchanan Duke, is often dubbed the "richest girl in the world" because her father established a trust fund valued at \$30,000,000, of which she received one-third on her 21st birthday and another third on her 25th birthday, the balance falling due on her 30th birthday next year. But the full extent of her fortune has never been made public.

Last week, the township of Hillsborough, N.J., site of the 3,000-acre Duke Farms, did some fancy guessing and assessed her "intangible" assets at \$222,426,-438, over and above her real and personal property, on which it demanded \$13,834,-924 in taxes for 1940 and 1941. Christopher G. Horner, tax collector to the township's 2,645 residents, explained that she had been tagged for \$161,886,014 as a trustee of the Duke Endowment Fund, which supports Duke University, and for \$60,540,424 representing stocks and bonds. He set a hearing for arguments on July 14.

Indicating that a stiff protest would be entered at that time, a spokesman for the Duke interests said Mrs. Cromwell is one of fifteen trustees of the endowment fund and receives no income from it. As to her security holdings, he claimed she was a legal resident of Honolulu, where she has a magnificent show-place home, and could not be taxed in New Jersey for property located elsewhere. She now pays approximately \$20,000 taxes annually to Hillsborough Township on an assessed valuation of \$642,450, it was pointed out, and if she was forced to meet the new claim she would be defraying the entire costs of local government for the next half century.

### Texas Nip-and-Tuck

Gov. W. Lee O'Daniel of Texas never gave up hope. Running in the special election June 28 for the Senate vacancy left by Morris Sheppard's death, the 51-year-old former flour salesman read the first day's tally to the crowd gathered outside the executive mansion in Austin. The totals showed "Pappy" trailing Lyndon B. Johnson, 32-year-old New Deal Congress-

man endorsed by President Roosevelt, but the crowd cheered anyway. "The later returns will be different," the anti-New Deal Governor boasted, as his two sons and other members of his hillbilly band struck up his own composition, "Beautiful Texas."

The next day, O'Daniel seemed doomed to his first political defeat. By evening, he was 4,561 votes behind the President's friend, because of his weakness in the big cities. But even on June 30 he still refused to admit that he was beaten, and instead celebrated his 24th wedding anniversary. And when that third day's tally ended, with fewer than 5,000 votes still to be counted, belated rural returns had slashed his deficit to a scant 77 votes. "That's looking fine," the Ohio-born, Kansas-educated Governor said.

sas-educated Governor said.

On the fourth day's count, "Pappy" forged to the front. Complete unofficial returns gave him a hairbreadth plurality of 1,095 votes over Johnson, although he polled less than one-third of the total ballots cast. State Attorney General Gerald C. Mann ran third, and Rep. Martin Dies, who had claimed wide popularity for his investigation of un-American activities, ranked a poor fourth.

The Governor's margin was so close that more than customary interest focused on an official canvass ordered for July 14, but Johnson announced he would not contest the result.



Neal Douglass

O'Daniel of Texas

### Week in the Nation

Mystery: The top-heavy cabin cruiser Don, thrice sunk in a decade, disappeared in a fog over Casco Bay, Maine, while bound for Monhegan Island with 34 picnickers, mostly residents of the papermill towns of Rumford and Mexico, aboard. When several badly charred bodies drifted ashore, the Coast Guard concluded the overcrowded 44-foot craft had exploded.

EXHIBIT: Billy Rose, Broadway impresario and husband of Eleanor Holm, swimmer, telegraphed Viscount Halifax, British Ambassador, for permission to bring Rudolf Hess, Nazi mystery man, to this country for a tour, "painted toenails and all."

Doom: Joseph (Whitey) Riordan and Charles McGale, New York robbers who shot their way out of Sing Sing last spring (Newsweek, April 21), were sentenced to die in the electric chair the week of Aug. 10 for the slaying of John Hartye, guard. William Wade and Edward Kiernan, outside accomplices, got life terms.

Overflow: Because of the acute shortage of office space in Washington (Newsweek, July 7), the American Red Cross borrowed the corridors of Constitution Hall from the Daughters of the American Revolution to provide desk room for 100 extra clerks, and announced the purchase of an Alexandria, Va., brewery to house its Eastern headquarters.

SLEEPWALKER: Charges of mail theft were lodged against Henry L. Chancey, 24-year-old mail clerk of Macon, Ga., when he led officers to a cache of \$30,000 stolen cash while walking in his sleep.

FLOP: A Portland, Ore., policeman who arrested a drunk for sleeping against a parking meter was rebuked by the prisoner, who pointed out that he had deposited a nickel in the meter and still had 30 minutes' parking time coming to him.

Punishment: Fred W. Frahm, who rose during 30 years in the Detroit police department to the rank of police superintendent, its highest office, was sentenced to four to five years in jail, pending appeal, for accepting graft to protect a \$500,000-a-year baseball pool. He faces two other indictments by Circuit Judge Homer E. Ferguson's one-man grand jury for protecting the handbook and policy rackets and also Federal income-tax charges.

RETIREMENT: Lewis E. Lawes, guardian of 36,750 convicts, 303 of whom were executed, during his 21½ years as warden of Sing Sing, announced his retirement at 57, effective July 16, on a pension approximating \$6,000. Robert J. Kirby, former principal keeper at Attica, N. Y., state prison, was appointed to succeed him.



vide World radiophoto

German anti-tank guns are here setting Soviet tanks afire, according to the German-approved caption

### Fury on Russian Front Mounts as Germans Reach Stalin Line

Nazis Blame Bad Weather for Slowing Down of Blitzkrieg; Both Sides Cite Atrocities

The battle between the Russian and German Armies raged with undiminished vigor along the entire front as the struggle entered its third week. The fighting rolled over the border states and surged deep into Russia itself. Stalin issued a war call to the country that was an appeal to nationalism rather than Communism. And the Nazi blitzkrieg showed signs of slowing beneath Russian counterattacks.

### 'Gate of the Nations'

As it has since the start of the war, the biggest and most important battlefield lay in the area stretching north from the Pripet Marshes to the Baltic, the center of the 2,000-mile line from the Arctic to the Black Sea (see map, page 22). The sweep of the German armored columns surrounded the Russians in the Soviet-occupied North Polish region around Bialystok and on older Russian territory east of Minsk. The Nazi High Command claimed the annihilation of two Red Armies here. The prisoners taken totaled 100,000, and the Germans told of Russian attempts to

break out of the trap with attacks made by eight or more successive waves.

In White Russia, the Nazi formations swept around Minsk, although the High Command made no claim to have captured the town. A fluctuating line was established along the Berezina River with its center at the town of Borisov. Just 8 miles north of Borisov, at Studyonka, Napoleon met the most disastrous defeat in the retreat from Moscow when the Russians caught up with him while he was crossing the Berezina River and inflicted 30,000 casualties on the French. Two inconspicuous monuments now mark the scene.

To the north of Borisov the fighting line stretched to Polotsk, along the Dvina River, and up to Ostrov. The Germans pushed to the town of Bobruisk, and in places they claimed to have crossed the Berezina and reached the Dnieper. This brought them into the real Russia-in scenery, spirit, and vastness. And it also brought them up against the first heavy Russian counterattacks, launched with mechanized forces and strongly supported by artillery, the best arm of the Red forces. These attacks were launched on Sunday in the Ostrov, Lepel, and Borisov sectors. This is a country of forests, marshes, and peat bogs. The center of the region is Smolensk, a thoroughly Russian city

with a Kremlin built in the time of Boris Godunov. The plateau that it dominates is known as the "Gate of the Nations" because of the constant struggles there between Poland, Russia, and Lithuania, and its great strategic importance. Three of the most important rivers of Russia, the Dvina, the Dnieper, and the Volga, all spring from the plateau. Across it runs the main railway and highway to Moscow.

The river systems are the chief natural defenses, and of these the Dnieper, which runs down through the steppes of the Ukraine to the Black Sea, is the most important. Whereas the Berezina is a stream only 100 feet wide in a low, marshy valley, the Dnieper is 455 feet wide as far up as Smolensk, with high bluffs along most of its course. But the main defense is the socalled Stalin Line, extending from Leningrad through the Ukraine. No details of its construction have ever been published, and foreigners were always rigorously excluded from the region. Only one fact about it seemed certain: it is built in great depth. By this week the Germans had driven the iron wedge of their mechanized attack into this line at its center.

To the south, also in the Ukraine, the German tide lapped against these bastions. Following the capture of Lwów, the Nazis fought their way through the Polish Ukraine and into the Russian Ukraine, reaching the town of Novograd-Volinsk, where the Russians claimed to have stopped them.

On the two extremities of the front, Finland and Rumania, action continued to be slow and sporadic. German, Rumanian,



Acme radiophoto

A Nazi column finds the going tough on a rutted Russian road



Wide World radionhoto

German horse-drawn artillery passing a wrecked Red tank

and Hungarian forces were reported to have captured Cernauti, on the railway 100 miles north of Jassy, and to have broken the Soviet line. The Russians counterattacked against forces which crossed the Prut River to the south, and forced them back on Balti. The combined Finnish and German forces still battled vainly to break through either on the Karelian Isthmus or in their drive on Murmansk in the far north.

#### Heroes

For the first time in any campaign so far, the communiqués reporting the major German Army operations had an exaggerated ring. In France, the High Command had not hesitated to speak of "the biggest attacking operation of all time," but in that campaign and all others its re-

ports were severely factual. Last week, however, the High Command told of the "annihilation" of the Russian Armies around Bialystok. Several days later it spoke of fighting still going on in the area and of the capture of 52,000 prisoners, making a total of 300,000 so far in the campaign.

The Nazis had also proclaimed that the destruction of more than 4,000 planes in the first few days' fighting had practically destroyed the Red Air Force. Yet ever since, the German communiqués have reported the shooting down of more than 200 Russian planes each day. And the Soviet Air Force continued to make heavy raids on Rumania and Finland.

The most sweeping German claim came on July 2, when the High Command announced that the fighting power of the Red Army had been definitely broken. Nevertheless, five days later it still had not been able to claim more than insignificant territorial advances. In Berlin it was admitted that all communiqués were edited by the Führer himself.

The Russians steered clear of specific claims except in one instance. They, like the Germans, didn't err on the side of understatement: they announced that 700,-000 German soldiers had been captured, killed, or wounded thus far. As far as the territorial progress of the war was concerned the Red communiqués set a fairly high standard of accuracy. Both sides included in their communiqués mention of many instances of individual heroism. The German announcements of this sort were starkly phrased, telling, for example, how a Corporal so-and-so had destroyed fourteen enemy tanks, but giving none of the dramatic details. The Soviets hailed their heroes in extravagant language, including fighters on the field and also factory workers who worked incredibly long hours to set records in production.

The first eyewitness accounts of the fighting also began to come from American correspondents with the German Armies. They told of seeing great fields of waving grain, too green for the retreating Soviet troops to set on fire. Many bridges also had not been blown up, but in the cities and villages widespread destruction had been caused to public utilities and buildings.

They noted, above all, that while Nazi planes patrolled constantly overhead, the Red Air Force did not put in an appearance. A Soviet general told them that he had been captured when, as a result of a lack of air reconnaissance, he had been obliged to drive up to the front in a tank to ascertain the position of his command. The American accounts were supplemented by those of German soldier-correspondents. They stressed the violence of Soviet resistance and indicated that one of the chief reasons for the slowing up of the Nazi advance was bad weather. At Lwów, July snow was even reported.

The Germans also showed the American correspondents the scenes of alleged massacres by the Russians in Lwów, and both sides went all out on atrocity stories. The most original came from the Germans. They reported that Propaganda Minister Joseph Goebbels returned from the front, his face "ashen gray with horror," at the "untold atrocities." And the little doctor was represented as refusing to publish his findings because they were "too brutal and too horrifying."

#### Scorched Earth

The Russo-German nonaggression pact was not only a treaty of friendship between two countries. It was also a truce in a bitter war between two ideologies—a truce that was never fully effective. The German military attack on Russia signal-

ized a full resumption of the ideological struggle. On both sides last week this was recognized as a virtual war of extermination.

Stalin had been suspected of willingness to make large concessions to the Nazis. On July 2, however, the Red dictator threw down the gauntlet to Hitler in a radio speech that on the surface at least appeared to rule out any future compromise.

Stalin admitted the extent of the Nazi territorial gains but proclaimed that no army was "invincible." The "main forces of the Red Army," he announced, were only just coming into action, and declared that "the issue is one of life or death for the Soviet state."

With this declaration, Stalin ordered a scorched-earth policy like that of China—the destruction of everything in the path of the invader and the institution of guerrilla warfare by all who remained behind in the German lines. Stalin gave this order in the face of the fact that the Nazis, in the war with Poland, summarily executed all guerrillas. And finally Stalin proclaimed a united front of all people, including those of Britain and the United States, against Fascism.

One of the mysteries of the situation was the failure of the Germans thus far to attempt a political softening up of the Soviet as they had in France and Yugoslavia. The only sign of Nazi activity in this direction came in an unsubstantiated claim that 20,000 troops in one sector had "deserted" after shooting their political commissars. But confidential diplomatic reports told of elaborate Nazi preparations for undermining Russia, once the military phase neared an end. According to this, the Germans already have puppet governments ready to be set up in every part of the Soviet.

On the other hand, the Russians appar-

ently put their Communist fifth column to work immediately in German-occupied territory. They reported explosions of munitions dumps and widespread sabotage. In Rumania some backing was given to these claims by stories describing virtual civil war in Jassy between pro-Russian Rumanians and Jews against German and allied Rumanian troops.

In one phase of the ideological war, however, the Germans seemed to have made an extremely serious miscalculation. In their appeal to Europe to unite in a crusade against Communism, the Nazis hoped to appeal especially to the Vatican and to Catholics everywhere. The failure of this was indicated last Sunday, when Catholic bishops throughout the Reich read a pastoral letter to their congregations, protesting bitterly against Nazi measures directed at the church. These abuses had gone on for a long time, and to protest against them at this moment had an obvious political significance.

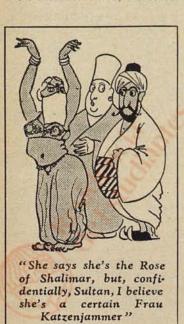
### If Russia Loses

Britain Considers Possibility and Effect on Europe and India

The tenacity of Russian resistance to the German blitzkrieg came as a pleasant surprise to London last week, but British strategists nonetheless had to prepare to face the implications of a full German victory. This raised two of the most serious problems of the war, one political and the other military.

### Europe

The political problem was touched on by Foreign Secretary Anthony Eden in a speech on July 5. Eden warned that "Hit-





The London Daily Express

British cartoons gibe at the Nazi Drang nach Osten

### Calendar of the War

#### 1939

On Sept. 1 Hitler invaded Poland and two days later France and Britain declared war on Germany. Russia invaded Poland on Sept. 17, and Poland surrendered unconditionally Sept. 27. On Nov. 30 the Russo-Finnish war began. It ended March 13, 1940.

#### 1940

Between April 9 and June 2 Germany successfully invaded Denmark, Norway, Belgium, the Netherlands, and Luxembourg. Despite defeat, four-fifths of the BEF was evacuated from Flanders. Italy entered the war on June 10, and by June 24 France, with Pétain as Premier, had accepted the Italo-German armistice terms. Russia seized Northern Bukovina and Bessarabia from Rumania June 28; the British attacked and rendered useless a major part of the French Fleet July 3. The German air offensive, begun against Britain on Aug. 8 and continued through September, failed to break British morale. Italy conquered British Somaliland and invaded Egypt Aug. 19-Sept. 14. Between Sept. 27 and Nov. 24 German diplomacy and threats brought Japan, Hungary, Rumania, and Slovakia into the Axis alliance. Italy's invasion of Greece, started Oct. 28, was thrown back into Albania; and the British offensive from Egypt, begun Dec. 9, drove Italian forces into Libya.

#### 1941

Jan. 5-Feb. 6—British took Bardia, Tobruk, Derna, and Bengasi.

March 2-Bulgaria joined Axis.

March 11-Lend-Lease Act signed.

April 3-13 — Italo-German forces pushed British from Bengasi to Egyptian-Libyan frontier.

April 6-May 1—Hitler invaded Yugoslavia and Greece, Yugoslav Army collapsed; BEF driven from Greece.

April 13—Russo-Japanese neutrality pact signed.

April 19-May 31—British defeated Iraqi uprising.

May 10-Hess flew to Britain.

May 20-June 1—Main Italian forces in Ethiopia surrendered. German airborne forces drove the British off Crete.

May 24-27—The German battleship Bismarck sank the dreadnought Hood but was destroyed by British Fleet.

June 8—British and Free French forces invaded Syria.

June 18-Turko-German pact signed.

June 22-29—Germany attacked Russia, taking Brest-Litovsk, Vilna, Kaunas, Dvinsk, and Lwów, and passing Minsk.

#### Last Week

June 30-July 7—Stalin became head of five-man defense committee; Germans reached Stalin line in central drive; Russians launched counterattacks.

July 7—United States occupied Iceland, relieving British troops there.

ler, at the moment he considers opportune during his campaign in Russia . . . will offer smooth assurances and specious promises" of a new European peace. The Foreign Secretary gave Britain's reaction in advance: "We are not, in any circumstances, prepared to negotiate with him at any time on any subject."

But this was only part of the story. What Eden didn't go into, and what the British fear, is that Hitler may cap his efforts to make the Russian campaign a crusade against Communism with a grand

European conference for finally reorganizing the Continent. This new order would be set up regardless of whether the war with Britain was over or not and might be able to give it a firm political basis, particularly since the British have refused to define any clear peace aims beyond crushing Nazism.

NEWSWEEK'S London correspondent analyzed this possibility: "The muchtalked-of Hitler peace offer does not have anything approaching the importance generally attached to it. The real danger lies

in what Hitler plans for the Continent. The Allies must offer Europe a prospect of something more attractive before Hitler gets busy. It is always easy for Britain to say 'no' to any peace offer the enemy makes but it will not be so easy to put the Continental clock back once the enemy gets his forthcoming scheme adopted by all European countries and also by Turkey and the Vatican. Once the Continent falls in with a Hitler scheme in a political, economic, and military sense, the whole British task becomes ten times harder for Britain. To frustrate the Nazi political scheme for Europe it must be met by something more practical, attractive, liberal, and stable than Hitler offers."

### Middle East

The other British problem raised by the possibility of a German conquest of Russia was primarily a military one. It was based on the great change that would take place in the strategic picture in the Middle East and tied in with the transfer of General Wavell to India (see page 23).

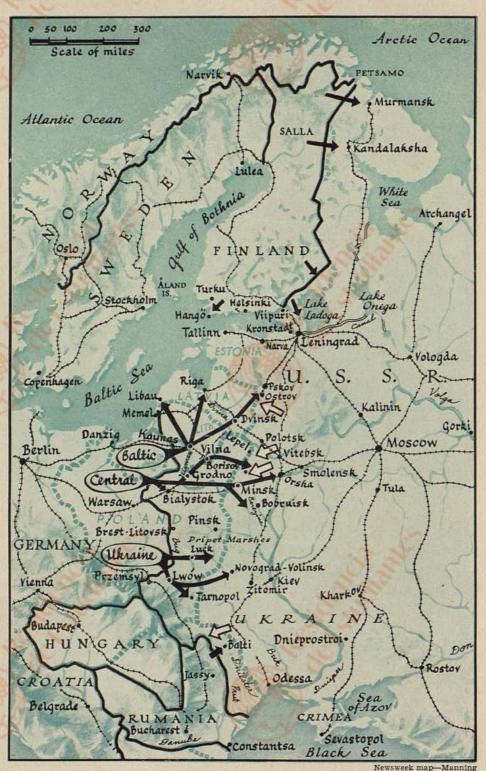
The collapse of Russia would give the Reich a position in the Middle East as good or better than it had in the last war through the alliance with Turkey. Thus in 1916 a German mission actually managed to make its way across Persia to Afghanistan and might have induced that country to attack India had they not been so critical of everything Afghan, especially the armaments, that the Emir was offended. British and Russian patrols drove the Germans from their bases in Persia, but the collapse of the Czar's armies left the way open for them again—this time through the Caucasus. To prevent this the British sent an expedition under Maj. Gen. L. C. Dunsterville, the Stalky of Kipling's "Stalky & Co.," across Persia to occupy

Turkey is not now allied with Germany. There are, however, signs of a growing shift in Turkish policy toward the Reich, and last week Premier Refik Saydam in a speech to the National Assembly placed the treaty of friendship with the Nazis in the forefront of Turkish policy.

the Baku oil fields.

A German occupation of the Caucasus or Soviet Turkestan would be an even more direct threat to British interests than Nazi control of Siberia would be to those of the United States (see page 31). From both the Caucasus and Turkestan roads and railways lead into Persia and the Caspian Sea provides an ideal line for attack. These communications represent a vast improvement over the conditions prevailing during the last war, and there was a report last week that the British had already proposed to the Russians that the two powers split Persia into zones of interest, allowing the Indian Army to move into the British zone.

