

Inflation May Be Solution Of Financial Difficulties

Washington, Jan. 29—Entirely apart from the veterans' bonus, Congress is waking up to a realization that some new and additional taxes must be levied if the Government is to come anywhere near keeping its normal expenses within its income. There is nothing in an election year that makes it more difficult for Congress to levy new taxes. What Congress enjoys doing, as the time approaches for its members to stand for reelection, is spending money.

Just how far the boys can go to free spending along new lines is puzzling them in view of the fact that there is a big additional deficit to be made up, to fill the gap in the estimated income which was left when the Supreme Court declared the AAA unconstitutional.

It is not only that \$200,000,000 or so of processing taxes, which had been imposed in the lower courts that must be returned to the manufacturers who deposited these funds under protest. It is also the processing taxes which the President estimated in his budget for the next fiscal year.

Now Congress must find money to pay the farmers, not only under existing AAA contracts, which are presumably valid and enforceable, but also to do something else for the farmers. How to raise, roughly, a billion dollars more by taxation is what is worrying Congress. The public sentiment against further Government borrowing is being felt on Capitol Hill and at the White House.

But borrowing is the easy way for the time being, and there is no serious apprehension that the Government's credit would be greatly impaired if it should borrow another few billions. That is, provided the investors were willing to lend the money.

Secretary Morgenthau, talking to the Senate Finance Committee, a few days ago, sounded a warning note. One of the Senators asked him bluntly how far Government borrowing would go. Mr. Morgenthau replied that he could not tell. He was sure, however, of one thing, and that was that whenever the banks and big finance institutions refused to buy Government bonds except at a heavy discount the result might prove alarming.

So the idea of further borrowing is being kept in the background while earnest consideration is being given to the effort to find a painless form of taxation that stands any chance of being adopted. There is still a very strong belief that the most effective method of raising additional Federal funds would be a general manufacturers' sales tax. So much political opposition has been exerted against this plan in the past, however, that it seems doubtful that it will be adopted except as a last resort.

Seemingly little progress has been made toward a solution of the farm problem. Serious doubts have been raised as to whether an effective method of putting money into the pockets of the farmers can be worked out under the soil conservation act of 1935. Also, the constitutionality of that act is being questioned in the Congressional cloakrooms. In any event, it would have to be amended in its bounty provisions, and nobody has so far presented a specific list of amendments which seem likely to meet the approval either of Congress or of the Supreme Court.

One thing is becoming increasingly clear as the size of the deficit and the growing volume of the national debt are being considered by serious-minded statesmen on Capitol Hill. That is that the long-talked-of "inflation" is seemingly close at hand.

The tremendous volume of unused bank credit, arising from the increase of bank deposits based on Government borrowing, is bound to find an outlet before very long, or so some of the financial experts of the Administration believe.

Secretary Morgenthau and Chairman Eccles of the Federal Reserve board recognizes this danger. They are among all the influence they can exert to block plans for the inflation of the currency. It has been pointed out, however, that the effect of credit inflation on a large scale might easily be as serious as would the printing of greenbacks.

Money is cheaper now than it has ever been in America. That is just another way of saying that all commodities

TODAY and TOMORROW

POLITICS . . . newspapers

It is just forty years since I began as a young reporter to "cover" national politics. In 1896 I spent half the summer on Major McKinley's front porch at Canton, Ohio and the other half traveling around with William J. Bryan on his special trains. That was the first time a Presidential candidate had ever attempted to talk to all the voters.

Political campaigning has taken on an entirely new aspect since radio broadcasting was first used in the campaign of 1920. This year it looks to me as if it would be a battle of radio voices between Mr. Roosevelt and whomever the Republicans may nominate. It will be an interesting show. Each candidate will do his best to stir up the emotions of his hearers. But in 1936, as in 1896, I think the result will be determined by the sober examination of the facts as they are presented by the newspapers.

FARMING . . . still problem

I can't remember a time when there wasn't a farm problem pressing to the front in national politics. George Washington faced a serious farm problem when he was president. The "Whiskey Rebellion" of 1791 was a protest of the farmers of the then West against a Federal tax on whiskey. The only way they could profitably market their grain was by converting it into whiskey. That was before there were railroads or good highways.

After observing a succession of farmers' political movements for farm relief all my lifetime, they all seem to me to have a common root. Farming is at best a hazardous occupation. To succeed in it takes a combination of natural talent, high intelligence, industry and great capacity for self denial. Also, usually more capital than most beginning farmers can command.

In other words, farmers are just about like the rest of us.

Cabbages . . . lose character

Agricultural experimenters at Cornell University have developed an odorless cabbage. I am still undecided as to whether that is an advantage or not. The senses of smell and of taste are so closely tied together that I would have to eat a dish of the smellless cabbage before I could be sure that it would taste as good as the old-fashioned kind.