This scheme to use the Indian Army indicated the extent to which the British strategic scheme relies on India as a great



German thrusts and Russian counters as of noon July 7

central supply depot. In the new setup it is Britain's ace-in-the-hole. In the last war, India was valuable only as a reservoir of man power. Now, it also is beginning to produce all the equipment for a modern army, artillery, tanks, machine guns, and trucks, with even planes scheduled to be turned out.

### Wavell Puzzle

Transfer Shocks Most Britons; Knowledge of Russia Recalled

Gen. Sir Archibald Percival Wavell, commander of the British Middle East forces, has been the only British military leader to score against the Axis, even though his conquest of Cyrenaica later was wiped out. The tall, tight-lipped soldier, who wears a monocle because he lost an eye in the World War, was practically unknown outside his profession until he routed the Italians in the Libyan wastes. Last year he emerged as a hero and a scholar almost simultaneously. Wavell's biography of Allenby, under whom he served in Palestine, was published while the Libyan victory still was fresh. In that, and in earlier works on military subjects, he showed that he was able to turn a salty phrase as well as to surprise an enemy. For example: "Speed is, most unfortunately, a most expensive commodity; alike in battleships, motorcars, race horses, and women a comparatively small increase in speed may double the price of the article.'

Although Winston Churchill had hailed Wavell as "a master of war, sage, painstaking, daring, and tireless," lately there were rumors that the Prime Minister and the General hadn't been seeing eye to eye. For one thing, Wavell was said to have opposed weakening his Libyan army for the sake of a political gesture in the ill-fated Greek campaign. Then his stock was also said to have slumped as a result of the retreat back to Egypt and the way the Syrian affair was dragging along.

#### 'The Auk'

On July 1 it was announced by 10 Downing Street that Wavell and Gen. Sir Claude John Eyre Auchinleck, British commander in India, were swapping jobs. Auchinleck, known as "the Auk," is 57, a year younger than Wavell, and also has a considerable military reputation. He first served in India, then, like Wavell, in the Near East during the World War. Later he distinguished himself in dealing with rebellious tribesmen on the Indian Northwest Frontier, and in the present conflict commanded the Allied forces that took the Norwegian iron-ore port of Narvik. He also built up Britain's southern defenses after the French surrender.

Simultaneously, Oliver Lyttelton, a po-

### WAR WEEK

### The German Plan Against Russia Unfolds

by Maj. Gen. STEPHEN O. FUQUA, U.S.A. Retired

As Hitler's Russian invasion strategy unfolds, the several tactical plans of the German High Command can be seen in the varied topographical settings from the Arctic to the Black Sea.

On this 2,000-mile front, the Germans and their allies at the beginning of the week had launched some fifteen attacks in development of their plan of invasion. All were coordinated in reaching the ultimate major objective—destruction of the Red Army through dissolution, encirclement, and annihilation in segments.

On the Finnish front (see map, page 22), five columns were set in motion. The one in the extreme north and the one from the Salla border were operating against the Russian Arctic port of Murmansk, the Leningrad-Murmansk railroad, and the Baltic-White Sea canal. If successful here, this offensive would probably carry on toward the Russian White Sea port of Archangel and south to the railroad at Vologda, the junction of the lines to Leningrad and Moscow.

The two drives in South Finland were directed against Leningrad and the naval base at Kronstadt. The one to the east of Lake Ladoga threatened the east flank of the Leningrad defenses, while the other in the Viipuri area was attacking the Karelian defense line. The fifth, in the extreme south of Finland, was a siege operation against the naval base of Hangö.

The drive launched from East Prussia across the little Baltic states was designed to cut off the Russian hinterland from the Baltic Sea and ultimately to cooperate with offensives starting from South Finland to encircle Leningrad. This part of the campaign consisted of three columns directed on the intermediate objectives of Libau, Riga, and Dvinsk. These columns, upon the fulfillment of their Baltic mission, would be in a position to play their part in the final campaign against the Soviet armies in the Leningrad area.

The columns attacking in the central sector are striking across the heart of Russia. This offensive struck across the Niemen and the Bug Rivers on the line Grodno-Bialystok-Brest-Litovsk, the right flank resting on the Pripet

Marshes. As soon as the movement gained momentum, the left flank was extended to Vilna and, from this front, drives were launched on Minsk, the first intermediate objective, with the line of the Dnieper and the Smolensk region as the major target of an "On to Moscow" push. The Germans claimed to be breaking into the main Russian defenses along the Dnieper at the start of this week, and the movement will have achieved great success if it gains the passage of the river and cuts the main line of the Odessa-Leningrad railroad.

The importance to the Germans in this advance lies in the tremendous military advantages that will follow its success: the severing of Russia in two parts which, in turn, means the disruption of all north and south railroad, highway, telephone, and telegraph communications. And above all, it means the separation of the armies of the north from those of the south, which would blast all hope for unity of combined action. Again, the passage of the Dnieper means that the Germans would have the choice of turning a force north in furtherance of the campaign against Leningrad, pushing south toward the Ukraine in a combined drive with the column attacking the western gateway to Kiev, or continuing the advance on Moscow.

South of the Pripet Marshes, the Germans have been attacking from their South Poland region, crossing into Russian Poland on the Luck-Lwów front. The column through Kowel and Luck seemed directed at Kiev, while the one from Lwów (Lemberg), moving along the Tarnopol-Odessa railroad, appeared as a right-flank covering force.

On the Prut front, the combined German-Rumanian-Hungarian forces continued holding-attack operations. Local attacks and counterattacks were continuing from both sides at the start of the week.

The whole German invasion so far may be summed up as a campaign of three distinct though coordinated offensives, directed against the Baltic region, the central sector, and the Ukraine, with great successes in all theaters but a decision so far in none.

### WAR WEEK

### U.S. Problems, Alaska to Iceland

by Admiral WILLIAM V. PRATT, U.S.N.

One probable motive for the German attack on Russia was to destroy this potential enemy in the rear as part of a titanic effort to win the war before the weather breaks this winter. The need to outspeed American aid to Britain is largely responsible for this hurry. Yet it is doubtful whether Hitler correctly gauged the effect of the Russian attack in this country. In effect, it has brought us smack into the war to an extent which did not exist before Hitler made his fateful move.

America, the great reservoir of supplies, lies between the Atlantic and Pacific Oceans. Previously our air power, which is growing in strength and will continue to grow until it surpasses that of Germany, had only one direction of flow relative to active military operations, and that was across the Atlantic Ocean.

Now the Nazis have opened up another line, that across the Pacific, which in air miles from Alaska to Siberia is much shorter than the distance from Newfoundland to the British Isles. And in every campaign on land and every sea engagement results have shown that no decisive victory is likely to be scored without control of the air at the point of battle contact. In the face of a weapon which eliminates time and whose range is increasing day by day, it would be folly to think of our position as secure, for day by day Nazi operations are bringing the war closer to our shores.

President Roosevelt lost no time in making a correct estimate of this rapidly changing situation in the offer to aid Russia in any material way not incompatible with the interests of Britain. Facing both the Atlantic and Pacific, we are the great balance wheel whose political and military acts may determine the duration of this war, its final outcome, and its after effects.

Concerning the Atlantic front, Secretary Knox in his speech at the Governors' Conference in Massachusetts June 30, after enumerating the reasons why America should act, wound up by saying: "The time to use our Navy to clear the Atlantic of the German menace is at hand." Later, at a press conference, he denied that our naval craft

had undertaken convoy or had taken action against hostile submarines. Nevertheless, we have instituted a sea patrol, the spearhead of which naturally includes aircraft carriers, protecting destroyers, and cruisers. We have stated that we would aid Britain and see to it that the supplies reached her. We have restated the old American policy of "freedom of the seas" and indicated that there is a zone of waters within the interests of the Western Hemisphere which it is our right to safeguard.

The latest move in this sequence is our occupation of Iceland, which has several advantages. We can now send our ships and supplies to a spot less than 500 miles from the British Isles, and within flying distance for all types of aircraft. It relieves Britain of the task of defending the island, and the troops now there can go elsewhere.

The situation in the Pacific is not so clean-cut, as is natural where political factors are still in the ascendancy. A German overflow into Russia as far as Siberia would, however, bring the Nazis within 60 miles of Alaska, which would be a menace to us. But bad as that would be, it is little compared with the danger Japan and even China would face, for the heart of America is a long way from Alaska, while Japan and China would be well within the grip of the Nazi war machine.

The whole Orient could flame with war, and when the smoke cleared away, Japan would be encircled by Nazi power. Clearly Japan's farsighted interests do not lie in taking up the cudgels for the Axis, and inviting war with Britain and America, or to move into Siberia to forestall Hitler. That country would be served better by coming to more friendly terms with Russia, getting out of the China war at almost any cost, and, aligning itself with Britain and America as one of three liberal sea powers, attempting to organize the Orient in defense against the spreading Nazi menace. Then, but only then, could it count on the air power of America to come to its assistance to hold the islands safe against invasion just as Britain has withstood invasion through its air and sea strength.

litical unknown until his appointment as President of the Board of Trade last October, was detailed to the Middle East as a representative of the War Cabinet to take over political and administrative duties that had been additional burdens on the military commander.

The news of Wavell's transfer was a shock to most Britons. There was no official explanation; Churchill, when questioned in Parliament, refused to answer. Newspaper opinion was divided. Some papers took the view that Wavell was "demoted" or "in need of a rest"; others saw him shifted to India to stave off a German threat there by way of Russia. Wavell knows Russia, having spent two years there before the last war to learn the language. Later he served in the Caucasus as a liaison officer with the Grand Duke Nicholas and in recent years made friends with Marshal Voroshiloff when visiting Red Army maneuvers.

In a farewell interview with Middle East correspondents, the General shed no light on his transfer. But he did say that, whatever the outcome in the East, the war would be won in the West, like the last one, and that an AEF would be needed to give Hitler the coup de grâce.

Campaigns

Wavell also admitted that the Syrian campaign had been "a slow, sticky busi-Last week the British and their Free French allies increased their efforts to wind it up as quickly as possible. On July 3 their motorized forces, led by tanks, finally occupied the important desert base of Palmyra on the Mosul oil pipeline to Tripoli after a thirteen-day siege and drove on toward Homs, strategic railway and highway junction 90 miles to the west. Next day Deir-ez Zor, another desert outpost, and Tel Kotchek, on the Syrian-Iraq frontier, were taken, while three columns were converging on Aleppo in the northwest, which, together with Beirut, the Lebanese capital, was heavily bombed. After a Vichy emissary made a futile bid for Turkish aid, an exchange of views preliminary to armistice negotiations was reported.

The first American casualty in the Syrian campaign was reported from Damascus on June 26. He was 24-year-old Jack Hasey of Bridgewater, Mass., who was wounded in the jaw, neck, stomach, and left hand while leading Free French in a bayonet and grenade charge. Hasey previously had an arm broken while driving an ambulance in Finland, was later an ambulance driver in France, and was decorated while fighting in Eritrea.

Meanwhile, the British also were speeding up their campaign against the last pockets of Italian resistance in East Africa. On July 3 the commander of 4,200 Fascist forces at Debra Tabor in Northeast Ethiopia surrendered, opening the way for the capture of Gondar, a strong-



Lyttelton goes to Cairo . . .

hold near the Anglo-Egyptian Sudan border. Then other Italians in Galla Sidamo province in Southern Ethiopia also capitulated. Thus the few thousand at Gondar and a small force near Assab, Eritrea, were all that was left of the Duke of Aosta's army of a quarter of a million men.

### Sidelights of the War

"Don't Throw It Away," a handbook published last week by the Fascist Party, told Italian housewives how to make home brew from apple cores and fruit stones, puddings from potato peels, and desserts from bread crusts and fruit skins. Pulverized eggshells were recommended as a dentrifice.

- ¶ Copenhagen newspapers have been making an inquiry into the reason for the fact that more babies are being born there than at any time since the beginning of the century. Some say it's the lack of gasoline; others credit the blackout. The explanation that the phenomenon is due to the presence of a large army of occupation is not even hinted at in the Danish papers.
- ¶ The 1941 Summer Social Register, revealed that only 175 socially prominent Americans are still in Europe as against 237 last year. They represent 52 families, 24 of which are in England.
- ¶ The Ancient Order of Henpecked Husbands met secretly "somewhere in Yorkshire" and drafted a new set of alibis: Say you have to see a man about new incometax increases; say you have to take an extra turn at fire watching, or say you have to hunt for old razor blades or cigarette butts to help the conservation program.
- ¶ The octogenarian playwright George Bernard Shaw predicted at the time of the Munich Conference that Germany would

not make war because Hitler could seize anything he wanted in Europe without interference from Britain. Later he predicted that Hitler would not invade Russia. Last week Shaw wrote to The New Statesman and Nation: "For the second time, I have blundered badly regarding Führer Hitler, and must apologize to your readers."

- ¶ The apology did not mean that Shaw had really been squelched as a prophet. In the same letter he went on to predict that Russia would not be defeated.
- ¶ Beginning Aug. 1 a likeness of Hitler will adorn all German stamps. Previously the late President and Field Marshal Paul von Hindenburg appeared.



Wide World

... as Wavell leaves for India . . .

### Eagles to War

' RAF's All-American Squadron Joins British in Heavy Raids

Many Americans are serving both with the British and Canadian Air Forces, but the RAF's Eagle Squadron is the only unit which is all-American save for the British squadron leader who succeeded William Erwin Gibson Taylor, a New Yorker, released to rejoin United States naval aviation. Britain's flying Yanks wear the regular RAF sky blue uniform with their own eagle insignia and initials ES, but don't have to swear allegiance to the King. The squadron, formed last October, joined the Fighting Command in March.

The RAF's big offensive against the German-occupied Continent has given the Americans their first taste of action beyond the Channel. The first raid in which they

participated was on July 2, when the squadron accompanied other RAF units which escorted bombers raiding an airdrome at Lille, France. High explosives were crashing on the target when Messerschmitt 109 fighters roared at the bombers and the fighter guard. Usually the Air Ministry doesn't let names out, but it did allow it to be said that "the youngest" Eagle broke up a Nazi attack and shot down a Messerschmitt. Gregory Augustus Daymond of Los Angeles, Calif., who wears a scraggly mustache to look more than his 20 years, was the youngest on the last published roster.

The squadron accounted for two more planes, one shot down by an American and one by the British squadron leader, out of a total of eighteen claimed by the British that day. The British admitted the loss of eight fighters and two bombers. The squadron celebrated July 4 by another raid, in which a Messerschmitt was damaged. And in a third foray, on July 6, the same unidentified "youngest member" was credited with bringing down his second enemy plane.

In the raid on July 2, one member of the squadron, William Isaac Hall, 25, of Springfield, Vt., failed to return. He last was seen gliding down toward French soil, making it probable that he had landed safely and been taken prisoner. Four other members, Philip Leckrone of Salem, Ill., Edwin Orbison of Sacramento, Calif., Stanley Michel Kolendorski of Lakehurst, N. J., and Vernon Keogh of Brooklyn, N. Y. had previously been killed, and on June 22 Nathaniel Maranz of New York City was reported missing.

On July 4, Air Minister Sir Archibald Sinclair unveiled a tablet in the crypt of



Acm

... to trade jobs with Auchinleck

St. Paul's Cathedral to William Mead Lindsley Fiske III, first American RAF officer killed in action. Fiske, a noted bobsled racer, was killed on Aug. 18, 1940, during the Battle of Britain. Harry A. Womack Jr. of Johnson City, Tenn., who also was an RAF pilot not in the Eagle Squadron, was killed on July 1 in an accident.

### Bombs

The RAF itself kept up the offensive with some of its hardest hitting to date. German bases in France were attacked by a British air armada so big it took twenty minutes to fly over an English coast town. Then the RAF followed up two fierce night raids on Bremen with daytime blastings of the port by Coastal Command Blenheims. Oldenburg, German rail center, and Borkum, seaplane base, also were bombed by day

During all the raids over France the British encountered much stiffer opposition than they had met at any time in recent weeks, indicating that the attacks possibly had forced Hitler to bring back some of the Luftwaffe from the Russian front. The British offensive was costly in planes. The German High Command communiqués claimed 116 planes had been brought down against only five Nazi losses. These German air reports have generally proved exaggerated throughout the war, and the British figures were far different. However, their own figures for the week did add up to a greater loss for themselves than for the Germans by 72 planes to 68.

The Luftwaffe's raids over Britain continued to fall far short of blitz proportions, but explosives and incendiaries were dropped in small night raids over the Midlands, Wales, and the southwest coast of England.

### Bombs at Sea

German U-boat crews sing: "We are the menace, we are the hell, we are the end of England." Yet the Nazi High Command last week credited U-boats with accounting for only slightly more than half the 768,950 tons of British shipping it claimed had been sunk in June. The Luftwaffe was said to have sent 351,950 tons to the bottom during the month.

Indeed, both sides have steadily increased the use of their air weapons in fighting the Battle of the Atlantic, and in the Mediterranean. The long-range four-motored Focke-Wulf bombers that prey on Britain's life lines are themselves hunted by the Sunderland flying boats and American Catalinas of the British Coastal Command, while British bombers attack shipping along the coasts of occupied territory and in the sea lanes to Africa. This phase of the war has added new terms to the vocabulary of the com-

muniqué. Last week, as often previously, the British reported that their bombs had "straddled" the three Nazi warships Scharnhorst, Gneisenau, and Prinz Eugen in the harbor at Brest, and both sides frequently have admitted damages or losses from "near misses." For, as shown by the accompanying photograph of a British attack on an Italian freighter, the blast of a bomb striking nearby is one of the new perils which air warfare has brought to fleets and blockade runners.



Blast from a British bomb tosses
Italian sailor (arrow) overboard

### South American War

Last April Ecuador announced its willingness to reach an agreement with Peru in their 111-year border dispute, and a month later the United States, Brazil, and Argentina offered their services as mediator. Ecuador accepted immediately, but Peru declined the proposal and offered instead to sign a guarantee of peace while the dispute dragged on.

On July 5 the two nations found themselves in a minuscular, undeclared war along a line that included half a dozen frontier towns. Ecuador claimed that Peruvian planes attacked five of the villages. This was followed by artillery fire and an infantry advance. The Ecuadorian communiqué said that two Ecuadorians were killed and ten wounded. In the town of Chacros a church, military barracks, and private houses were destroyed.

In Quito, Ecuador's capital, President Carlos A. Arroyo del Rio hastily called a Cabinet meeting. Shouting, flag-waving crowds demonstrated in the streets. In front of the Simon Bolívar monument 15,000 sang the national anthem.

Ecuador claimed that the fracas started when Peruvian frontier guards violated the border and were driven back by an Ecuadorian patrol.

In Lima, Peru, officials said that Ecuadorian forces first attacked Peruvian border posts. The Chancellery added that the Peruvian Minister in Quito had been instructed to enter "an energetic protest." An authorized spokesman charged that Ecuador had prepared the attack to provoke intervention by the United States, Brazil, and Argentina from which it hoped to gain. In Washington Acting Secretary of State Sumner Welles dropped a hint that the war had been fomented by "outside" agencies.

Peru's population is 6,672,881; Ecuador's, 3,200,000.

### Spotlight on Tokyo

Imperial Parley Clears Decks for Nation's Course in Crisis

Imperial Conferences are held in Japan when questions of supreme importance to the nation must be decided by the Emperor, high officials of the government, and the High Command. One such session preceded Tokyo's recognition of Wang Ching-wei; another put Japan into the Axis. Only five Imperial Conferences have been held in the last 27 years.

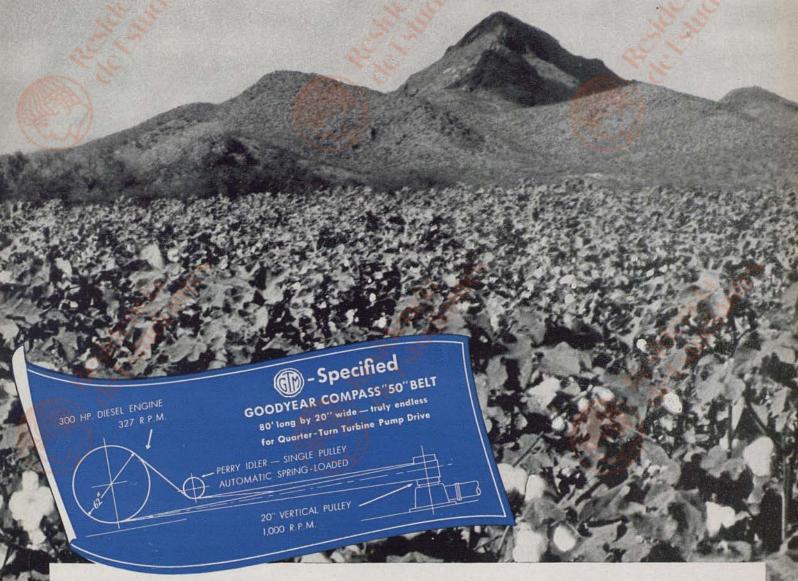
The fifth took place last week. Possible decisions lay between (1) a new push to the south in an attempt to encompass Singapore and the Netherlands Indies, (2) conciliation with Britain and the United States in view of Germany's cavalier treatment of Japan (Newsweek, July 7), (3) an assault on the Soviet provinces of Amur and Primorskaya, (4) a policy of sitting tight and waiting for the Russians to crack up.

On Wednesday, July 2, Premier Prince Fumimaro Konoye with important members of his government went to the imperial palace. There they were joined by army and navy leaders. Emperor Hirohito, wearing a uniform of an admiral of the fleet, presided over a conference lasting two hours. A curiosity-consumed public was vouchsafed only this communiqué: "a decision was taken at the Imperial Conference this morning on important national policies to meet the current situation."

While the decision remained a secret, the press as a whole plumped for a push into South Asia. The government itself formed an amalgamation of all organizations working for southward expansion. The new league, headed by Konoye and named the Great Japan East Asia Construction League, has as its objective the elimination of the white races, particularly the Anglo-American bloc, from "encroachments on the lands and livelihood of the East Asiatic countries." The government also requisitioned two yessels

## Turning Cactus into Cotton

...AT A SAVING OF \$11,020 PER YEAR



AN Arizona cotton grower faced a costly irrigation problem. To bring 600 acres of desert land into production, he needed seven gallons of water per minute, per acre, during the growing season. But the best local wells averaged only 2,250 g.p.m.—making two wells, costing about \$24,000, essential. Then engineers suggested that a single Diesel-driven pump, with special reversing equipment for "surging" water in the well, might do the job—if a belt could be found that would stand this heavy-duty two-way service. This brought in the G.T.M.—Goodyear Technical Man. On his recommendation that a Goodyear COMPASS "50" truly endless belt would fill the bill, the installation was made. In two years' service this pump has averaged about 4,500 g.p.m.—

at a saving of \$38 per day under the estimated cost of operating two wells or a total saving of \$11,020 for a working year of 290 days! So successfully has the COMPASS belt handled this heavy alternating drive without slip or stretch, 23 similar installations have been made by neighboring growers. To consult the G.T.M. on your belt-killing drives, write Goodyear, Akron, Ohio or Los Angeles, California — or phone the nearest Goodyear Mechanical Rubber Goods Distributor.





One of a series illustrating Cyanamid's many activities.

## Put yourself in a Woman's Shoes

Just because a girl is only six doesn't mean she lacks an eye for style. On the contrary, she'd much rather wear mother's new shoes than her own. And no wonder. It is easy to understand why women find these beautiful pastel colors irresistible.

There's a real style story in these colored leathers. Not until recently has it been possible to obtain such delicately tinted permanent shades—and women everywhere are delighted with them. So much so, in fact, that new fashions have been created. Handbags, belts, hats, gloves,—even luggage, upholstery, and, of course, other articles in which nothing takes the place of leather—are now appearing in pastel colors to match, blend or contrast.

Chemistry is the inspiration for these fashions. For the chemist, collaborating with the tanner, has created several new synthetic tanning materials. As a result, leather is not only blossoming out in new colors but is better in quality.

Typical of these materials is a special series of tanning chemicals developed by American Cyanamid Company and marketed under the trade-mark TANAK\*. Leather processed with TANAK takes the dyes more evenly and has a finer texture. It is just one of the many Cyanamid products used by leading tanneries.

But articles of leather are not the only merchandise in which you get more for your money now because of Cyanamid research. There are many others—from clothes to food to automobiles to building materials—in which the chemical activities of this company are apparent in greater values.

\*Regintered U. S. Patent Office



### American Cyanamid Company

30 ROCKEFELLER PLAZA, NEW YORK, N.Y.

hitherto engaged in carrying defense materials from the Philippines to the United States. The possibility was not ruled out, however, that the government, abetted by the press, was carrying out a window-dressing act to hide other plans. One skeptical group predicted a policy of conciliation with the United States and Britain. Yosuke Matsuoka, pro-Axis Minister of Foreign Affairs, it was reported, was on his way out, and would be replaced by the anti-Axis Ambassador to Britain, Mamoru Shigemitsu, already en route to Japan.

One obstacle to conciliation was the strongly entrenched position of the German Ambassador, Gen. Eugen Ott. After five years in Tokyo, Ott had burrowed deep into Japanese official life. At least 3,000 of his agents, disguised as tourists, businessmen, and advisers, were carrying on espionage services and influencing the Ministries of the Interior, War, and Foreign Affairs. Their combined efforts were directed at driving Japan into a southward expansion program and hence into conflict with the United States.

### Wang and Quo

Dr. Sun Yat-sen, father of the Chinese Republic, surrounded himself with bright young men of advanced political ideas. He made Wang Ching-wei his chief assistant and Dr. Quo Tai-chi his secretary and publicity director.

On June 28 Quo reached Chungking from London, where he had been Chinese Ambassador. And on June 29 Wang, who deserted Chiang Kai-shek in 1938, returned to Nanking from Tokyo, where he had bowed before the Emperor as ruler of one of the Japanese vassal states in China. The puppet of Tokyo and the fighter for Free China had reached the opposite poles of the world crisis.

In Nanking, Wang learned that Japan's Axis partners, Germany and Italy, along with Slovakia, Croatia, Rumania, Spain, and Bulgaria, had recognized his regime.

In Chungking, Dr. Quo, having traveled 23,000 miles to exchange one bombstricken capital for another, became Foreign Minister in Chiang's Cabinet. In retaliation for the Axis maneuver, he broke off relations with Hitler and his satellites. "China's fate and destiny," he said in a statement, "are inextricably linked to the fate of the countries fighting aggression." Any "specious offer of peace terms," he added, would be rejected.

The significance of Dr. Quo's stand was political rather than practical. Actually the once cordial relations between Germany and China had ended in May 1938, when Hitler ordered Gen. Baron Alexander von Falkenhausen, military adviser to Generalissimo Chiang Kai-shek, to return home. German-Chinese trade lapsed

(Continued on Page 30)

Hsinking Peiping Tientsin Taiuuan Sian HON C H Chengtu Chungking anchang Foochow LINES OF JAPANESE OCCUPATION AS OF JANUARY 1940 FUKIEN Yünnanfu NEW LINES AS OF JUNE 1941 6 Swatow NANNING AND FUKIEN COASTAL POSITIONS Canto OCCUPIED AS OF JAN. 1940, EVACUATED AS OF JUNE 1941 HACAO (Port.) PRESENT DRIVES South China:

Newsweek map

Slow motion: Japan has made little progress in China since January 1940

### Thoroughness: How the Nazis Took Crete

The Battle of Crete is now history, but details of its capture in an unprecedented Nazi aerial invasion continue to come out. The skillful planning behind the maneuver impressed British officers who were able to escape from the island and reported the following facts to London. These were gathered by an American diplomatic observer and forwarded to Washington.

¶ At a crucial point in the battle for Maleme airport, when British artillery still commanded the field, the Germans dropped salvage engineers by parachute. They quickly filled holes, dragged away damaged planes, and cleared the way for more aircraft to land. "They had foreseen how to counter our artillery," a British officer remarked.

¶ When a glider made a successful landing it was given a quick coat of white paint as a signal for other gliders to land there . . . Gliders which alighted on water had small auxiliary engines to push them to the beaches.

¶ Parachute troops were equipped with flashlights operated by hand-driven dynamos, inflatable waistcoats to serve as life preservers if they fell in the water, and shockproof rubber boots in which were carried wire cutters and other tools.

¶ Each man had his own chart marked with his own particular objective, and officers had oversize cuffs for carrying large-scale maps.

¶ Fully equipped medical officers were dropped immediately after the paratroops were dropped . . . Each soldier carried a disk which indicated his blood group, thus facilitating blood transfusions.

¶ Several planes were assigned to each group of a dozen or so men on the ground to look after their needs alone. Keeping in touch by short-wave radio, the pilots dropped food, ammunition, and medical supplies, and bombed the enemy whenever their men were in a difficult spot.

¶ Road signs in German were dropped from the air and set up for the land forces, since few of them could read Greek.

¶ Prefabricated barracks in sections were landed from the sea for use in blitzed ports.

¶ As soon as a given area was captured, civilian technicians were rained down from the sky to seize stocks of food and materials, and also herd civilians into a semblance of order—detailed information on the island's economic resources were gathered in advance by Nazi agents.

(Continued from Page 29)
abruptly. Dr. Quo's action, therefore,
merely served notice that his arrival had
reinforced the pro-democracy, fight-to-thelast-ditch faction, one of whose bulwarks
is Madame Chiang.

### Fifth Year

The China war passed into its fifth year this week. It opened with the historic night clash between Japanese and Chinese troops at Marco Polo Bridge near Peiping on July 7, 1937. For the invaders, the inventory was a discouraging exhibit. At the outset, by a series of sweeping drives they captured the industrial east, only to find Chinese resistance crystallizing in the west. The fall of Hankow in October 1938 marked a turning point; the Japanese war machine slackened and has never regained its momentum. From the beginning of 1940 up to the present, the Japanese have only succeeded in occupying Chahar province, except for a small fringe, and straightening out their lines in Chahar and Suijam provinces. They also seized a large part of Northern Indo-China but on the other hand evacuated the Nanning area and three coastal positions in Fukien province. On May 5 this year, an unsuccessful attempt was made to smash the Chinese by introducing blitzkrieg technique into new offensives in Shansi, Honan, and Hupeh provinces. Four years of war tallied up last week to a stalemate that has cost the Japanese nation 22,335,000,000 yen or about \$5,271,060,-

### Canada's Problem

Soon after Canada declared war on Germany on Sept. 10, 1939, the Dominion sent 60,000 troops from its regular volunteer army to England, and other contingents have followed at intervals. Last week more thousands, including Canada's first tank brigade, made the crossing safely.

For months, however, many Canadian newspapers have been branding such aid as insufficient and have been demanding conscription for service abroad. At present the only conscription is for four months' training and specifies that draftees shall not be sent to fight outside of Canada. The government of Prime Minister Mackenzie King, mindful of the attitude of the French-speaking Province of Quebec, which threatens opposition and even secession if the issue is forced, has maintained that enough men can be raised by volunteering.

In a current campaign to raise 32,000 volunteers, pressure has been put on the four-month trainees to join up with the active army, with varying results. At Camp Borden, Ont., an appeal was made to about 1,000 boys, of whom only sixteen responded. When the group learned that



International



Sabots: The wartime rationing of leather has revived the wearing of wooden clogs both in once fashionable Paris (above) and in usually conservative London.

it would be split up in different regiments, the volunteers changed their minds. Thereupon, camp officers gave them four days' pack drill for being AWOL during their time at the army recruiting station. But at Cornwall, Ont., 125 out of 142 who came to camp some time ago were induced to volunteer. The campaign was accelerated last week by calls for recruits from mayors of cities and reeves of towns and villages throughout Canada and by a Canadian Government move banning all men eligible for military duty from the civil service.

### Acquittal in Nairobi

Major Sir Delves Broughton, 53 years old, was acquitted in Nairobi, Kenya Colony, on July 2 of the murder of the Earl of Erroll, 39-year-old Hereditary Lord High Constable of Scotland. The jury, after three and a half hours' deliberation. finally accepted the verdict of an army small-arms expert who said the bullets which killed the Earl could not have been fired from the type of pistol owned by Broughton-a weapon which Broughton said disappeared a couple of days before the murder. The acquittal ended a trial begun in mid-March, during which a mass of circumstantial evidence was accumulated to substantiate the charge that the murder was the result of jealousy over 29year-old Diana Broughton. Erroll's body was found at dawn Jan. 24, a few hours after he had driven Lady Broughton home from a party at the Muthaiga Club. Witnesses testified that at the party Broughton had toasted the "future child" of his wife and the Earl. He also told police that she planned to marry Erroll, who had been married twice previously. At the funeral the Major dropped a note from Lady Broughton into the open grave of her lover.

The Earl's title falls to his 15-year-old daughter, Lady Diana Denyse Hay, who becomes the second woman since 1314 to hold the office of High Constable of Scotland

The Constable ranks next to the royal family in the Scottish peerage, and the duties of office used to include command of the royal army in Scotland, master of the horse, and president of the court of chivalry. About the only remaining function is to walk in the coronation procession carrying a silver baton tipped with gold at each end.

### DEFENSE

### Bolstered Defenses in Alaska Alter Strategy Map of Pacific

New Naval and Air Bases Close Door on Northwest Flank; Aid to Russia Made Easier

About noon on July 16, 1741, the lookout on the ship St. Peter hailed Capt. Vitus Bering with the news that he had sighted a snow-covered peak on the northeastern horizon. That peak, Mount St. Elias in Southern Alaska, and the territory surrounding it were claimed by Bering for his patroness, the Empress Catherine of Russia, before the St. Peter was wrecked and the bleak northern winter brought death to Bering.

This week, as the mariner's discovery became the basis for the celebration of Alaska's 200th birthday, the northern territory was undergoing a rebirth as a military stronghold—an event that is proving as colorful as anything in the land's adventuresome history, which runs from the early Russian fur wars, through the sale of the territory to the United States for \$7,200,000 in 1867, down to the gold rush of the 1890s.

The United States is pouring \$100,000,000,000 into Alaskan defenses, bearing out to a degree the late Brig. Gen. William Mitchell's idea that this territory is "the most important strategic place in the

world." Men in uniform throng the streets of Anchorage, Fairbanks, and Sitka. Near most of the cities, the clear northern air resounds with the pounding of thousands of carpenters' hammers, while the concrete mixers grind far into the night. Business is booming—so much so that the government-owned Alaska railroad, groaning under unaccustomed loads, has broken through its roadbed between its Seward terminus and Anchorage. Thus many ships are forced to use the silt-filled Anchorage Harbor, where cargoes must be tediously lightered to shore.

As a result of this feverish activity, construction of the Army and Navy bases in Alaska is far ahead of schedule. Last week, Secretary of the Navy Frank Knox announced that the Navy's air and submarine base at Dutch Harbor, in the Aleutian Islands, would be commissioned Sept. I. The Army's air base and cold-weather experiment station at inland Fairbanks will be completed about Oct. 1. And by the first of the year one of the largest Army bomber bases in the Americas, a field with facilities for 1,000 planes, is expected to be completed at Anchorage.

By the same time the naval bases at Kodiak and Japonski Island, near Sitka, are expected to be ready for full utilization. Good progress is also being made at the Navy's listening post on-Kiska Island,

far out on the Aleutians, and the supplementary Army flying fields at Yakutat, on the Gulf of Alaska, and at Metlakatla at the southeasternmost tip of the territory, 700 miles from Seattle.

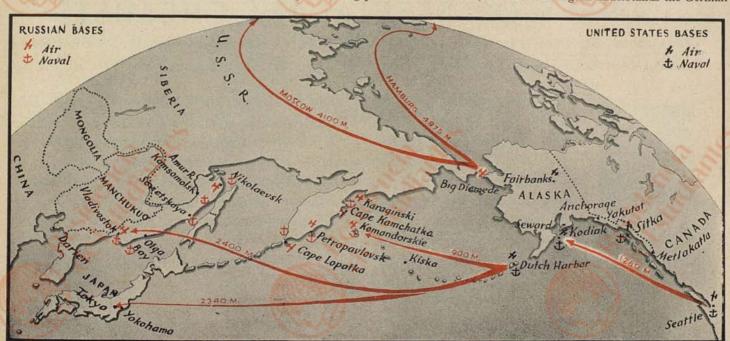
To man these new defenses, the Army now has about 8,000 men garrisoned in Alaska, many of them under canvas while barracks are being rushed to completion before cold weather sets in. Four thousand of the soldiers have arrived in the last three months. About 200 warplanes are now in service over the territory, the vanguard of a huge fleet which eventually will protect America's northern flank.

### Strategy

These Alaskan defenses were planned originally to neutralize Russian bases and military posts on the Asiatic coast 50 miles across the Bering Strait from Alaska as well as anchor the northern corner of the Hawaii-Panama-Alaska triangle, insuring domination of the Eastern Pacific. On Big Diomede Island, only 3 miles from the United States' Little Diomede, Russia maintains a weather station and military garrison. More important bases, such as Karaginski, Cape Kamchatka, Bering Is-(Komandorskie), Petropavlovsk. Cape Lopatka, Sovietskaya, Konsomolsk, and Olga Bay (see map), range down the Siberian coast to Vladivostok.

But with Russia now allied with Britain in the war on the Axis, the original strategies worked out by Army and Navy warplan officers are now undergoing a thorough overhauling. Alaskan defenses now are being considered in the light of the necessity of aiding Russia in her battle against the Axis, including Japan if she accedes to German pressure to blockade Siberian ports.

As Washington understands the German



Newsweek map-McLaughlin

Pacific safeguard: new Alaskan defenses discourage invasion and may aid supply lines to anti-Axis forces



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FROM AN ORIGINAL DRAWING BY ORISON MACPHERSON

when the steel furnaces are delivered of their fiery, molten burdens, samples of the white-hot, fluid metal are again taken as the ingots are cast and once more the chemical analysis is determined.

"This pacing of skill with science — of enterprise with industry, is further evidence that here at J&L the making of Controlled Quality Steel is much more than a matter of tonnage. It is a great responsibility to man—with a far horizon still challenging us—a fine heritage from great steel-makers who have gone before and who, too, responded to the defense of American liberties and the comfort and enrichment of daily living."

### JONES & LAUGHLIN STEEL CORPORATION

AMERICAN IRON AND STEEL WORKS
PITTSBURGH, PENNSYLVANIA

J&L STEEL

J&L-PARTNER IN PROGRESS TO AMÉRICAN INDUSTRY

### ENERGY

Energy in gasoline is so powerful that one gallon would be sufficient to drive a  $2\frac{1}{2}$  ton car 200 miles at 30 miles per hour, if and when the 100% efficient engine is produced.

Lamp stronger than man. A horsepower is about 3/4 of a kilowatt of electric power—or approximately 750 watts. A man in sustained effort exerts about 1/10 to 1/15 of a horsepower. A 100-watt electric lamp uses about 1/8 of a horsepower, which is something more than is exerted by a man in steady work.

Chemical industry in America grew 243 percent during first World War, has been developing rapidly ever since. This is the age of chemistry, many scientists believe, with wonders ahead yet undreamed.

Eleven "English Gentlemen" supplied \$5,000 and Governor Winthrop's son the political influence to establish the first successful iron enterprise in the Colonies, at Lynn, Massachusetts, in 1645. The political influence procured 21-year iron-making monopoly, exemption from military service and from taxes for 20 years, "free gift" of 3 square miles of land for every furnace erected. First furnace made 8 tons of iron a week. Modern blast furnace makes 7,000 tons a week.

Human body contains iron (requires 1/4 to 1/2 oz.). So do all animals, all plants, all natural waters, many rocks and earths. Iron is the fourth most abundant element—the other three—oxygen, silicon and aluminum.

Without steel what golf? Steel has helped break records in golf because the steel shaft now universally used in golf clubs enables players to get more speed and power in the swing, resulting in longer drives which make it easier to reach the cup on approach shots. Stainless steel heads, cold drawn hollow steel shafts—steel spikes in golf shoes—steel cups in the greens—steel knives on the mowers that keep the course in condition—steel pipe for the greens watering system, a spring steel belt in the player's slacks. What would golf be today without steel!

Night games outdoors — baseball, football, tennis, are lighted by aid of porcelain enamel reflectors which diffuse illumination softly, are rugged, stainless and easily kept spotless, bright and gleaming by soap and water.

Steel and sulphur cool your foods in refrigerators made of sheet steel where the refrigerant may be sulphur dioxide.

Chicken Sauté Armagnac, boned chicken in jelly with chablis, curried chicken, Philadelphia scrapple, rabbit meat, rabbit soup, creamy cheese soup, French onion soup, turkey broth with noodles, Welsh rarebit, lentil soup with frankfurters, are some of the delicacies now put up in cans which are formed of steel sheets that have been coated with tin. Application of the new cold rolled strip sheets, such as Jalcold, with their deep stamping properties, is steadily enlarging the list of products for better living at lower costs, coming to you in tin containers.

plan, it calls for subjugation of all the Russias, with the establishment of puppet regimes for such territories as Siberia. If Russia loses the war in Europe, it would be the object of American diplomacy to encourage the semi-autonomous First and Second Far Eastern Soviet Armies, comprising about 60 divisions of 826,500 men, to resist the German plan. Already these armies are understood to have been promised American supplies if they should be cut off from their European sources.

Such help, however, is contingent upon the attitude of Tokyo. Naval experts concede that Japan could tightly blockade Vladivostok and Nikolaevsk, the terminals of the Transsiberian Railway, and thus keep out American supplies unless the United States starts shooting. Washington hopes, however, that Japan, because of her involvement in China, will try to avoid such a warlike act against Russia. Further to discourage such action, the Navy is understood to be concentrating a bigger patrol of warships in the northwestern Pacific zone.

### Significance ----

Should it become necessary for the United States to break a Pacific blockade, the Alaskan bases would prove highly strategic, for Dutch Harbor is about 800 miles closer to Japan than Hawaii. Anticipating the possibility of a war in the northwest, the Army is now studying plans to establish another 2,000-plane bomber base near Dutch Harbor—a move based on studies of the war in Europe which show that land-based bombers can decide sea battles within their flight radius.