I think most of the objection to the odor of cabbage comes from housewives who don't like the way it smells up the house.

Most people cook cabbage too long, anyway. My wife pulls the leaves apart and throws them into boiling water for 20 minutes. Try that way sometime.

WATT . . . his engine

Everybody that uses electric light pays for it by the watt—so much per 1,000 watts—kilowatts—per hour. But the name "Watt" comes from a man who never dreamed of electric light. He was James Watt, inventor of the modern steam engine, who was born just 200 years ago.

In a real sense, however, James Watt, the Scotch boy who put steam to work, was the great grand-daddy of electric power; for you could cover the world with electric wires and get nothing out of them if you didn't have an engine to turn the dynamos.

James Watt's steam engine turned the world upside down. It started the industrial revolution and the machine age. It is at the root of all our modern social and economic problems. It is no wonder that we have not yet learned the answers to all of these problems, for it is less than 200 years since the seed of them was sown. That is a very short time.

RAILROADS . . . distribution

The railroads have scored another point in the battle with motor trucks for freight transportation. The Interstate Commerce Commission has at last authorized the roads to operate their own pickup and delivery systems. This removes one of their handicaps. One reason why motor transportation of freight has grown so rapidly is that the truck can hook up to your door and take on a load, and deliver it at the other end of the line, while

(Please Turn To Page 2)

Britain's New King



Edward VIII

EMPLOYMENT OFFICE CLOSED

The employment office at Sylva has been closed; but this county will be served through the district office at Bryson City, a representative of which will be in Sylva at the WPA office on each Thursday.

P.T.A. TO KEEP FOUNDER'S DAY

The Sylva Parent-Teacher Association will observe Founder's Day, next Tuesday, at the meeting which is to be held in the dining hall of the Methodist church, at 7:30 in the evening.

A candle-lighting service, an address on parent education, by Mrs. C. L. McKee, and string music by Messrs. Monro and Bannister Madison will be features of the meeting.

WEATHER CLOSES SCHOOLS

The severe weather and consequent poor attendance at many of the schools in the county necessitated their being closed this week.

Among the schools that have been closed are the two schools in Sylva, which were ordered closed effective Wednesday morning.

SOUTHERN RESORTS SET UP IN RAILWAY DINING CARS

In an endeavor to add a "homey" atmosphere to the interior of its dining cars the Southern Railway System has recently supplied its cars with large metal frames for the display of attractive photographic reproductions of Southern resorts which include scenes of Western North Carolina, Florida, Arizona and Nevada. Hotels and resorts. Only views of resort hotels and other scenic connections with these resorts are to be displayed in the diners.

QUALLA P. T. A. MEETING

Mrs. H. P. Crowell and Mrs. J. D. Cowan of Sylva, each connected with the State P. T. A. organization, attended the monthly meeting of the Qualla P. T. A. at that time it was decided to organize an Art Study Club.

The meeting time was changed so as to meet every two weeks instead of monthly. Through the hearty support of the Qualla people, the organization has raised more than \$80.00 in September; and this was used for building a sanitary drinking fountain on the school grounds and for buying a

(Please Turn To Page 2)

WOLF IS KILLED IN THE MOUNTAINS

(By Mrs. D. T. Knight)

Mr. Fred Connor killed a large wolf in the mountains, last week. Balsam was visited by a terrific wind storm, last week, which did much damage. Many trees were blown down, the roof was blown off of Mrs. D. T. Knight's front porch; and other roofs were partly blown off. One man held his roof down by carrying large logs and piling them on top of his house.

Mr. and Mrs. Roy Brooks announce the birth of a son, Charles Owen, Saturday the 25th. He weighed 11 1/2 pounds.

Miss Freda Jones spent Wednesday in Sylva.

Mrs. George Potts is visiting her aunt, Mrs. Dr. Tappan, in Cincinnati.

Mrs. Marion Ashe and baby went to Sylva, Wednesday.

Monday morning the 27th mercury was several degrees below zero and four inches of snow on the ground. Tuesday 28th mercury was 7 below zero, the coldest this winter.

WEBSTER HIGH SUPERLATIVES

At a business meeting of the senior class of Webster high school, recently, the following superlatives were chosen by popular vote:

Prettiest girl, Nora Lee Ashe; most handsome boy, Arthur Lewis; cutest girl, Edith Lominae; wittiest girl, Susie Hall; wittiest boy, William Buchanan; class baby, Mildred Moore; class sissy, Dan Cook; class tom-boy, Georgia Cagle; most popular girl, Georgia Cagle; most popular boy, Arthur Lewis; most congenial girl, Bernice Cowan; most congenial boy, Arthur Lewis; best all-round girl, Jessie Mae Bryson; best all-round boy, William Buchanan; class flirt, Bernice Cowan; class poet, Dan Cook; class giggle, Irene Cabe; most dignified girl, Beatrice Cagle; most mischievous girl, Susie Hall; most mischievous boy, Sam Owens; most studious girl, Susie Hall; most studious boy, Chris Davis; Laziest girl, Christine Mason; laziest boy, Sam Owen; neatest girl, Bethel Blanton; neatest boy, Arthur Lewis; most athletic girl, Georgia Cagle; most athletic boy, William Buchanan; class parrot, Susie Hall; class sport, Jessie Mae Bryson; most religious, Willa Mae Painter.