To a have-not Axis nation, Alaska would be a rich plum, with its gold, silver, platinum, coal, oil, and other natural resources. But any country, no matter how well heeled militarily, would think twice before attempting an invasion in the face of the now formidable defenses. The chief obstacle is the tremendous task of supplying an army on the inhospitable shoulder of Siberia which now supports only scrub timber and a few Eskimo-like natives called Chuckchees. This barren land is as far from the nearest Asiatic railhead at Nikolaevsk as Newfoundland is from the Panama Canal.

In contrast, Alaska, while not thickly populated, is nevertheless highly developed in comparison with any Siberian invasion jumping-off place. Moreover, its supply lines are much shorter and ships can move most of the way from Seattle to Seward through an inside passage, sheltered by islands. This route is considered so good by the Army that its high officers are now arguing against the construction of the proposed \$30,000,000 road from the United States to Alaska, under consideration by the House Committee on Roads, on grounds that the effort should be expended on more immediate defense needs.



At Fort Knox, Ky., these soldiers take the Army's highest hurdle . . .



U.S. Army Signal Corps photo

... as they jump from enlisted status to training for officers' bars

### Tank Destroyers

Army Plans Anti-Panzer Units; Officer Deadwood Facing Purge

One of the toughest problems facing the world's general staffs is finding how to stop a spearhead tank assault. The failure of European nations to solve the problem left the way open for the Germans to conquer most of the Continent. Last week, as one of several steps to bring the Army up to a full preparedness footing, Secretary of War Henry L. Stimson announced that the United States is organizing a newtype defense against panzer attacks.

The key to the new anti-tank plan is an idea adopted from the Germans, self-propelling cannons—forward-facing guns mounted like tanks on track-laying chassis. Fast enough to overtake enemy tanks, the new weapons now being developed by the Army are greatly superior to the conventional detached field-artillery piece, which must be hauled to the scene of action, uncoupled, turned around, and set in position.

With this weapon as its mainstay, the Army will set up 22 tank-destroyer battalions. Fourteen of them will be assigned to infantry divisions and eight will serve as general-headquarters troops. The 475-man battalions attached to square infantry divisions will be equipped with twenty-four 37- and sixteen 75-millimeter guns. The 275-man battalions for triangular divisions will have twenty-four 37s and eight 75s, and the 675-man trouble-shooter GHQ battalions will use 32 of the heavy 75s.

As another approach to the problem of neutralizing modern blitz tactics, the Army's only motorized division, the Fourth, will increase its fire power 50 per cent when it is reorganized as a cross between a motorized and an armored division, Stimson said. The Fourth will gain 18 heavy cannon, 48 anti-aircraft guns, 24 anti-tank guns, 183 machine guns, and 319 submachine guns while yielding 142 automatic rifles, 45 mortars, and 1,500 of its 15,500 men. Its blitz strength will be pointed up by 106 light and medium tanks, and in addition its 75s will be the self-propelled "destroyers."

### Man Power

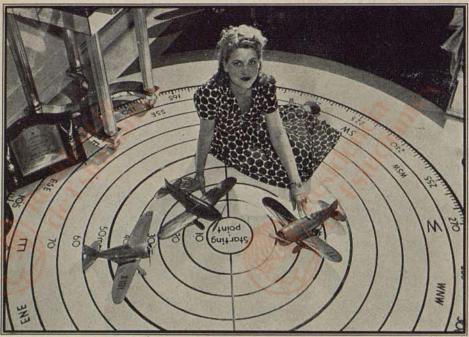
This emphasis on fire power was followed swiftly by an added emphasis on man power when Chief of Staff General George C. Marshall made his biennial report to the Secretary of War on July 3. Pointing out that the dwindling service

3 VESTERDAY TODAY TOMORROW

DEVELOPED THE PAST

DEFENDS THE PRESENT

DISCERNS THE FUTURE



Wide Worl

Jacqueline Cochran used a compass design on the floor of her New York home as a setting in urging that U.S. girls be used as air ferry pilots

periods of Reserves, National Guardsmen, and conscripts and the legal restriction of their use to the Western Hemisphere tangles Army planning and "hamstrings" the training of essential task forces, Marshall urged a jolting double-barreled removal of both the one-year-service and hemispheric limitations because "our interests are imperiled" and the nation is exposed to "coldly calculated, secret, and sudden" attack with only a skeletonized Regular Army available for service overseas.

The enlisted personnel of only two of the Army's 33 divisions is composed of three-year men, Marshall reported. In the other 31, conscript strength ranges from 25 to 50 per cent. In addition, only 14,700 officers of the 91,500 now on duty are Regulars. And 116,700 of the Army's 1,448,500 men are now on duty at overseas bases, a 250 per cent increase since the summer of 1939.

#### Leadership

To provide capable leadership for these forces, Marshall urged passage of pending legislation authorizing the War Department to shorten the difficult process of discarding useless Regular officers, thus making it increasingly clear that the Army intends to shake loose its own deadwood in a hurry.

Under the present system, a board of general officers meets in Washington once a year to review borderline officers. If such officers are found to be Grade B, it still requires months to retire them through further action of Inquiry and General Boards, with final appeals allowed to the President as Commander-in-Chief of the Army. But under the proposed system, Grade B officers may be retired without

right of appeal merely by action of a board composed of five generals, convened specifically for examination purposes by the Secretary of War. When this setup is authorized, about 300 Regular officers will get the ax. Reserve and National Guard officers may be relieved from duty at any time at the discretion of the War Department.

In line with this policy of vitalizing the service, the Army last week gave its first peacetime mass opportunity for enlisted men to rise from the ranks when seven of ten officer schools opened with students from all branches of the service. The 2,300 students, 21 to 36 years old, were chosen primarily on the basis of leadership as demonstrated by actual service in the Army for not less than six months. When these men are commissioned as Reserve second lieutenants, they are expected to be superior to the World War "90-day wonders" because they are already firmly grounded in military service.

#### Women Ferriers

Britain's Air Transport Auxiliary, an unpublicized but important part of the RAF, is composed of noncombatant men and women fliers who ferry planes between factories and airfields. As a result of this service, military pilots are released for combat duty.

In the United States, this delivery service is handled by Air Corps pilots, who get additional training while flying new planes to airfields and the East Coast for transshipment to the British. But last week Col. Robert Olds, in charge of the Air Corps Ferrying Command, was mak-

ing preparations for turning this service over to civilians in the event an emergency makes it necessary to withdraw military pilots. On July 2, Colonel Olds asked the Women Flyers of America, Inc., for the names of women pilots who have at least 200 hours and can put in full time as ferriers. The day before, Jacqueline Cochran had returned from flying a Lockheed Hudson bomber to Britain and predicted that 1,000 women pilots can be trained to handle any type of service plane in three months.

But while there are 2,250 licensed women pilots, 141 of whom have commercial ratings, indications are that the nation's reservoir of 48,000 private men fliers would first be tapped.

#### Defense Week

PRODUCTION: American defense production is on or ahead of schedule, according to a survey by the National Association of Manufacturers. Of the \$18,698,000,000 worth of contracts let by May 31, 33 per cent had been completed, the association reported. Telegraphic reports from sixteen major producing areas showed that only 29 per cent of the manufacturers now complain of a shortage of machine tools, against 63 per cent in January. But changes in specifications after orders have been placed are still a major source of delay, with 59 per cent of the contractors complaining thereof.

METAMORPHOSIS: Two years ago, Edward Price Richards, a Los Angeles interior decorator, began to notice a change. Eventually the beard which he had been accustomed to shaving twice a day quit growing; his skin became soft, his hair grew fine and curly. Finally his voice changed to a contralto and his face and figure took on feminine contours. Nevertheless, he registered for the draft. Also, he fell in love and eloped to Yuma with Rosa Lorraine Wilcox. Last week, however, Richards decided to give up the struggle to remain a man and petitioned Superior Court to unscramble his life by changing his name and identity to Barbara Ann Richards. Physicians said the unusual sexual transformation might have been caused by an illness such as mumps.

DRAFT: The Selective Service System last week enrolled men who have turned 21 since Oct. 16, 1940, in the second Registration Day. Within the next few weeks, a national lottery will decide their order numbers. Local boards will intersperse new registrants at regular intervals on the old draft lists of men uninducted as of midnight, June 30.

Notes: The Naval Air Station at Bermuda was commissioned July 1... Leavenworth Penitentiary convicts making shoes and brushes for the Army struck for double pay for overtime.



THE fellow who smokes in the movies is soon reminded that he's headed for trouble unless he stops. But he's not so lucky if he drives a car with a smoking exhaust—he's probably in trouble already!

For a smoking exhaust is a common sign that something is wrong; and the trouble is often excessive engine wear that calls for expensive repairs.

Act now before your car may become a costly "smoker"—a waster of gas, oil and power.

Change *now* to the oil that prevents needless wear. Change *now* to Insulated Havoline.

For here is the extra protection of an oil that's *insulated* against heat—against those high engine temperatures that break down ordinary oils. And it's distilled to remove harmful, carbon-forming impurities.

Here, indeed, is the oil for finer performance, safety and economy. Change to Insulated Havoline now at Texaco and other good dealers everywhere.

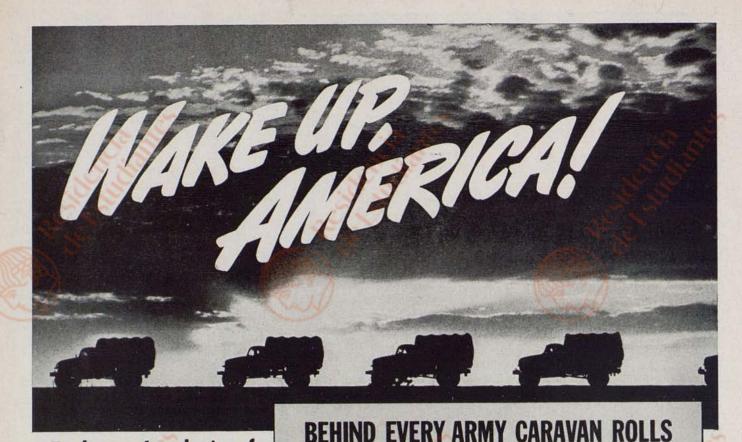


#### DON'T WAIT TILL IT'S TOO LATE!

There are 3,000,000 "smokers" on the roads in America today. You don't want your car to join the parade. Help reduce needless engine wear — change now to Insulated Havoline Motor Oil.

TUNE IN: All star radio program every Wednesday night, Columbia Broadcasting System, 9:00 E.D.T., 8:00 E.S.T., 8:00 C. D. T., 7:00 C. S. T., 6:00 M. S. T., 5:00 P. S. T.





#### Trucks speed production of planes, tanks, guns. Remove interstate barriers\_ and trucks will do still more

IN times of national emergency, I motor freight comes as a Godsent blessing. Trucks slice through time-deliver in hours shipments that might take days.

Yet trade barriers stop trucks . . . even those carrying defense materials. One state has held cargoes 48 hours and more.

Electric welders built in Detroit for a southern powder plant were detained 22 hours.

#### NATION-WIDE PROBLEM

Trade barriers hit at southern cotton flowing north to be made into gun powder and uniforms. They tie up airplane parts from Indiana defense products from the giant

new TVA plants in Tennessee. Scarcely a national highway is immune.

ADD TO TAX BURDEN <u> Trade barriers affect</u> everybody's personal budget. For although the speed and flexibility of motor freight cuts the cost of everything you eat-wear and buy

Every hour, every day, these useless burdles squander precious time -add to your defense tax burden -increase your cost of living.

-trucks could save you still more

except for state line delays.

Now that America is in urgent need of all her transportation resources, isn't it time that these barriers be abolished?

TRADE BARRIERS—con-sist of literally thou-sands of confusing regulations—countless contradictory laws on

contradictory laws weight and sizes.

- we can't jump trucks over walls like these!

This map - and complete, last-minute information on Trade Barriers-Sent to you free on request.

AMERICAN TRUCKING ASSOCIATIONS

WASHINGTON, D. C.

A FLEET OF MOTOR FREIGHT CARRIERS

#### BUSINESS · LABOR · AGRICULTURE

### Tax Bill Insures Revenue High but New Record Deficit Looms

Bulk of National Incomes Let Off Lightly in House Plan; Debt Hits \$48,961,000,000

The Federal Treasury twice put together a long string of consecutive surpluses: in 1836, when it wound up its twelfth black figure, and in 1893, when it completed nineteen in a row. It wasn't until last week, with the conclusion of the 1941 fiscal period, that its accounts had ever run into the red for more than ten consecutive years. However, when the eleventh deficit did come, it was a hum-

Casting up his accounts last Wednesday, Secretary Henry Morgenthau reported a deficit of \$5,103,000,000, the greatest on record except for the World War fiscal years. This flood of red ink came in the face of a new all-time peak of \$7,607,000,000 in Treasury tax collec-

tions, as compared with \$5,387,-000,000 in the preceding or 1940 fiscal period. The year's total expenditures, amounting to \$12,-710,000,000, also were the highest on record except for 1918 and 1919, and naturally reflected the big jump in national defense costs from \$1,559,000,000 in 1940 to \$6,048,000,000 for 1941, including \$21,000,000 already spent for Lend-Lease aid.

The deficit pushed the national debt up to the unprecedented figure of \$48,961,000,000, as compared with \$42,967,000,000 on June 30, 1940. Adding in the rapidly rising Treasury-guaranteed debt of some \$6,373,000,000, of such agencies as the RFC and HOLC, the over-all national liability now foots up to more than \$55,000,000,000, 50 times the pre-World War Treasury bur-

For all their staggering size, however, the 1941 records are doomed to quick oblivion. The current or 1942 fiscal year will see total expenditures near \$25,-000,000,000, as compared with the 1919 fiscal-year peak of \$18,522,000,000, and a deficit up around the \$10,000,000,000 mark. Indeed, some OPM officials assert that outlays for defense alone must exceed \$22,000,000,000 this vear if Britain and her allies are to be saved, which would mean a deficit of at least \$15,000,000,000.

The Treasury's receipts will also soar far above the 1941 peak this year, because of current all-time record business activity and revenue expected from the Tax Bill completed by the House Ways and Means Committee last week. This measure should produce \$3,500,000,000 in new revenues and push total receipts for 1942 across \$12,000,000,000 for another new

Although the bill still has to be debated in the House and go through the Senate, as it now stands it soaks corporations for \$1,332,000,000 of the new money. This is accomplished by lowering the exemptions and stepping up the rates on the excess-profits tax, with the maximum levy being raised from 50 to 60 per cent, and by the institution of new surtaxes on corporation incomes. The latter are designed chiefly to make corporations pay taxes on those Federal securities which are exempt from the normal income im-

The next biggest chunk of the new revenue, \$1,174,500,000, will come out of the hides of the income-tax payers. Some \$304,000,000 of this would result from the committee decision to require husbands and wives to file joint returns, while the remainder comes from new surtaxes, starting at 5 per cent, which are levied upon the first dollar of taxable income. Under the present law, only individuals with taxable incomes above \$4,000 pay surtaxes. The current 4 per cent normal tax and 10 per cent defense levy continue unchanged, as do the existing exemptions of \$800 for single and \$2,000 for married persons and \$400 for dependents.

The impact of these income-tax changes falls heaviest upon individuals in the income brackets up to \$25,000, all of whom face at least a doubled and some a tripled tax bill. Rates on individuals with incomes above \$25,000 are raised less sharply, while the tax of those with more than \$750,000 a year is unchanged.

To obtain the remainder of the \$3,500,-000,000, the committee boosted gift and estate taxes \$113,000,000 and approved a

schedule of excise taxes to raise \$904,000,000 in additional revenue. Among the "nuisance" levies, the biggest single revenue increase, \$160,000,000, comes from an entirely new "use" tax on autos, yachts, and planes, which may be collected by the sale of windshield stickers at the post

In addition, the committee imposed new 5 or 10 per cent sales levies on sporting goods, candy and gum, jewelry and watches, furs, electrical appliances, cutlery, luggage, phonographs and records, bowling alleys, cabaret charges, musical instruments, etc. Moreover, the committee hiked the rate on distilled liquors from \$3 to \$4 a gallon, and doubled the impost on tires and tubes, refrigerators, and also on new autos, which would be raised to 7 per cent of the purchase price. Another innovation was the onesixth-of-a-cent-a-bottle levy on soft drinks, but present rates on beer were left unchanged as were the levies on gasoline and to-

The day after the committee finished this huge bill for the taxpayers, Morgenthau announced a pay-as-you-go plan (Continued on Page 42)

"The Washington Pincer Offensive"



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#### BUSINESS TIDES

#### The Outlook for Stock Prices

by RALPH ROBEY

It has been something over eight months since this column had anything to say about the probable trend of prices on the stock market. The reason for this will be obvious to everyone who has given any attention to the market. Since the slight rally in the last days of the Presidential campaign nothing has happened in connection with stock prices that was of any possible news value.

There was a slow, gradual decline between November and the middle of February, but since then the market has practically stood still. For the past five months the average level of prices has not varied more than 5 points in either direction from 120, as measured by the Dow-Jones index, which in view of the thinness of the market is about as noteworthy as having the temperature of the weather vary by 1 degree. Small wonder, therefore, that during all of this time one could lunch with Wall Street economists day after day without so much as hearing a mention of the market. And usually if he attempted to turn the discussion to the subject of stocks and asked: "What is the market doing?" he got the sim-ple and conclusive one-word answer: Nothing."

But at last, according to those who watch such developments with care, interest in the market is beginning to broaden out, so once again the probable trend of stock prices is worth considering.

First, note that there is an extraordinary list of factors which are of distinctly favorable nature from the point of view of stock prices. Without any attempt to be complete, the following may be mentioned: Business is going forward by enormous strides, and there is every indication that the upward trend will be continued for many, many months, and perhaps years into the future; the government is pumping tremendous sums of purchasing power into the economic system, and the outlook is for still greater amounts as time goes on; wages and employment are both climbing steadily, and no appreciable reduction in this buying power is being made by taxation except for about 5 per cent of the population; agricultural income is soaring to new high levels; and commodity prices as a whole are moving slowly upward, and in a growing number of cases the rises are assuming more and more of a runaway character.

Left to itself that list of inflationary forces would give us a market reminiscent of 1928-1929. But of course it is not being left to itself. Offsetting these developments is an equally long and powerful list of unfavorable factors. Among these may be noted: the new Tax Bill, which is certain to hit hard at business profits; the constant climb of wages, which, in combination with the price fixing by the government must have an adverse effect upon the probability, or even the possibility, of business earnings; the confusion and readjustment which necessarily would follow a negotiated peace, even though we made every effort to go ahead with our defense program; and hit-and-miss policy of the government in fixing priorities and the apparent inability of the Administration to work out either a well-integrated program of what is essential for defense or an organization capable of handling the program such as it is in an efficient manner; and the fact that in the case of practically every major industry as a whole there is an overhanging black cloud, ranging all the way in importance from the forced cracking up of the utilities to the arbitrary cracking down on oil by Secretary Ickes.

Add to these bearish forces the further fact that, since stock prices on the average are lower today than a year ago, it has cost potential investors nothing to sit on the sidelines, and it is easy to see why the market month after month has been able to absorb almost any news with nothing more than a quiver. The question is whether this situation is going to continue or whether we are approaching an end of the stalemate.

In the opinion of many of our most careful stock-market analysts we are approaching an end of the stalemate. As stated above, the public is again beginning to show signs of interest in stocks. These observers believe, therefore, that it is quite probable that in the near future we will see the market start to move, and the odds are, according to them, that the move will be on the upside.

# WORLD CHAMPION



MISS MARGARET HAMMA, operating an IBM Electromatic Typewriter, established a new professional world's record of 149 words per minute for one hour.

The first half-hour of this performance won for her the amateur championship.

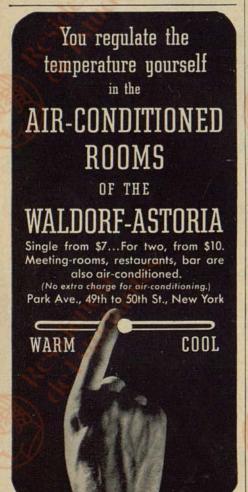
These records were made in competition with 8 other professional contestants and 44 other amateur contestants from various parts of the United States and Canada. The competition was held under the auspices of the Ninth Annual International Commercial Schools Contest in Chicago, on June 19 and 20, 1941.

INTERNATIONAL BUSINESS MACHINES CORPORATION









(Continued from Page 39) intended to ease the blow a bit and, incidentally, bring the money into the Treasury well in advance of March 15. Under his scheme, individual incometax payers at any time during the year may buy Treasury notes in \$25, \$50, and \$100 denominations which bear interest at the rate of 1.92 per cent if used to pay taxes. They may not be used as collateral for a loan but can be cashed, though with a loss of interest, at any time, and are acceptable for any back or current income taxes up to \$1,200 a year. For corporations and individuals with huge liabilities, the Treasury offers a similar series of notes paying only .48 per cent interest.

#### Significance---

The new bill will impose a tax burden upon the country far closer to that carried by Great Britain than is generally realized by most observers, who compare only income-tax rates. If allowance is made for the heavy state and local imposts in this country, the ratio of tax payments to national income for the 1942 fiscal year will be around 25 per cent, while for Britain it will be 28 to 30 per cent for the same period.

These huge burdens justify a searching criticism of the bill's defects, outstanding of which is its failure to tax the bulk of the population—those with incomes of less than \$3,000 a year who, while getting 70 per cent of the national income, pay only 3 per cent of the income taxes, and the farmers, whose tax payments have actually declined 32 per cent since 1929. If these two groups paid their fair share, as they do in Britain, the two countries' tax burdens would be virtually identical. Moreover, a tax imposed upon those groups would help curb inflationary forces, something the new bill fails utterly to do.

#### Aviation

Model Planes of 1,300 Compete in Chicago National Tourney

The biggest gathering of model-plane enthusiasts each year occurs at the National Model Airplane Championships in Chicago, sponsored by The Chicago Times and the Chicago Park District. Here, in both indoor and outdoor events, awards are made in various classifications, including radio-controlled craft and models powered by rubber bands and by tiny gasoline engines.

At the fourteenth annual meet, held last week, about 1,300 contestants, average age 19, participated, including some 200 girls. Henry Struck of Jackson Heights, L. I., won the grand prize—the Exchange Club National Trophy-with 175 points scored in rubber, gas, and indoor-model events, while a second-place tie of 150 points was scored by Stanley Stanwick, a 19-year-old sailor sent to the meet by the Navy from its Pensacola, Fla., base, and Ray Beaumont of Philadelphia. Jim Walker, 37, of Portland, Ore., won the national championship in the radio-controlled division with a 6-foot wingspread plane that performed figure eights and S-curves at a 300-foot altitude.

About 90 per cent of the 2,000,000 model-plane builders in the country assemble their craft from kits supplied by more than 100 manufacturers who last year did a business conservatively estimated at \$10,000,000, the two largest being Comet Model Airplane & Supply Co. of Chicago and Megow's of Philadelphia. While prices range up to \$15 for a 9-foot wingspread model, not including wheels or power plant, the great majority of sales consist of toy gliders costing 5 or 10 cents each. The miniature gasoline engines, weighing

#### HOW RAILROADS GIRD FOR DEFENSE BY BUYING NEW FREIGHT CARS

Monthly Averages	1941
1929	Jan. Distribution
	Feb.
1936	Mar:
1939	Apr. PROPERTY OF THE
	мау принципи
1940	June distribution and the second

Each symbol represents 2,000 cars

Newsweek chart—McLaughlin

Boom: The Railway Age last week reported that the nation's railroads bought 29,799 new freight cars in June, highest for any month since 1924, and more than were purchased in any full year between 1931 and 1935.

## THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Statement of Condition, June 30, 1941

#### RESOURCES

Cash and Due from Banks										. \$	31,311,004,575.02
U.S. GOVERNMENT OBLIGATIONS, DIR	ECT	r Al	ND I	FUI	LY	GU	AR.	ANT	EE	D	1,437,224,912.17
STATE AND MUNICIPAL SECURITIES											122,867,035.34
STOCK OF FEDERAL RESERVE BANK	3.00										6,016,200.00
Other Securities											163,109,750.33
LOANS, DISCOUNTS AND BANKERS' A											773,392,278.82
Banking Houses											38,408,355.36
OTHER REAL ESTATE											7,066,325.35
Mortgages	10.00			-				0.00			10,495,534.00
Customers' Acceptance Liability											9,597,216.00
OTHER ASSETS			( L			100					9,978,354.27
										\$	3,889,160,536.66
										74	

#### LIABILITIES

APITAL FUNDS:							
CAPITAL STOCK							\$100,270,000.00
Surplus					1		100,270,000.00
Undivided Profits	1		-	Ş	36	*	37,183,100.35

				-		 ,,,	
			100				\$ 237,723,100.35
DIVIDEND PAYABLE AUGUST 1, 1941	1.		20.00				5,180,000.00
RESERVE FOR CONTINGENCIES							10,650,665.72
RESERVE FOR TAXES, INTEREST, ETC							1,595,815.64
Deposits					7.0	398	3,615,427,528.41
ACCEPTANCES OUTSTANDING							
LIABILITY AS ENDORSER ON ACCEPTANCES							275,949.59
Other Liabilities					70		6,852,865.84
							\$3,889,160,536.66

United States Government and other securities carried at \$162,927,930.00 are pledged to secure public and trust deposits and for other purposes as required or permitted by law.

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Newsweek photos by Pat Terry

Big business in little planes: to balsa, glue, and paper . . . add a gas engine . . . and you have a model plane

only a few ounces, that power the more expensive models, range from \$4.95 up to \$49.50 and are made mostly by separate companies, just as in the full-size aircraft industry, with about half a dozen firms accounting for a major proportion of total sales.

Model-plane and engine manufacturers are already being hampered by materials shortages, especially aluminum, rubber thread, and balsa wood, which is imported from Ecuador and because of its light weight is being bought in large quantities by the Navy for rafts and life preservers. However, they have applied to the OPM for a priority rating on the ground that miniature aircraft are not toys but the instruments for training thousands of youths in basic aeronautical principles.

The successful use of gliders by the Germans in capturing Crete highlighted the military value of motorless aircraft (Newsweek, June 9), and in recent weeks a group of United States Army officers have been undergoing training at Elmira, N. Y., in the technique of soaring. Their presence lent a semimilitary atmosphere to the twelfth annual gliding and soaring contest at Elmira last week, in which more than 100 of the nation's leading sailplane pilots competed, including one woman, Helen Montgomery of Detroit. As further evidence of the defense importance of the meet, German gliding enthusiasts, who figured prominently in past competitions, were this year barred from participating, although Russians were invited.

As the first week of the two-week contest ended, Chester Decker, 1939 national champion, led the field with a 225-mile flight to Hartford, Conn., while John Robinson, last year's champion, was second with a 152-mile flight to Cementon, N. Y. Numerous other attempted flights were prevented by adverse weather conditions, and an Independence Day crowd of 10,000 spectators had to be contented with watching short take-offs, with most pilots actually grounded.

#### Bulova Boom

"Three o'clock, Bulova Watch time!" is familiar to every radio listener. Employes of the watch company even give out the time of day in this fashion in place of the usual "Hello" when answering the phone.

Founded in 1875 by Joseph Bulova, Bohemian watchmaker and goldsmith who came to America when he was 18, the Bulova Watch Co. now makes about 40 per cent of the high-grade watches in the United States. Bulova's sales hit a new all-time peak in 1940 and have continued to gain this year, reflecting the fact that retail jewelry sales are up 28 per cent for the first five months this year. As a result, the annual report released to stockholders last week showed that, despite heavy taxes, earnings for the year ended March 31 had jumped 17 per cent to \$2,363,-236

The company's watches are made in four factories in the Northeastern United States, with some parts being turned out in the company's Switzerland plant, which is still delivering movements to America despite the war. Actual production is now under the supervision of Arde Bulova, son of the founder, who is chairman and treasurer. Avoiding personal publicity, Bulova divides his time between the watch business and his radio interests. He controls four radio stations and is part owner of two others, which may influence the fact that Bulova time is broadcast hourly every day over 203 stations.

Bulova is at work on Army contracts for mechanical time fuses and, according to the annual report, is doing this work at actual cost.

#### Union vs. NLRB

Many an employer who has long felt that the way to turn a radical into a Tory was to give him property or let him meet a payroll got a hearty horselaugh last week out of the plight of the National Labor Relations Board. They learned from a column by Paul Mallon that this long-time critic of management was having labor troubles of its own, that it was accused of being "anti-union" and of resorting to practices forbidden private employers under the Wagner Act.

For a number of years the NLRB has had a signed agreement with a union unaffiliated with either the CIO or the AFL, but which is presumably not a "company union." While not applicable to wages and hours, this agreement governed seniority and promotions. Hence when the board brought four lawyers in from the outside to fill jobs paying \$3,200, more than many staff attorneys got, the union protested and retained an outside attorney to represent it in bargaining for an agreement that would assure promotions from within.

It was during the ensuing conferences that the board was accused of being antiunion, and of having asked employes to accept a meaningless agreement. Also in the
same meetings, employes heard Dr. William S. Leiserson of the board make typical
employer criticism of the union's contract,
particularly for its having donated funds to
leftist organizations, and Chairman Millis
resist the union's promotion demands on
the ground that such a clause would interfere with management discretion. Needless
to say, dozens of private employers have
been exorcised by the board for uttering
just such sentiments.

A major factor back of the ruckus with the employes is the reorganization and eradication of incompetent and radical personnel that has been under way at the board since Leiserson and Millis took office.

¶ The North American Aviation Co. agreed to a contract with the United Automobile Workers, proposed by the National Defense Mediation Board, which called for a 10-cent-an-hour wage increase and a "maintenance of membership" clause. The latter would require all employes who were members of the union on



# Sometimes a Man Sees Things Clearer ... in a Shaded Room

Beyond the window, children are laughing in the sun ... the grocer's boy whistles as he comes up the sidewalk ... a truck rumbles past.

But in the stillness of his room, Joe Clark isn't thinking of the busy world he'll soon be going back to.



He's thinking of the night two weeks ago when Marcia's pleading eyes and the doctor's anxious face told him how desperately ill he was.

For in those fevered hours when no money could have bought protection for Marcia and the children, he understood—as few men ever can—how much the security he had given his loved ones really meant.

And he's remembering how thankful he felt then to his friendly Prudential agent for having persuaded him to take out life insurance years before—when death seemed so vague and far away.

#### What Life Insurance for Men of Modest Means?

Among its various *Ordinary* policies, The Prudential offers one which is specially suitable for men who cannot count on putting aside more than a very few dollars a month for permanent life insurance protection.

#### Q: What is this policy?

A: The Prudential Whole Life policy on which premiums cease at age 85. It gives you life insurance protection as long as you live and is issued in amounts of \$1,000 and more.

#### Q: How much are the premiums?

A: At age 30 you can get a \$1,000 policy for \$22.33 a year. Dividends usually begin at the end of the second year. And, of course, any dividends credited will reduce the cost.

This is just one of The Prudential's many policies—each designed to fit the particular life insurance needs and circumstances of different individuals and families.

The Prudential

HOME OFFICE · NEWARK, NEW JERSEY



INSURANCE COMPANY
OF AMERICA

May 1, or who subsequently join, to remain in good standing as a condition of employment, although nonunion workers need not join. Next day, President Roosevelt turned the airplane plant back to its management.

#### Canning Campaign

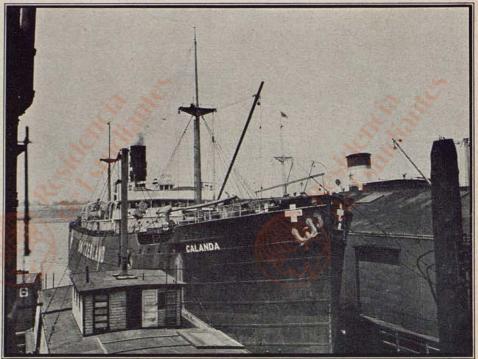
Shortage Threat Spurs Action to Conserve Food Surpluses

In 1917-18 the slogan "Food Will Win the War" impressed upon Americans the importance of food conservation as a wartime emergency measure. That the nation's food supply is likewise of concern in the present situation was indicated last week by two announcements by the Office of Price Administration and Civilian Supply. One, outlining a national campaign "to prevent fruits and vegetables from going to waste this summer," explained that Boy and Girl Scouts, 4-H Clubs, and other volunteers are to be used to locate and collect local food surpluses for distribution through school and playground lunch programs, community kitchens, etc. Those products not consumed immediately will be canned, dried, or stored, using the preserving equipment of churches, community centers, and school home-economics departments.

The other action, also directed toward preventing the loss of perishable fruits and vegetables, consisted of an OPACS order giving an emergency preference rating to deliveries of material and equipment needed by the canning industry for construction and repair of its machinery. This is designed to prevent a threatened shortage of such machinery in the face of this year's booming demand for canned goods.

The latter situation reflects not only rising consumer buying power, but also Army purchases and shipments abroad under the Lend-Lease program. The men in the newly expanded Army eat about four times as much canned goods as they did when they were in civilian life. And allocations to Britain and other countries so far this year in the case of two items alone, canned salmon and tomatoes, amount to 1,300,000 and 15,000,000 cases respectively.

The soaring demand, combined with increased wages and other packing costs and, in a number of instances, small carry-overs and insufficient new supplies, spells higher prices to consumers for many canned-food items. Thus, opening prices for Elberta freestone peaches on the Pacific Coast last week ran about 15 per cent above last year, and higher prices were likewise posted for Hawaiian pine-apples. An acute shortage has developed in California tuna, with the pack about half of last year's at this time, and the



lewsweek by Pat Terry

The S. S. Calanda, first ship under Swiss registry, reaches New York

trade also foresees a short supply of salmon.

On the other hand, tomato acreage is up 11 per cent over last year and the condition of the crop is above average. Nevertheless, the total yield is unlikely to be large enough to make possible the 50 per cent increase in the canned-tomato pack requested by the Department of Agriculture under its Food-for-Defense program.

#### Week in Business

Swiss Fleet: The Calanda, first Swissregistered merchant ship in the 650-year history of the little nation, steamed into New York Harbor to pick up a load of grain-and thus took a little of the point away from the old gag about the Swiss Navy. Documented under a law passed by the republic in April, the world's newest merchant marine clears from Genoa, although its port of registry is Basle, on the Rhine. Two other merchantmen were recently transferred to the Swiss flag, and on July 3 in New Orleans a fourth was purchased from the Standard Fruit Co. Earlier in the war, the tiny landlocked republic chartered foreign-flag tonnage to keep its trade moving through the blockaded waters.

MILKERS' WOES: A strike of 23,000 milk producers in the New York milkshed for higher prices was actively supported by Owen D. Young, retired chairman of the General Electric Co., who is now an upstate farmer. With New York City facing the prospect of fluid-milk rationing, Gov. Herbert H. Lehman intervened and urged

the dairymen to petition the Federal government for an immediate hearing on their demands.

GASOLINE: In order to help cope with the shortage of gas on the East Coast, Petroleum Coordinator Ickes asked state and city highway patrolmen to make a "few judicious arrests" of jackrabbit drivers who start their cars with a leap or who also waste fuel with smoky exhausts . . . Ickes also announced that two of the Navy's largest tankers, with a capacity of 150,000 barrels each, would be made available to bring oil from the West Coast . . . President Roosevelt signed a bill which will permit coastal tankers to increase their loading limits, stepping up deliveries to the East by about 30,000 to 40,000 barrels daily.

Business Notes: Leon Henderson postponed proposed price ceilings on tires because the rubber industry assured him that prices could be controlled on a voluntary basis and announced that General Motors had voluntarily promised not to raise car prices without consulting him . . . The Penn-Mex Fuel Co., subsidiary of the Consolidated Oil Corp., accepted \$300,000 cash in full settlement for properties confiscated in Mexico in 1938 . . Raggedy Ann is the name given by Firth Carpet Co. to its new "glorified rag" hooked-style and broadloom carpets introduced this week after a two-week mystery advertising campaign . . . Orders received by the General Electric Co. during the first six months of the year established a new record, totaling \$521,139,000, compared with \$212,653,000 in the same period last year.



#### TIRES DON'T SUNBURN. THEY HEAT-BURN

It's heat that "burns up" rubber, that causes tires to wear nearly twice as fast in the summer as they do in the winter. It's heat that causes more blowouts and tire troubles during the summer, too. The new Fisk Safti-Flight is built to resist heat, to give you more anti-skid mileage, more blowout protection.



GRIP! Each of the seven ribs of the Fisk Safety Stripe Tread is actually an endless, antiskid chain of individual tread blocks linked together by white strips of flexible cushion rubber (inlaid to full depth of the ribs). As you step on the brake these tread blocks pile up against each other in a continuous wedging action—grip the road, stop you quicker.

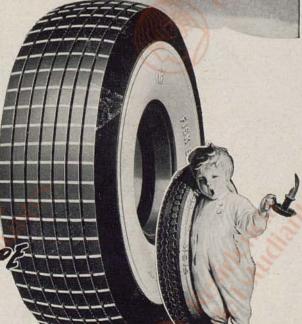


A SMOOTH, FLOATING RIDE! The independent spring action of each tread block in the Safety Stripe Tread absorbs road bumps, gives you a noiseless, floating ride that's as smooth as flying. And this wide, flat tread of tough wear-resisting compound, puts more rubber on the road, adds thousands of miles of service.



HEAT PROTECTION! Outside heat from sun-baked roads plus inside heat generated by constant flexing may cause ply-separation and blowouts. In the new Fisk Safti-Flight tire, the anti-friction cotton cords are safety-sealed in pure latex to resist this destructive heat! (The Safti-Flight Super Rayon tire, at extra cost, runs even cooler, gives greater blowout protection, especially at high speeds.)





TIME TO RE-TIRE
REG. U. S. PAT. OFF.
"GET A FISK"

The New FISK SAFTI-FLIGHT

FISK TIRES, CHICOPEE FALLS, MASS. • DIVISION OF UNITED STATES RUBBER COMPANY

#### SPORTS

#### Husky Chicagoan Outdrives Arkansas Tee Queen to Win First Women's Intercollegiate Tourney

Dying for Dear Old Rutgers is an almost exclusively masculine privilege. For the athletically inclined male there are national intercollegiate tournaments in almost every sport from weight-lifting to tiddlywinks. But for the co-ed who also yearns to bring honor to the old school, there is precious little but fencing as an organized intercollegiate sport.

Last week a new and golden vista opened before the eyes of feminine college athletes—golf, with the first National Women's Intercollegiate Tournament at Columbus, Ohio, June 30 to July 3. Twenty-six of the fair sex from twenty schools ranging from Arizona U. to Michigan State teed off over the Ohio State University course in the qualifying round.

Par over the short course for women was set at 79, and two contestants promptly fractured it—Marjorie Row of Michigan State with a record-breaking 75, and Alberta Little of Rollins, who dislikes her first name and calls herself "B," with a 78. From there the scores ranged up to 116; ten were over 90.

With the field narrowed to sixteen, the girls began their match play for the title,

and the upsets began. Despite her beautiful medal performance of the first day, Miss Row fell victim to a blonde in the semifinals—EdDell Wortz, 5-foot-1, 110-pound Arkansas State champ from Stephens College of Columbia, Mo. Miss Wortz had qualified with a terrible 89, fourteen strokes over Miss Row's mark, and her victory over the medalist may or may not prove something about women and golf. In the other bracket Eleanor Dudley, a husky but comely Chicagoan from the University of Alabama, set a steady pace through day after day of 90-degree heat to eliminate her opponents and win a place in the finals.

With the chips down on the last day, Miss Dudley was deadly. Hitting consistently over 200 yards off the tee, she made use of her power and experience to nullify an early pair of birdies scored by the freshman from Stephens, and the pair were all even at nine holes under showers and cloudy skies. Coming in, however, the 23-year-old Chicagoan shot one-underpar golf to beat her diminutive rival 4 and 2.

The first women's national intercolle-

giate golf champ is a member of Alpha Phi sorority. She didn't play on the Alabama team because out-of-staters are barred, and she will never defend her title because she was graduated in May. As to immediate plans, Miss Dudley has none, though she thinks she may eventually teach physical education, her major study. All that was important last week was getting home to tell her proud papa, Harold Dudley, a vice president of the Pullman-Standard Car Manufacturing Co., how she did it.

#### Ten Rounds of Revenge

Banished "for life" and belabored in print for fouling Fritzie Zivic deliberately in the second round of their welterweight title bout last November, Bummy Davis of Brownsville, one of Brooklyn's more hard-boiled purlieus, joined the United States Army. Abruptly the New York State Boxing Commission changed its mind and rescinded his exile from the New York ring. Bummy was permitted a furlough from his duties at Fort Hulen, Texas, to fight the Pittsburgh champ again in an over-the-weight, non-title contest at the Polo Grounds, New York, July 1, with the Army Relief Fund benefiting.

Rain and an underweight box office forced postponement of the scrap until the following night, and it would have been just as well for Pvt. Albert Davidoff,





Acme

Fists and Flowers: On June 18, Joe Louis put Billy Conn to sleep and kept his title. But last week Cupid KO'd Louis and smiled on Conn. Joe's wife, the former Marva Trotter, sued for divorce in Chicago July 2; Billy's girl, Mary Louise Smith, said 'yes' despite her father's 'no,' and they were married July 1. the erstwhile Bummy, if the postponement had lasted forever. Resentful at the low blows Davis had landed seven months before, Zivic floored his opponent at the end of the first round with a whizzing right. From then on until the tenth, he managed to hold the Brooklyn bad boy upright while he administered an artistic beating. Finally human nerve and flesh refused the role of a punching bag any longer, and Davis went out—but still on his feet. Mercifully, Referee Arthur Donovan scooped the bemused, beaten, bewildered Bummy into his arms and sent him back to the Army.