The officers of the class are: president, Arthur Lewis, vice-president, Susie Hall, secretary-treasurer, Bernice Cowan. Mr. B. C. Wilson is class sponsor, and Little Wanda Louise Price and Danny Allicon are mascots.

HOCUTT ACCEPTS CALL TO CHURCH

The Sylva Baptist church, at a conference held after preaching Sunday morning, elected at its pastor Rev. H. M. Hocutt. Mr. Hocutt, a native of Pender county, is now serving as pastor of the First Baptist church at Kemp, Texas. He is 32 years of age. He was educated at Buie's Creek high school, Campbell college and Wake Forest. He completed his ministerial studies at Southwestern Theological seminary at Dallas, Texas; and has been engaged in active preaching for seven years.

Mr. Hocutt telegraphed his acceptance, Monday. He succeeds Rev. J. Gray Murray, who recently resigned, due to ill health after having served for more than eight years as the pastor of the church here. About the first of the month, Mr. and Mrs. Murray will go to Cary to make their home.

Mr. Hocutt is expected to begin his work here about February 15.

Mrs. Hocutt is a former student of Western Carolina Teachers College; and afterwards specialized in young people's religious work at Southwestern Theological Seminary. She will be remembered here and at Cullowhee as Miss Mildred Stancil. Her former home was in Garner.

QUALLA

(By Mrs. J. K. Terrell)

Rev. J. L. Rogers preached at the Baptist church, Sunday morning. His subject was, The Christian Race. He outlined the different steps as Patience, Endurance, and Perfection. He has accepted the pastorate of the church here, and was accompanied by his son Vaughn. They were guests at Mr. J. L. Sifton's.

A party of Qualla folks gave Rev. and Mrs. J. L. Hyatt a liberal "pounding" on Wednesday evening.

The Qualla P. T. A. met Wednesday, 22nd. Mrs. H. P. Crowell, district president, and Mrs. J. D. Cowan, both of Sylva, were present and gave some very helpful information on P. T. A. work. Plans were made for the organization to be made a member of the State and National P. T. A. Mrs. J. L. Hyatt and Misses Jennie Cathey and Geneva Turpin had charge of the social hour.

The Qualla Home Demonstration Club met with Mrs. C. P. Shelton. The subject of the January meeting was "Clothing for the Family". A demonstration in sewing equipment was given by Mrs. Evans.

Mr. and Mrs. P. H. Ferguson went to Andrews, Tuesday, to attend the funeral of their relative, Mr. Garland Barker who died at Whittier and his remains were taken to Andrews for interment.

Mrs. A. J. Freeman has returned from a visit with relatives at Almond. Mr. Wayne Ferguson, a recent graduate of Berry College, Georgia, has accepted a position as assistant farm agent of Henderson county.

Mrs. Johnson Thomas of Barker's Creek returned home after a visit with her daughter, Mrs. J. L. Sifton. Mr. C. B. Terrell went to Waynesville, Saturday.

Mr. W. E. Bird, Miss Nell McLaughlin, Mrs. H. G. Bird and Mr. J. K. Terrell visited Mr. C. A. Bird, who has not been well for the past week.

Miss Gertrude Ferguson returned to Fontana after a visit with home folks. Mr. H. G. Ferguson made a business trip to Hendersonville, last week.

Mr. Sevier Keener visited relatives at Bryson City.

Mrs. C. P. Shelton and Mrs. J. I. Hyatt called on Mrs. J. W. Cathey. Mrs. Golman Kinsland and Mrs. D. Q. Hughes visited at Mrs. L. W. Cooper's.

Mrs. G. A. Kinsland visited Mrs. Hubert Blanton.

Mrs. Winnie Brooks called on Mrs. Mary Kinsland.

Mrs. D. M. Shuler visited Mrs. J. K. Terrell.

Mr. Crawford Ayers has moved to the J. T. Shelton place. Mr. Grover Noland has moved from Oilet to the A. M. Gibson place.

MEMORIES

by A. B. Chapin

THAWING OUT THE OLD CHAIN PUMP



JEF MENTIN, I AM
MUST BE MIGHTY
TO ZERO — HO
TH' GROUND HO
DON'T SEE HIS
SHADOW NEXT
SUNDAY —

CULLIPIN