¶ Buttonholed by reporters while golfing in Detroit two days after his wife had sued for divorce (see caption on page 48), Joe Louis sadly admitted that the Conn fight had made him think he was on the downgrade as a scrapper. "I ain't nearly the fighter I used to be," the champ sighed. "I guess I'se slipped pretty far."

#### Halfway to the Flag

One of the most consistent performers in the Don't You Believe It League is the old baseball chestnut that the team in the lead on the Fourth of July wins the pennant. Last year, for example, the Brooklyn Dodgers and the Cleveland Indians were on top July 4—and what happened? Both teams fell apart late in the season, and the Cincinnati Reds and the Detroit Tigers copped the flags.

Strictly for the record, on the morning of July 4, 1941, the New York Yankees were out in front of the American League by three full games, while the Dodgers and St. Louis Cardinals were tied at the top of the National. Rain washed out the double-headers scheduled for the Yankee Stadium and Ebbets Field in the afternoon. By winning their two games, however, the Indians narrowed the Yanks' margin to two games. The hapless Cardinals dropped a pair and saw idle Brooklyn go ahead by one game.

¶ Baseball fans all over the United States were wondering last week when Joe Di-Maggio would stop his consecutive-game hitting streak. After eclipsing George Sisler's modern record of 41 on June 29 (Newsweek, July 7), the Yankee center-fielder on July 2 passed Willie Keeler's all-time 44-year-old mark of 44. Rain kept the Yanks indoors July 3 and 4, but next day DiMaggio hoisted the first ball offered him into the stands for a homer. In the double-header of Sunday, July 6, Joe collected four hits in the first game and two in the nightcap, stretching his streak to 48 games.

¶ After taking the long trudge from the pitcher's mound to the coaching lines early this season (Newsweek, May 26), Jerome Herman Dean of the Chicago Cubs finally left organized baseball altogether last week



#### Raw Open Cracks FLASH DANGER

Athlete's Foot fungi feed on dead skin and stale perspiration. When the skin cracks open, they strike through those cracks and spread quickly. Toes redden and itch painfully. Patches of dead skin flake off. You know it's Athlete's Foot!



# **SOAK those Cracks TONIGHT!**



Don't take chances! Look between your toes tonight. Soak even the tiniest cracks with Absorbine Jr., full strength, night and morning!

- Absorbine Jr. is a powerful fungicide. It kills the Athlete's Foot fungi on contact.
- It dissolves the perspiration products on which Athlete's Foot fungi thrive.
- 3. It dries the skin between the toes.
- It soothes and helps heal the broken tissues.
- 5. Eases itching, pain of Athlete's

Guard against reinfection. Boil socks 15 minutes. Disinfect shoes. In advanced cases consult your doctor in addition to using Absorbine Jr. \$1.25 a bottle at all druggists. Get a bottle today!

Also QUICK RELIEF for:

Sore, aching muscles . Tired, burning

feet · Sunburn · Bites of mosquitoes and other small insects.

## ABSORBINE JR. Kills Athlete's Foot fungi on contact!

Fungi growing fast Photomicrograph of Athlete's Foot fungi, This parasitic plant life burrows under the tissues, irritates delicate nerve endings. No wonder Athlete's Foot causes such severe pain!



Fungi dead
Photomicrograph
showing that
Absorbine Jr. kills
Athlete's Foot
fungi on contact.
No longer can
they grow, causing
pain and misery.

Sample Bottle FREE

W. F. YOUNG, INC., 220M Lyman St., Springfield, Mass. Mail me a FREE sample bottle of Absorbine Jr.

Name \_\_\_\_\_\_\_Address\_\_\_\_\_

City\_\_\_\_

#### SPORT WEEK

#### '—And the World Is Mine'

by JOHN LARDNER

One reason I would like to see Fiddler Bill McGee, the unfortunate New York Giant pitcher, make good is because the Fiddler has a soul. Souls are rare among modern ballplayers, no matter where you dredge.

Now, suppose the Fiddler were to break Rube Marquard's major-league record of winning nineteen games in a row. Do you think he would celebrate by playing three rubbers of bridge or going to a movie? Not if I appraise the Fiddler's psyche correctly. He would tuck his trusty violin beneath his equally trusty jaw and croon a soft accompaniment to "Aunt Hagar's Blues" or "Chicken Reel" or "Missouri Waltz."

They tell me Joe DiMaggio, when he

smashed Willie Keeler's mark for continuous hitting last week, memorialized the occasion by seeing a movie and playing a few sordid hands of cards. No music. No harmony. No spontaneous outpouring of the troubadour's art, under the shower or elsewhere. And that's the trouble with baseball today.

The time was when singing, quartet or solo, was the great comfort of a ballplayer's life. Along with poker. I do not wish to harp too querulously on this point, but poker is the natural complement of music. They go together. The world today is a bridge world, and bridge players are largely tone deaf. If any bridge players wish to sue me, I refer them to my attorneys, Papke & Lepke. Especially Papke. He plays contract.

You think Bill Terry has a cold soul? Not at all. Terry in his time was one of the finest baritones that ever sang harmony in a Pullman car. Among his former singing partners is Billy Southworth, now managing the St. Louis Cardinals. These two boys should go

The greatest of baseball troubadours, perhaps, was G. Harris (Doc) White of Chicago's Hitless Wonders of 35 years ago. To show you the power of music, Mr. White, a southpaw pitcher, still holds the record for consecutive shutouts in a season-five.

The Doc was a good singer in all styles and a fine musician. He wrote tunes himself, among them a very pretty number called "Little Puff of Smoke,

Good Night," which was right up in the Ernest R. Ball league. The hepcats and tin-ears of today do not know Mr. Ball, to their cost. He was the ballplayer's song writer. For instance, in the resonant ballad "Love Me and the World Is Mine," where the words go "I only know I love you." The jump from "I" to "love" is only from C, the tonic, to F, but it sounds as though you are climbing a million dollars' worth to hit a high one. Anyone can do it. It is the barroom and Pullman singer's dream.

Most of the troubadours have vanished from baseball. One of the last to go was Joe Shaute, the sweet singer of Electric Street, Peckville, Pa. A few years ago Joe was still pitching a win now and then for Brooklyn, and when he won the world knew it, for the strains of "When Irish Eyes Are Smiling" emerged in a silver flood from the windows of the Dodger dressing room. Joe was opera-trained and showerbathminded.

Yet he himself, in brutal fashion, drove another great minstrel from the big leagues. One day in 1924 he hit his first and only home run for Cleveland, against the Yankees. The Yankee pitcher was Al Mamaux, a honeythroated tenor and banjo virtuoso. Mamaux was released next day.

Still in action, and still singing sweetly, is Buddy Hassett, the Bronx thrush, now with the Boston Braves. Casey Stengel, his manager, insists he does not care for music, yet he carries Mr. Hassett with him wherever he goes. A tenor can be useful as well as heartbreaking.

On a train going south one time, a baby in the seat behind Mr. Stengel began to cry and pursued this vein for an hour and a half. Mr. Stengel summoned Hassett. He introduced him to the child's mother.

"This is Mr. Hassett, my tenor singer, madam," said Casey with old-world courtesy. "He will now sing your infant

to sleep. Proceed, Hassett."
One chorus of "Mighty Lak a Rose" from Mr. Hassett, and the tot was in dreamland. Mr. Stengel has never for-

"It was worth five base hits to me," he says in simple tribute.

end for a sports-broadcasting job with a brewing company in St. Louis.

¶ The sharpest tongue in baseball belongs to the 44-year-old Jimmy Dykes, manager of the Chicago White Sox, and last week for the umpty-umpth time it got him into trouble again. The soap and water administered by President Will Harridge of the American League: indefinite suspension for using "obscene and abusive" language while disputing a decision in a game with the Indians July 5.

2,753.85-to-1

Long-shot players at Delaware Park celebrated Christmas on July 4 when the daily-double combination of Forest Do and Sun Monia took the first and second races. A \$2 ticket showered \$5,507.70 on each of the seven psychic bidders betting the pair-seventh largest double pay-off in U.S. turf history. The largest: \$10,772.40 on Aug. 14, 1939, at Washington Park.

#### FOURTH ESTATE

British Children in America Span Ocean With 'The Bridge'

On the day France fell, Mrs. Evelyn Fayrer Turner, a refugee worker, was forced to flee from Bordeaux on a coal boat bound for England. However, the Englishwoman's relief activities suffered only a temporary setback; the intrepid Mrs. Turner was quickly chosen as chief escort to the first group of British refugee children being evacuated to America.

During the transatlantic crossing to New York last August aboard the 19,597-



Newsweek by Pat Terry

Evelyn Fayrer Turner

ton steamship Samaria, Mrs. Turner noted that her young charges felt less concern over the menace from submarines and bombers than they did about losing contact with their homeland. Groping for the proper antidote, Mrs. Turner conceived the idea that a magazine would bridge that gap between Great Britain and North America. And last March, through untiring effort and resourcefulness, she succeeded in the publication of an experimental issue of The Bridge—a magazine for the 7,000 children evacuated to the United States and Canada.

The immediate response was enough to warm any struggling publisher's heart: contributions, from \$2 to \$125, flowed in; Manhattan office space was donated; subscriptions were received from as far off as South Africa, and British children everywhere begged that the magazine be continued. Moreover, they were eager to contribute their own poems and articles. Thus encouraged, Mrs. Turner rolled up her sleeves and pitched in. Together with her co-editor, Stanley Nott, a former London publisher, she set The Bridge's editorial rooms at 17 East 49th Street to humming with the noise of clicking typewriters operated by a staff of youthful volunteers.

Last week a second issue of The Bridge, a bimonthly selling for 35 cents a copy or \$2 a year, was ready for its juvenile readers. On the cover of the 64-page magazine was a symbolic montage of London's Houses of Parliament, the English countryside, Ottawa's Parliament buildings, and New York City's skyline with the Statue of Liberty in the foreground, Inside was a warm welcome from the King and Queen, the Duke and Duchess of Windsor, Prime Minister Churchill, and Lord Halifax.

The Bridge's content is calculated to appeal to a wide variety of juvenile tastes. One section, "Small Sizes," designed for younger readers, contains whimsical stories and anecdotes in the A.A. Milne manner. To top this off, there are cartoons, drawings, and a "Quips and Quizzes" department. No answers are supplied to the quizzes, one of which asks: "What is the color of the eyes of a high caste elephant?"

But the most popular section of The Bridge is its four pages of poetry. A typical stanza from "The Spirit of London" written by 10-year-old Ellen Kelly:

The houses in London are shaking, And buildings in ruins crash down. Bombs are falling, fires are blazing But people smile! and go ON!

#### Yes or No on War

Both the publishing cousins, Joseph M. Patterson of The New York Daily News and Col. Robert R. McCormick of The Chicago Tribune, saw service in France



ONE DAY he's delivering (before contract date) the 300th basic training plane. Next day he's probing the secrets of a Messerschmitt 110 captured by the British. He's Chairman of the Vultee Aircraft Board, President of Aviation Manufacturing Corp., an executive officer of Stinson Aircraft, Lycoming Engines, Spencer Heater and Auburn Central Manufacturing.

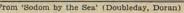
Associates call Harry Woodhead "the busiest man in America." Huge defense orders for pursuit ships, combat planes, attack-bombers and trainers pour in—because his men "get 'em into the blue"—fast!

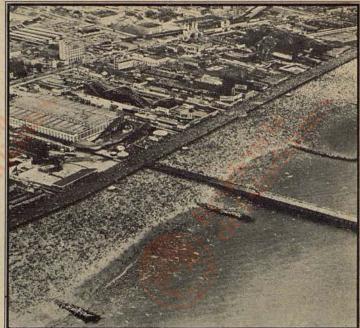
Factory space, employment and production have shot up almost unbelievably — and each adds responsibilities, extra details. Mr. Woodhead, who takes it all in his stride, says, "my greatest time saver is my Ediphone. It enables me to increase my own efficiency, lets me dictate correspondence, notes and data any time, night or day. What's more, my secretary would probably refuse to work without it."

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Wide World

Razzle-dazzle Mecca: a towering elephant landmarked old Coney, but subways brought the surf into its own

during the World War. Today, their two influential newspapers are bulwarks of isolationism, battling war talk with punchy editorials and gruesome warwarning cartoons. A fortnight ago, the two publishers decided to find out how their fellow citizens felt on the question "Shall the United States enter the war to help Britain defeat Hitler?" by postcard polls of registered voters in their respective states: New York, an interventionist hotbed, and Illinois, an isolationist stronghold.

The News, which has conducted election polls since 1928 with 82 per cent accuracy, led off in the latest straw vote. Under Patterson's direction and at an estimated cost of \$25,000, the tabloid sent ballots to 696,011 citizens, or one out of every ten Empire State voters. Last week a staff of 100 was busily tabulating the ballots.

In Chicago, a similar staff was also tabulating at top speed. The Tribune's poll was more limited in scope than that of The News, polling only 257,000 voters in Chicago, the rest of Cook County, and nine scattered downstate cities.

Although it was still too early this week to draw anything but the vaguest conclusions, one fact was certain: the Patterson and McCormick isolationists were enjoying a comfortable lead. Tuesday found the New York State interventionists trailing their opponents, 15,487 votes to 33,859, while in Illinois, the isolationists held the upper hand with a percentage of 78.31.

Many of the returns came back with unsolicited remarks. Comments from the yes ballots: "What are you waiting for—a bomb in your back yard?" "We are yellow if we don't." And from the noes: "Why send our boys to be killed for other countries' troubles?" "We still have a hangover from the last one. Hands off!" "No second AEF!"

#### BOOKS

#### Paradise of Proletarian Fun

It is typical of Coney Island, where misrepresentation has been developed into an art form, that it isn't an island at all. This capital of the carnival world, favorite sporting ground of Manhattan's melting millions, is really a peninsula linked to the Brooklyn mainland. It makes, however, an unusually salty subject for the social historian, and two New York newspapermen, Oliver Pilat and Jo Ranson, have gotten the most out of it. Borrowing a phrase used by angry ministers to describe the goings on at nineteenth-century Coney, the authors have dubbed their book, SODOM BY THE SEA.

As one might guess, Coney Island has had a lurid career, beginning as a pirate hangout, progressing through a brief period as a respectable watering place, and reverting to a modern kind of buccaneer who confined his activities to dry land.

By the 1890s, Coney had an unenviable reputation as an underworld rookery. Under a succession of boss rules, gambling and prostitution flourished in the open, gyp artists, thugs, and peepshows in the shadows. And the suckers came in droves, attracted, said one cynical Brooklyn mayor, by the constant "advertising" from the pulpits of New York.

It is a far cry from the days when Walt Whitman used to race up and down the "long bare unfrequented shore that I had all to myself." Nowadays, on a summer Sunday, the 6-mile-long beach looks like a panoramic Laocoön, with literally a million human bodies packed and mutually entangled on the sand. Although it has been recently cleaned up, the sea at

Coney was for many years polluted. The water used to resemble a thin vegetable gruel because of the New York City garbage that washed in with the tides, but that never lessened the popularity of the swimming. As Eddie Cantor, who early in his career was a singing waiter at Coney, once remarked: "You get a slice of bread on one side, and a piece of salami on the other. Where else can you get a bath and a sandwich for the same price?"

It was the extension, in 1920, of the New York subway that transformed the resort into a proletarian paradise, the key to which was a nickel. With the sidewalks and ghettos of Manhattan emptying on the Coney Island boardwalks and beaches, amusement parks like Luna and Steeplechase came into their heyday. The "rides," such as Leaping Lena, the Cyclone, the Dragon's Pup, and Red Bug, and the carrousels and dodge 'ems dished out vertigo and fainting spells at a price accessible to all. In between these jolting jaunts, one ate hot dogs, reputedly a Coney Island invention, and such gastronomic novelties as waffle sandwiches filled with cream cheese and apple butter. It all came under the heading of fun. And in this year of grace, it still does. (SODOM BY THE SEA. 334 pages. Illustrations, maps. Doubleday, Doran, New York. \$3.)

#### Brothers in Swing

Henry Steig, a brother of the cartoonist-creator of "Small Fry," has been a cartoonist himself, a professional jazz musician, and a short-story writer. For his first novel, he has drawn on his knowledge of the jazz fraternity to write a fictional biography of the jazz era in America, particularly the age of swing. Send Me Down is a notably fine book.

Two New York kids, Frank and Pete

Davis, start studying music for the usual vague reasons; they butterfinger the classics on the piano and violin and drive their parents nearly nutty in the time-honored tradition. Then the devil begins to hum tunes in their childish ears; at least that is how their music teachers would explain it. The brothers begin to interpolate timid "hot licks" between their Mozart sonatas and Poet and Peasant. The damage is done. From then on jazz is their master.

Pete has a taste for low life and will not compromise with his musical integrity; he sticks to the small hot bands that play for unimportant money in the dives of Chicago—the art-for-art's-sake part of the world of jazz. Frank, however, wants money and power, builds up a famous band, becomes "King of Swing," and gives the first hot-music concert at Carnegie Hall before he finally abdicates his throne in disgust at the commercialism and publicity of the racket.

This novel gives an intimate, realistic picture of a queer and little-known world. (Send Me Down, 461 pages, Knopf, New

York. \$2.50.)

#### OTHER NEW BOOKS

Democratic France, By Richard Walden Hale Jr. 414 pages. Frontispiece, appendixes, index. Coward-McCann, New York. \$3.50. Seventy turbulent years of parliamentary government in France, from Sedan (1870), when democracy rose from the ashes of an empire, to Vichy (1940) and the end of the road. Written in a simple, straightforward style for the American reader unfamiliar with the intricacies of French politics.

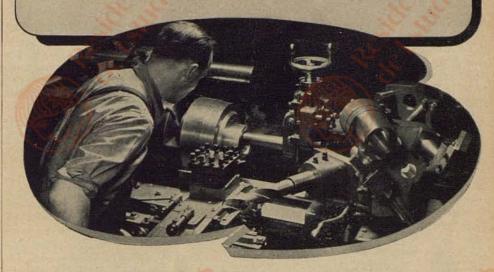
SHELTER. By Jane Nicholson. 241 pages. Viking, New York. \$2.50. A moving, sometimes horrible story of ordinary life and love in London under the German bombardment.

#### MYSTERY WEEK

MURDER GIVES A LOVELY LIGHT. By John Stephen Strange. 304 pages. Crime Club, New York. \$2. If Mrs. Rede hadn't discharged a maid, Inspector Honegger of the New York police would never have guessed Simeon Rede didn't die of a heart attack. Quite a bit of violence for a quietly written story.

I'll Eat You Last. By H. C. Branson. 302 pages. Simon & Schuster, New York. \$2. Senator Maitland himself hired the bearded John Bent to investigate the fatal "accidents" that suddenly plagued the Maitland family. And Bent found that there were 31 possible combinations of people who might want others of the clan out of the way. A bit too much thinking aloud for real excitement.

no heat and humidity here to dampen his skill, his speed—or his shirt...



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#### RELIGION

#### Clinic in Human Quirks: Future Clerics Invade Hospital for Study of Psychology

In trying to shepherd his flock successfully, the average minister gathers his psychology as he goes. To combat this hit-or-miss method, modern-minded churchmen believe theological students should spend time in hospitals, prisons, asylums, and reformatories, learning human quirks and failings at firsthand and in concentrated form. The earliest advocate of this plan, the 110-year-old New York Protestant Episcopal City Mission Society, began in 1923 by having students assist its hospital chaplains.

With this start, the society eventually developed an impressive twelve-week course of clinical training. This spring, combing Episcopal seminaries for students with pronounced emotional stability, it got six, representing General Theological in New York, Seabury-Western in Evanston, Ill., Berkeley Divinity in New Haven, and Trinity and Wycliffe in Toronto.

Last week the seminarians, aged 22 to 28 and living at the society's shabby quarters in lower Manhattan, ended their first month of the course, given at Bellevue Hospital, where Episcopalians have had a chaplaincy since 1831. Guided by the present chaplain, 31-year-old Rev. Ralph Bonacker, the students discarded the role of embryonic clergymen, made the rounds of surgical and medical wards, learned such routine nursing jobs as making beds, interviewed patients with ills grounded in emotional causes, and in afternoon seminars discussed cases and heard staff physicians and psychiatrists ramify them.

The six now face the hardest two-thirds of the course. With eight patients apiece to visit regularly, they must prepare personality studies based on verbatim conversations. Then, reverting to their clerical roles, they must recommend a plan of treatment for each, plus suggestions as to how a minister can play a helpful part.

#### Living Buddha, 3

"Forbidden" is the adjective usually applied to Tibet and its capital city of Lhasa, but "forbidding" would be more suitable. For Tibet is a cold, disease-ridden highland full of unwashed, yellowrobed monks, and polyandrous\* women. For centuries it has been dominated by

Lamaism, a corrupt variety of Buddhism whose monasteries keep mercenary armies, thrive on moneylending, and at whose head normally stand two pontiffs: the temporal Dalai Lama and the spiritual Panchen Lama, both supposedly reincarnated over and over again.

This theocratic pair hasn't ruled together since 1924, when intrigue by the Chinese to the east and the British in India to the south precipitated a schism. The pro-British Dalai Lama booted the pro-Chinese Panchen Lama into exile. Sporting a screamingly yellow limousine and espousing such modern innovations as the airplane, the Panchen Lama struggled for years to return to Tibet but failed even after his antagonist's death in 1933. The 54-year-old high priest himself died in 1937 at Jyekundo, near the Tibetan border.

It was a year ago that the Lamaist regency enthroned as the new Dalai Lama a Chinese boy, now 7, born at the moment his predecessor died and hence believed to have inherited from him the divine soul (Newsweek, March 4, 1940). Britain and China, both now embattled with totalitarian powers, gave the ceremonies their diplomatic blessings.

Last week, from the Chinese capital at Chungking, came a report that the new Panchen Lama had been found. Special government delegates announced that one Tuteng Chueh-Chi, a 3-year-old Chinese in the town of Yuehsang on the road to Tibet, seemed to fit the requirements of birthday, omens, auguries, etc., for the new living Buddha. So Tibet may soon be ruled by a double regency, acting for the infant Grand Lamas until they attain adulthood.

#### SCIENCE

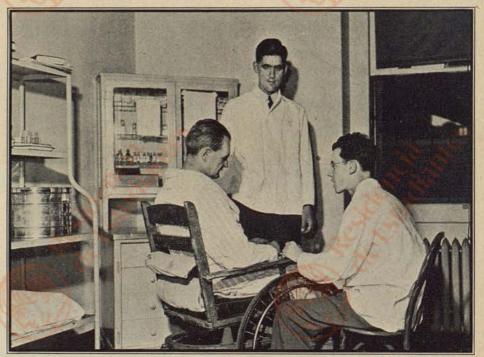
#### Future in Medicine Diagnosed by 100 Young Illinois Doctors

What do young doctors think of their own futures and the future of medicine? This problem so interested Dr. Noah D. Fabricant of the University of Illinois College of Medicine, the nation's largest institution of its kind, that several months ago he enlisted the aid of a student and sent questionnaires to 138 members of the class of '41.

The 37-year-old ear, nose, and throat specialist, who recently reported studies indicating that acidity of nasal secretions helps protect against organisms that cause colds (Newsweek, Oct. 21, 1940), received replies from 100 graduating students whose average age is about 25, and last week he revealed the following information on how at least one group of brand-new M.D.'s feels about its chosen profession:

¶ Why did they take up medicine in the first place? Many gave two or three answers; the most common reply, made by 38 members of the group, was that the subject was "interesting," while 35 expressed a special leaning for things scientific. The third most frequent reason for studying medicine was the influence of friends and relatives; students often revealed that admiration of the family doctor, formed when they were children, was an important factor.

The desire to serve humanity was expressed by 23 students, while some of the less common answers showed far less ideal-



Newsweek by Pat Terry

School of life: divinity students study patient relations in hospitals

<sup>\*</sup>Polyandry, widespread among poor farmer and herder families, has the virtue of keeping down the population in a country that can barely support its present 3,000,000 inhabitants. Thus, when a woman marries any one man, she also espouses his younger brothers. Children are credited to the eldest husband.

istic motives. Thirteen practitioners-to-be wanted financial security; six hated business, particularly the businesses their families were engaged in; two frankly were out for social prestige, and only one student followed the "Arrowsmith" tradition and aimed at pioneering in research.

- ¶ Nearly half believe that the next ten years will see increases in the number of medical cooperatives, and more than 40 foresaw government subsidization and regulation of medical practice. Only 20 of the group, however, favored such radical changes in organized medicine.
- ¶Questioned about money matters, the average student revealed that ten years after graduation he expected to be making an annual income of \$6,100, while expectations for 1961 averaged \$10,000 a year. The class of '41 expects 64 per cent of its members to succeed financially and 54 per cent to be successful from the standpoint of service to society.
- ¶ Forty-four graduating students, including sixteen married men, believed that marriage at the present time would help their medical careers. On the other hand, two married students were included in the 26 pupils who stated that early wedlock would prove detrimental to young disciples of Hippocrates. Eleven pupils thought marriage wouldn't make any difference, and nineteen didn't express any opinion at all.

#### Cigarette Boom

One symptom of increasing psychological tension in the United States during the World War was the marked jump in cigarette smoking. Soldiers puffed 70 per cent more than they had in civilian days, while the people back home-including women, who by that time were beginning to go in heavily for smoking—consumed 20 per cent more cigarettes. As a result, Americans who were burning 25,000,000,000 cigarettes in 1916 had boosted the total to 53,000,000,000 by 1919. Since then the habit has steadily grown; 183,000,000,000 cigarettes were burned by Americans last year. Now even this total is soaring under the impact of the current national defense effort-a 12 per cent increase for the first four months of 1941 is revealed in the latest issue of The Military Surgeon by Maj. C. Ward Crampton, Army Medical Reserve officer.

#### New Dish From the Sea

About 50 years ago a British scientist was sailing off the coast of Norway and used a small townet of finely meshed cloth to gather three tablespoonfuls of red marine organisms each smaller than a pinhead. He knew that such tiny creatures, which belong to a vast family of ocean-



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drifting plants and animals known as plankton, served as the sole food for herring, sardines, and even great blue whales, and thought he'd try them as human sustenance. He found that a boiled and buttered plankton preparation gave an excellent lobsterlike flavor when spread on bread.

Last week, in the British weekly Nature, Prof. A. C. Hardy of University College, Hull, suggested that Great Britain embark on a large-scale application of this culinary experiment as a wartime emergency measure. He pointed out that in twelve hours ten large nets in tidal currents off the plankton-teeming west coast of Scotland would provide about 600 pounds of protein-rich marine victuals, enough to feed more than 350 persons.

Three facts indicate that the scheme is more than a scientific daydream: the matter is up for serious discussion by Parliament; German scientists are known to be studying a similar project, and Harvard University and government researchers are working along similar lines in the United States.

#### Fly That Eats the Spider

Step into my parlor, said the fly to the spider. And the spider was eaten, in a reversal of form reported by Dr. B. B. Fulton of the North Carolina Agricultural Experiment Station at Raleigh last week. Writing in the Annals of the Entomological Society of America, Dr. Fulton said the unorthodox fly larva—called Platyura fultoni in its discoverer's honor—spins a web in the damp places along mountain streams, where it can be seen glowing at night as it waits for its insect prey. But when the adult fly hatches from the larva, then, as for any other fly, it is the spider's turn.

#### RADIO

#### Milestone for Television: First of Commercial Programs Broadcast by WNBT of NBC

Radio, the youngest major American industry, last week saw its offspring come of age. On July 1, the radio-born sight-and-sound medium of television went commercial.

However, telecasts for pay, as authorized by the Federal Communications Commission to start on a minimum fifteen-hour weekly schedule, were begun by only one station: WNBT of the National Broadcasting Co. The Bulova Watch Co. (see page 44) started television's first commercial with a spot announcement of the correct time at 2:30 p.m. EDST. Surrounded by cans of Sunoco oil, Lowell Thomas went on the air with news at 6:45. At 9 p.m. a two-hour program introduced two paid shows: Uncle Jim's Question Bee, advertising Spry shortening for Lever Brothers, and the Procter & Gamble Ivory Soap hit, Truth or Consequences. The non-sponsored part of the program included a United Service Organizations round-table discussion and a tabloid version of the Fort Monmouth, N. J., recruits' musical comedy, Bottlenecks of 1941.

As zany and tuneful as the antics of the soldiers were, the service show didn't teach television a thing about bottlenecks. More than two years after its debut telecast of President Roosevelt opening the New York World's Fair on April 30, 1939, the new industry made its commercial bow under many handicaps. Two stations, WCBW of the Columbia Broadcasting System, and W2XWV of the Allen B. DuMont Laboratories, both of New York, began the new era noncommercially owing to construction

technicalities that must be cleared up before they can accept sponsors. Reassigned television frequencies by the FCC kept WCBW off most receivers. And priorities on such necessities of the industry as copper, nickel, and aluminum have slowed up manufacture of receivers.

But the new business is not discouraged. Adjustments of sets for the new frequencies, as well as for the new FCC standard of increased scanning linage for pictures and frequency modulation for sound, have already been started. Both CBS and DuMont expect commercial licenses by Aug. 1, and nineteen other stations from Albany to San Francisco have announced intentions of following soon.

#### A Year of Airing Disputes

Mediation hearings on labor disputes are usually closed-door conferences. But for the past year, Samuel R. Zack, laborrelations consultant and mediator, has let the public in on some of the heated de-



Zack and Antin go into a huddle . . .



Newsweek photos by Pat Terry

... as another employer-employe dispute is aired into the microphone and settled by Labor Arbitration

bates by broadcasting industrial arguments in a unique Thursday-night radio program over station WMCA in New York City. The 57-year-old arbiter's Labor Arbitration corrals disputants in actual cases with the dual object of educating the radio audience on business-labor relationships, and highlighting the human-interest angle of industrial life. The airings are often excited, and it is not uncommon for listeners to hear a shout of "He's a liar!"

Serving each week with Zack, who acts as impartial chairman, are two guest arbitrators from business and labor, chosen from a panel of such experts as Elmer F. Andrews, former Wage and Hour Administrator; Jules S. Freund, executive secretary of the New York State Board of Mediation; Ordway Tead, chairman of the Board of Higher Education of New York; James B. Carey, CIO secretary, and Vinton Freedley, theatrical producer. Benjamin Antin, former New York State Senator, and Daniel A. King, New York contractor, were the guests last week. The arbitrators' decision, agreed beforehand to be binding, is verbally thrashed out after the 9:45-10:30 case goes off the air, and is announced. whenever possible, over WMCA later that night. Last week, Zack rounded out his first year on radio. Reviewing his accomplishments, the wiry, gray-haired originator may proudly point to the 1941 Ohio State University award to Labor Arbitration as an outstanding adult radio program, and to his air score of worker-boss settlements: nineteen in favor of employes, thirteen decided for employers, and seven cases settled amicably, without an arbitrator's decision, during hearings.

#### Radio Salesmen for Defense

The United States Treasury Department crackled the air waves last week in the first of thirteen one-hour star-studded programs on the Columbia Broadcasting System. The summer spot would have cost a commercial sponsor some \$250,000 for radio time and \$25,000 a week for talent. But the time, made available by the vacation of Fred Allen and his Texaco Star Theater, was donated to the Treasury Department by the Texas Co., Allen's sponsor, for the promotion of Defense Bonds and Stamps. Stars of the entertainment world volunteered their services.

This generosity, said Secretary of the Treasury Henry Morgenthau Jr., who opened "Treasury Hour—Millions for Defense" from Washington at 9 p.m. EDST July 2, was proof that "all the people of this great country are willing and eager to help in the cause of American defense, the greatest cause in all the world."

The Liberty Bell tolled from Philadelphia, and Irving Berlin's song "Any Bonds Today," released by ASCAP and sung by Barry Wood in New York, signaled the theme of the hour. Fred Allen postponed



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his vacation to introduce the first talent-packed cast: Grace Moore, who sang "One Fine Day" from "Madama Butterfly"; Mickey Rooney and Judy Garland, with a skit and a song from Hollywood; the Information Please cast of John Kieran, Franklin P. Adams, and Oscar Levant, who were put through their quizzical paces by Clifton Fadiman; Charles Laughton from Hollywood, who delivered Lincoln's Gettysburg Address, and Al Goodman's orchestra and Ray Block's choir, retained as permanent musical features.

Each week a similar galaxy will make Treasury Hour a treasury of entertainment "as rich and varied as America itself."

#### MUSIC

#### SRO House at Gala Opening of Mexico City Opera Season

Just 25 minutes late, which is better than the usual Mexico City average, the curtain went up last week in the \$7,000,000 Palace of Fine Arts on the most ambitious season of opera in Mexican history, Flashbulbs popped and jewels glittered as a dressy SRO audience saw a performance of Smetana's "The Bartered Bride," in which all but one of the principals was native-born, and which critics were quick to describe as the most polished production of opera ever seen in Mexico. Directed by the Austrian maestro Carl Alwin, the 70piece orchestra, of which 42 members were recruited from Carlos Chavez's Mexico City Symphony (Newsweek, April 21). also came in for its share of praise.

It was an auspicious start for a season of indefinite length in which productions of "Carmen," "Salome," "Die Walküre," and "The Magic Flute" are also scheduled. However, for one singer who was unable to take any of the nine curtain calls on a stage heaped with flowers, the gala open-ing was heartbreak night. The Australian soprano Marjorie Lawrence, who appeared with Alwin last winter in the Chicago Opera Co., and for whom most of the Mexico Opera's repertory was originally planned, lay abed in the American Hospital at Mexico City, stricken with partial paralysis in both legs. Irma Gonzalez, a young Mexican who made her first public appearance late last winter in a production of "The Magic Flute," took over the title role; Lorenzo Alvary of San Francisco, in the role of "Kezal," was the only nonnative in the cast.

Last winter's production of "The Magic Flute," like the revival planned for this season, was engineered by Señora Ana Guido de Icaza, the music-minded wife of Xavier Icaza, new head of the cultural training section of the Mexican Ministry of Education. She is the president of the

new government-sponsored opera company, which probably will be financed up to 75 per cent of its total cost of \$380,000 pesos, or about \$78,000, through her husband's department.

#### Latin Tour of Yale Blue

The S. S. Brazil of the American Republics Line steamed into the beautiful harbor of Rio de Janeiro last week, and 65 young men who are making the Yale Glee Club's first South American good-will tour were rushed ashore by tender for their first South American appearance. This was at the Teatro Municipal, where Brazil's No. 1 composer, Heitor Villa-Lobos, whose music is included in their repertory, was in the audience. After the concert they were guests at a party for 250 at the swank Copacabaña night club overlooking the Rio Harbor, where the New York band leader Eddy Duchin headlined a show in their honor.

This hectic evening was a suitable climax to an enjoyable trip down for the young men. Six beautiful Saks-Fifth Avenue models, en route to Rio for a fashion show, and seven young dancers bound for an appearance at the Tabaris night club in Buenos Aires added to the fun.

On the seven-week tour to twelve Latin American cities in seven countries,\* the club will sing 58 songs. Many of these are North American folk songs whose lyrics have been translated into Spanish or Portuguese for South American listeners. Each member of the club put up \$600 toward expenses; those eligible for the draft were granted exemption for the duration of the good-will junket.

\*Brazil, Uruguay, Argentina, Chile, Peru, Ecuador, and the Panama Canal Zone.

#### Salute to the Invaded

Most people would agree that the nation's most beautiful setting for outdoor symphony music is the Washington, D. C., Watergate, where the National Symphony Orchestra last week opened its five-week season. The orchestra floats on a barge anchored beside the Memorial Bridge to Arlington, where the stately home of the Lees of Virginia and the amphitheater of the Arlington National Cemetery overlook the capital city.

Some listeners drift lazily around in canoes on the Potomac, but most of them sit in a granite shell by the water's edge. Just behind this amphitheater rise the stately columns of the Lincoln Memorial;



Hans Kindler conducts . . .



... the National Symphony as Washingtonians loll in canoes

in the distance can be seen the towering Washington Monument and the floodlit dome of the United States Capitol.

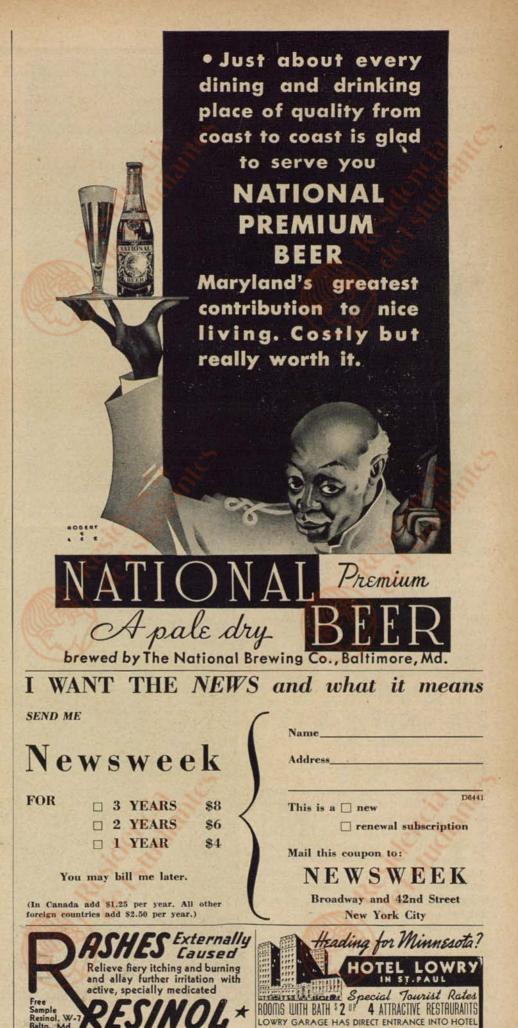
Last week, before an audience of 9,000, including a long list of notables topped by the Vice President and Mrs. Henry Wallace, Hans Kindler opened his orchestra's fifth summer season at the Watergate with a program dedicated to "defense" and featuring the music of nations invaded before and during the present war. Bohemia was represented by Anton Dvorak's "New World" Symphony, Norway by the music of Edvard Grieg, the Netherlands, of which Kindler himself is a native, by folk songs, fallen France by Ravel's "Pavane," Austria by the "Artist's Life" waltzes of Johann Strauss the younger, and Finland by the Sibelius tone poem "Finlandia"-which Kindler said he had been requested not to perform "for obvious reasons." Voicing his sympathy for a little nation caught between "Europe's two big bullies," Kindler played the patriotic paean anyhow, flashes of lightning over the Virginia hills providing an appropriate, if unscheduled, accompaniment. Then, with unintentioned humor, Kindler announced his encore would be Bach's "Come, Sweet Death"-and a roar of laughter followed. The concerts continue each Monday and Thursday night at 8, through July.

#### RECORD WEEK

On the heels of the Robin Hood Dell's abortive attempt to enliven the opening night of the Philadelphia summer concert season by parading real animals across the stage to Camille Saint-Saëns' playful Carnival of the Animals (Newsweek, June 30) comes a timely Victor recording of the fantasy by Leopold Stokowski and the Philadelphia Orchestra. Nearly everybody will recognize "The Swan"; other less familiar numbers burlesque music by Berlioz, Offenbach, and Mendelssohn (three 12-inch records in album, \$3.50).

Richard Strauss is no relation to those famous composers of Viennese waltzes, Johann Strauss, father and son, nor to the contemporary light-opera composer, Oskar Straus. But his lovely Waltzes from the 1911 opera Der Rosenkavalier rank with the best. Newly recorded for Columbia by Artur Rodzinski and the Cleveland—Symphony Orchestra, the sparkling melodies, on a single 12-inch record, are easily worth \$1.

Another agreeable Decca album of piano solos by Carmen Cavallaro is entitled ALL THE THINGS YOU ARE (five 10-inch records in album, \$2.25). Old favorites, played without vocals, include "Lovely to Look At," "You're the Cream in My Coffee," "You Are My Lucky Star, and, of course, the album's title tune, from the Jerome Kern musical "Very Warm for May."



#### ART

#### Art Parade for 8,000,000

With the opening of a single show last week, the Museum of Modern Art in New York City marked two anniversaries. An exhibit of 60 pictures of the ultra-modern Paul Klee commemorated the first anniversary of the Swiss-German artist's death, June 29, 1940. But as a show which was assembled originally for circulation outside New York rather than for display at the museum, it also marked the tenth anniversary of the museum's department of circulating exhibitions. It will run for a month, concurrently with the gallery's major summer event, the successful Britain at War exhibit (News-WEEK, June 2).

After that it will go back on the road, where it has already spent six months, having been displayed in the Smith College Museum of Art, the Arts Club of Chicago, the Portland Art Museum, the San Francisco Museum of Art, the Stendhal Art Gallery in Los Angeles, and the City Art Museum of St. Louis. And it is only one of the circulating exhibitions of the past decade which in that period were viewed 1,389 times in 257 cities by some 8,000,000 people.

These impressive statistics had their humble origin in 1931, when the young museum first circulated a show, partly because of spontaneous requests from out-of-town museums, partly in the hope that fees from borrowers would help pay the expenses of assembling the big International Exhibition of Modern Architecture. This show, subscribed to by eleven museums, stayed on the road twenty months.

Since then, under the tutelage of attractive young Elodie Courter, who came straight from Wellesley in 1934 to head it, the department has expanded until during the operating year just ended it had an active list of 58 exhibits.

#### Donatello Cavalcade

That great realist of the Renaissance, Donatello (1386-1466), made such classic studies of the human figure that he ranks, in Thomas Craven's phrase, as a "monarch of art." Like that other master Renaissance sculptor, Michelangelo, who was strongly influenced by his work, Donatello concentrated for the most part on the male figure, and depicted anatomy with unsparing accuracy.

Now the Phaidon Press, through the Oxford University Press in New York, has issued a handsome collection of 150 plates devoted to Donatello (\$3.50). The famous "Judith and Holofernes," which a wag once described as "a woman butcher about to hack off some meat for a customer," is included; so are close-ups of three

figures on the Campanile in Florence. Many American-owned figures ascribed to the Renaissance master, like the two in the National Gallery in Washington, have been omitted from the new book.

#### **EDUCATION**

#### In Defense of Education: Teachers Form Group to Probe Subversions and Criticisms

There's a fable that Bostonians talk about nothing but education and the east wind. For at least part of last week the culture-conscious city enjoyed a pleasant wind from the east. And practically all week Boston echoed to a vast talk-fest on the nation's schools, as 10,000 teachers of the National Education Association assembled for their 79th annual convention.

The pedagogues' major concern was one that has furrowed many an administrator's brow since the Federal government began spending billions and planning new taxes for defense. In an opening address in the Mechanics Building's cavernous auditorium, retiring NEA President Donald DuShane stated the issue clearly. He



From 'Donatello' (Phaidon Press)

Donatello's 'Judith and Holofernes' has been likened to 'a woman butcher about to hack off some meat' pointed out that, good as American education is, it has still left 18,000,000 adults practically illiterate and more than half of the voters unschooled beyond eighth grade. The average rural school has only a seven-month term, and in half the states rural teachers earn less than \$600 a year. Therefore, said DuShane, schoolmen must pull for more money for education, especially now that other parties have started pulling in the other direction:

"The movement to reduce local and state school services and support because of the prospect of higher Federal taxes has already begun. In a number of states chambers of commerce and taxpayers' associations are already demanding drastic reductions in school tax rates . . . There is a marked increase in unjust and destructive criticism of teachers, textbooks, courses of study, and school expenditures."

Later, presiding on the same platform, DuShane heard a rebuttal by National Commander Milo J. Warner of the American Legion, long a major critic of subversive teaching. The "criticism we have launched . . ." said Warner, "does not mean that we indict a whole association of teachers . . . We do not, however, want to see textbook authors, under the misused guise of academic freedom, indicating a love for collectivist theories of society."

The delegates then took their stand. They adopted resolutions denouncing enemies of "democratic ideals" as well as teachers who would overthrow the American form of government. And after electing Mrs. Myrtle Hooper Dahl of Minneapolis to succeed DuShane as president, they agreed unanimously to set up a 60-man commission for education's selfdefense. Among other things, this group will (1) explain schoolmen's aims to the public, (2) ferret out subversive teaching, (3) investigate criticisms of schools, teachers, and textbooks, and (4) draw up a list of organizations attacking education and find out where their money comes from.

#### School for 56 Child Geniuses

You've got to be a smart girl to get through New York's Hunter College. Because it's city-owned and tuition-free, the school needn't tolerate dullards, and its graduates average about 120 in IQ. But last week Hunter announced it had completed enrollment for a unique elementary school that will make the college girls look comparatively mediocre: the 56 pupils range from a minimum IQ of 130 to an astounding high of 194, registered by one boy.

Choosing the 56 was a ticklish job. When they heard about the new school for geniuses, a horde of doting parents filed applications, and some 500 young-

sters went through a battery of tests. At one point the children were turned loose in the well-equipped schoolroom and proved normal enough to play with sand and dolls instead of microscopes. And on the behavior tests all did so well that the kindly principal, Dr. Florence Brumbaugh, was able to base selection on IQ alone. This proved convenient, for when one mother demanded why her child had been rejected when he scored in the top 5 per cent, Miss Brumbaugh simply pointed out that Hunter wanted the best 2 per cent.

Split into two groups, aged 3½ and 5½, this intellectual upper crust turned out bigger and healthier than average. They come of nearly every racial stock, including three Negroes who have the best manners of the lot. Their parents are mostly physicians, lawyers, and the like, though one mother is completely unschooled and one father works as a chauffeur.

Hunter will educate its geniuses for seven years. They'll work with sand, clay, blocks, and other play-school paraphernalia, and take excursions through the city. Right at the start they'll study French through simple greetings and art through slides and movies. A Hunter speech expert will watch out for baby talk. But it's a safe bet the teachers will spend most of their time answering questions: many a mother confessed she was glad to park her youngster with Hunter because he embarrassed her with questions she couldn't answer.

#### MOVIES

23 Years After Argonne: Jesse Lasky Brings Life Story of Sergeant York to Screen

On Oct. 8, 1918, Corp. Alvin C. York, a lanky, redheaded sharpshooter from the Cumberland Mountains of Tennessee, picked off some 25 German machine gunners who were holding up the American advance in the Argonne Forest and, with the seven survivors of a detail of seventeen men, lock-stepped 132 prisoners back to the AEF lines. This almost fabulous feat that won York three stripes and made him an international hero is obviously the reason his life story has been currently dramatized for the screen. And yet that climactic act of heroism in the Warner Brothers' SERGEANT YORK is the least chapter of a film that ranks with the best screen biography turned out by the Warners, or anyone else.

In such times, and in less capable hands, the story of the conscientious objector whom General Pershing was to call "the greatest civilian soldier of all time" might have been a jingoistic, flag-waving cross





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NEW YORK

between "Billy the Kid" and "The Fighting Sixty-Ninth." Instead, it is an engrossing and humorous record of the American way of life in a backwoods community, as well as a timely drama of the inner struggle of a simple, deeply religious man who weighs his horror of killing against what he feels is the greater necessity to stop all killing.

Although the training-camp scenes are amusing, and the Argonne episode excitingly staged, the longer and more rewarding portion of the film is set in the Valley of the Three Forks of the Wolf, where Americans scratch an indifferent living from the stony soil, mind their own business, and are "beholden" to no one. In these sequences Howard Hawks, director, and his four writers, Abem Finkel, Harry Chandlee, Howard Koch, and John Huston, document their Americana with authentic dialogue and incident and a rich, earthy humor.

As the gangling farmer who was regarded favorably in his community when he wasn't on a spree, and who mends his "hell-raising" ways first when he falls in love and thoroughly when he "gets religion," Gary Cooper turns in the most versatile performance of his career. Whether he is full of corn likker and swinging hay-makers in a local "blind tiger," courting the pretty Gracie Williams, who became his wife, slaving night and day at odd jobs to win a piece of rich, black bottom land, or assimilating outlander culture in an Army camp, Cooper's Alvin York is a completely persuasive characterization.

The supporting performances are only a little less effective: Margaret Wycherly as Alvin's mother; Joan Leslie as Gracie; Walter Brennan as Pastor Rosier Pile; Fobert Porterfield as Alvin's timid rival; Dickie Moore, now 15, as Alvin's phlegmatic kid brother; and George Tobias as an ex-subway guard who dies beside York in the Argonne.

TLast year Jesse Lasky, one of the few notable old-timers left in the ranks of current film producers, was a forgotten back number in the Hollywood parade. Now, as the producer of "Sergeant York," he is back in the driver's seat with a production that is both a prestige film and a moneymaker. This is the film that Lasky decided to make 22 years ago, as he watched the triumphal parade up Fifth Avenue for the doughboy Marshal Foch had told: "What you did was the greatest deed accomplished by any Allied soldier." But, just as the level-headed sergeant had rejected a number of remunerative propositions involving stage appearances and advertising testimonials because "Uncle Sam's uniform, it ain't for sale," the Tennessean refused Lasky's offer for the rights to his story.

Once again, in the early days of the sound film, Lasky made York an offer, but the retired and retiring hero was busy farming and worrying about the lot of less fortunate neighbors. Approaching York last year, however, with the plea that the filming of his life could now be called a patriotic duty, Lasky found a receptive listener. The undisclosed sum paid for the screen rights went toward the completion of York's Bible school. He made only two suggestions: he wanted Gary Cooper, and no one else, to impersonate him on the screen; and he hoped that no cigarettesmoking ingénue would be chosen to portray his wife. Last week Alvin York took time off to visit New York for the première of his celluloid biography at the Astor Theater. Ironically, the most important job the onetime pacifist left behind was that of chairman of the draft board in Jamestown, Tenn.



#### Melodrama in Strong Currents

While the Warner Brothers aren't admitting it, Manpower is a remake of a melodrama Pat O'Brien and Henry Fonda made in 1937 called "Slim." Whether or not the resemblance is purely coincidental, this is still a drama of men who repair the power lines when they go berserk, and of two linesmen buddies who love the same girl. The chief difference is that the current film is keyed to a grimmer note and photographed largely in torrential rain, while the girl who short-circuits a beautiful friendship is a percentage-basis hostess in a clip joint.

Although the important roles are played to the hilt by Marlene Dietrich, Edward



Alvin C. York's film story carries him from rustic to hero in 1918



Wide World

Gary Cooper was the choice of today's York (right) for role

G. Robinson, and George Raft, the result is just reliable Class B melodramatics. weighted with the tight-lipped conversation of the hard-boiled and lightened with the galumphing whimsies of the roughand-ready linesman at work and play. It is possible that audience interest may be heightened by the publicized hostilities that left Raft and Robinson glowering at each other on the set.

#### Buck Three-in-One

Nine years ago Frank Buck, already famous as the "bring-'em-back-alive" collector of fantastic and ferocious fauna, set himself up in the new role of movie producer. Currently RKO-Radio releases his fifth film-not quite a reissue, but a smartly edited composite of three previous films: "Bring Em Back Alive," "Wild Cargo," and "Fang and Claw." Titled FRANK BUCK'S JUNGLE CAVALCADE, this album of risky business in the Malayan jungle, with a narrative by Buck, recapitulates some of his most thrilling wildlife scenes: the capture of an orangutan. droves of rhesus monkeys, a baby elephant; the exciting, if stagy, duels of the more savage actors-the black leopard, the python, the tiger, and the crocodile.

#### Miami, Music, Marriage

Darryl F. Zanuck's Moon Over MIAMI. unabashedly glorifying the East Coast winter resort, arrives as a source of beaming gratification to the Miami Chamber of Commerce. To the Los Angeles city fathers, this Twentieth Century-Fox film probably smacks of downright heresy. But to the unaffiliated citizens distributed between the rival playgrounds, it is a typical example of that special art form: the Zanuck musical, with a better than average score, a less fortunate story, and a gaudy panorama of royal palms, blue seas, and sun-tanned pulchritude resplendent in Technicolor.

The plot, which gets even the writers down at times, is a variation of a screen comedy of three years ago called "Three Blind Mice." Two sisters and their aunt come into a small inheritance, quit the Texas hamburger stand where they work, and descend on Miami with the idea of marrying the more buxom of the girls to the first millionaire who gets the idea. Judging from the trio's prompt and collective success, an unattached blonde couldn't ask for a happier hunting ground. Besides, it's healthful. Betty Grable and Don Ameche, Carole Landis and Robert Cummings manage the involved and double-barreled romantics. Charlotte Greenwood and Jack Haley, despite mediocre material, hit it off well as a comedy team; and Cobina Wright Jr., a New York society girl and night-club singer, shows poise and promise in a minor role.

#### ENTERTAINMENT WEEK

#### Urgent!

by JOHN O'HARA

Your agent is a bit haggard after spending most of the Glorious Fourth in Nashville, Tenn., a city which your operative might learn to love, under different circumstances, but having chosen to spend the G.F. in New York, Nashville (and no blat to Nashville) was not exactly my second choice. Never left the airport, in fact, and thus did not have a chance to get acquainted with Silliman Evans or anybody else. You see, it was a little matter of the weather.

I was on my way by airplane, from Los Angeles to New York, and getting no cooperation from up above. What I wanted to be in was New York. What I was in was a dither, and Nashville, Tenn.

Naturally I blamed the airline. I have a theory that you must blame the transportation company for everything that happens. From that I went on to feeling sorry for myself. Then I began to notice a group of handsome young men in overseas caps, etc., who were being exceptionally languid all over the place. They were Army fliers. And the poor sons of guns had been languishing handsomely in Nashville for one day longer than I was there. To a man they were the kind of guys who had dates in New York, or Denver, or wherever they were bound for. They were getting nowhere with the Nashville beauties, because the Nashville beauties were elsewhere.

They were a nice bunch of guys, and seeing them in Nashville, girlless, not flying, too sober, on the Glorious Fourth, pointed up the entertainment situation as regards the two million other guys who are getting ready to beat the brains out of those horrors across the way.

This is not a fashionable boys' camp the lads are going to, and how well they know it. But it is a dull life they have to lead. They are worked to sleep, so much so that everyone has read letters explaining the lack of letters by the fact that they are so tired they just can't write. That, of course, is Army tactics to make the guys go to bed early and gladly, and get up early, not necessarily gladly, but refreshed. The Army, most of the time, knows its busi-

Editor's Note: John O'Hara is now officially on vacation, but he has donated this column and the one due next week, plus his salary for the period, to promote the fund drive of the USO. ness, especially the business of making a soldier out of a young man who'd much rather be dating Peggy or fooling around with a hopped-up jalopy. The Army assumes no other responsibility. It leaves the rest to us, and inadvertently I have used the word rest with a double meaning. It leaves to us the rest, and the recreation, and we simply must

do something about it.

I could—and maybe I will—write a piece about taking a realistic view of the sex life of these young men. In that respect I think the Army, our Puritans among Army brass hats, need to be taken aside and told a few things. Some of you may recall a short called "Fit to Fight," which was sent around during the previous war to remind soldiers, sailors, and marines, and ROTC juniors that if they went to a certain district they might be made unhappy for the remainder of their lives. That film scared the very young, and evoked sardonic laughter among the others. That was strictly unimaginative handling of what is probably the most important subject in the world: the sex life of the pick of our male youth. But why should I write about that now? I'd rather write about the problem of ennui, which is to say the problem of morale.

You put 10,000 mentally and physically tops young men into a city of 150,000, and baby, you've made an announcement. What more frequently occurs is that you put 30,000 of the same young men near a town of 10,000, and they do the announcing. There aren't enough street corners to go around. There aren't enough pool tables to go around. There aren't enough chocolate milk shakes to go around. As to dancing and other coeducational activities? You fill it in.

The very absolute bottom least that can be done is to provide entertainment, the best available, for these guys. This can be done through the USO, if the USO be run not by a group of showoffs but by some hard-boiled practical men, such as agents and producers (I don't mean movie producers, but Broadway producers). Not many actors qualify for the job of running the USO. What is important is getting the job done right. What is immediately important is money. You, reading this piece, have a buck in your pocket this very minute which ought to go to the USO. Give!

# Perspective

#### by RAYMOND MOLEY

Inflation

More and more often in the past month a sinister and little-understood word has appeared in the news. It is the word "inflation." People have been asking anxiously about it. I have received many letters raising questions about it. The following are typical questions. The answers may or may not be useful. But they are based upon replies to questions of my own addressed to the best authorities I know.

1-What is inflation? The most common notion about inflation is that it is a swift and erratic rise in prices. But this is merely a symptom which may or may not denote the coming of real inflation. Inflation itself is the economic condition in which the supply of the nation's money is increasing faster and passing from hand to hand faster than the goods and services available for purchase. Fear of scarcitythe fear that certain goods or services will not be available to the public-is a first evidence. This induces a rise in prices. This in turn may produce so widespread a fear that the purchasing power of money is decreasing that it precipitates a generalized scramble to get rid of money and to possess goods or property. Thus there are two phases-the first marked by fear of scarcity of goods, the next by fear of the value of the dollar.

2-Are we having an inflationary rise in prices? There are many signs of it. There have been spectacular rises in many commodities. Agricultural prices, for instance, have risen 37 per cent in less than two years. Meanwhile the cycle of rising prices has affected goods made from basic commodities. Manufacturing costs have been increased not only by rising costs of materials but by wage advances. These rises are in large part the result of fear of scarcity. The defense program is putting billions of extra purchasing power into the hands of a public which realizes that, for defense preparation, government will absorb an enormously increased share of the total of goods produced. This realization has resulted in near buyers' panics for certain kinds of goods, particularly goods competing with defense needs. So, obviously, we are well into the first major phase in the cycle of inflation described above. We have not yet had a general scramble from money to things, caused by a fear that the purchasing power of money will decrease. But we are having a sharp rise in prices caused by the fear that there will be shortages of goods.

3-What did the Administration do to anticipate inflation? The Federal Reserve Board, whose duty, among other things, is to protect us all from destructive fluctuations in the supply of money and credit, made recommendations many months ago. These were intended to dam up increases in the nation's supply of money. There was disagreement with these by the Administration, and nothing was done about them. Two tax bills passed last year did little to prevent inflation either by providing adequate excise taxes to hold down the demand for certain things or by checking the continuous rise in the Federal debt.

Beyond these hesitations about fiscal measures there have been serious hesitations in the field of priorities and price regulation. For a long time the Administration would not concede the danger of abrupt price rises. It acquiesced when Congress deliberately jacked up farm prices. It viewed with complacency sharp wage increases. It clung to the theory that prices could be kept down by expanding the supply of civilian goods—an idea called the "guns-and-butter" theory. It tried to keep all prices in control by threats, by preachments and by limiting prices on a very few things. This method was described on this page two months ago as the Donnybrook Fair or "hit-theheads-you-see" method.

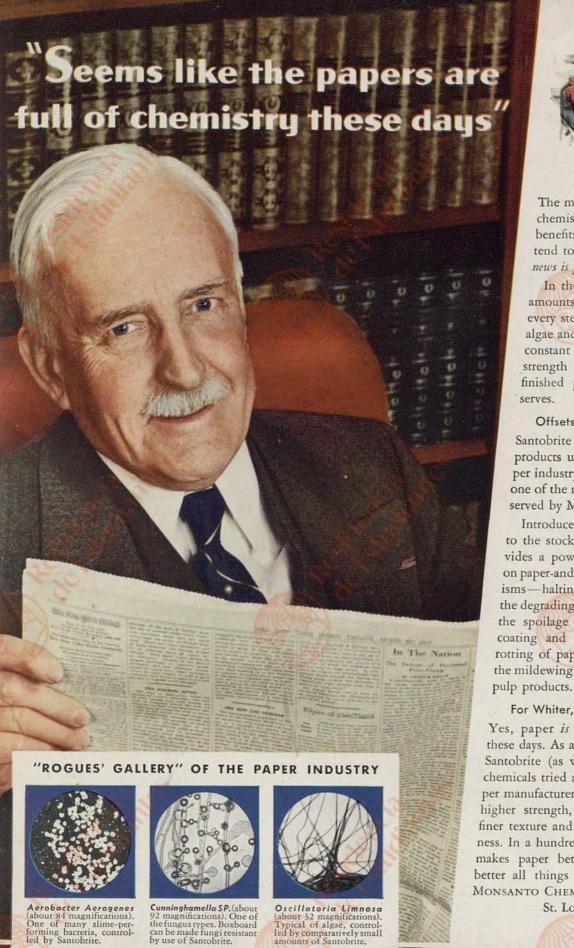
4-What is wrong with the prices-canbe-kept-down-by-having-enough-plant-tomake-both-guns-and-butter theory? When enormous supplies of war materials must be produced, the making of civilian goods cannot expand fast enough to keep pace with the increased supply and turnover of money. Moreover, the facilities to make more civilian goods cannot be increased without using up some of the available supply of materials for new factories and the like. The government learned this when it discovered that it takes a lot of steel out of today's supply to build new mills to increase tomorrow's production of steel. The belief of Washington economists that they could at the same time supply military needs, keep up and greatly expand the production of civilian goods and prepare for a still larger output after the emergency simply foundered on the hard rocks of fact.

5—What is wrong with the "hit-theheads-you-see" method? Precisely the same thing that would be wrong with an attempt to conduct a draft not on the principle of universal liability, but by sending sergeants through the streets to gather such likely looking men as they might see. The policy of trying to hold down particular price rises does not recognize that all prices and all costs are interrelated. Economic life is a "seamless web" in which every fiber is affected when any fiber is touched. To keep prices from rising you must restrain all the factors making for a rise in the general price level.

6-Have there been any alternative plans? Many, but the best has been preached for years by B. M. Baruch. He states it briefly: "No method has yet been found that has so few [shortcomings] as does that of placing a ceiling over all prices above which they cannot rise but below which they are free to fall. When industry has reached full capacity and price fixing is admittedly necessary, this ceiling should be clamped down, and all prices, wages, rents and other forms of remuneration limited to the highest levels obtaining on a certain specific day. Thus the whole structure of that day will be preserved, with two important exceptions; all rates will be free to fall below the fixed level, and certain prices may be adjusted upwards by a Price Adjustment Committee organized to correct inequities.'

7-Does the Administration recognize the failure of present methods, and what is it going to do about it? Last week the breakdown was generally admitted in Washington. But legislation authorizing price regulation which includes wages and farm products does not seem likely to emerge from Congress or to be requested in specific terms by the Administration. A halfway price fixing that did not include wages and agricultural prices would not be effective because they are among the basic elements of the cost of manufactured goods. But beyond this, even a general price-fixing law could not do more than retard inflation unless demand is held down to fit supply by taxes and by various restrictions and channelings of de-

Since the subordinate members of the Administration seem to fear what Congress may do or not do and Congress, as always, fears the labor and farm blocs, there is need of the boldest kind of public leadership. Only the President can provide that. The public needs to be told frankly that inflation is an internal threat as great as external aggression. Unchecked, it can destroy the very national values that we are building arms to defend. Only as the public realizes this can the obstructive tactics of the blocs be overcome and Congress freed to act. The importance of this to the American citizen will be considered further on this page next week.





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