

ECONOMIC HIGHLIGHTS

Happenings That Affect the Dinner Pail, Dividend Checks and Tax Bills of Every Individual. National and International Problems Inseparable from Local Welfare.

To put it mildly, the business outlook today is extremely confused.

On the one hand, it is predicted that this winter's domestic commerce will be the best since 1929, with retail sales in some lines perhaps exceeding the boom-time figure. On the other, business leaders are seriously disturbed—and many of them are plainly pessimistic as to the trend of future events.

This anomaly is easily explained. For, in the view of executives, the short-term outlook is favorable, and the long-term outlook is bad. Purchasing power is up, farm income is at a six-year high, consumer goods are moving rapidly. Yet the unrest in Europe, the tangled political situation at home, including the threat of more government in business, the apparent certainty of higher taxes, the prospect of still more serious labor disturbances, and the nervousness of security investors and speculators are retarding factors.

As every one knows, the stock market took its biggest drop in years a few weeks ago. Values are far below their spring and early summer levels. And while the stock market is not necessarily an accurate barometer of actual business conditions, it does pretty closely reflect the views of finance on both big and small levels, and represents credit, capital and reserve spending power. Explanations of the drop varied, and disclosed the opposed schools of thought now in existence. Stock market officials ascribe the collapse as being due mainly to excessively strict regulating by the SEC, which has largely eliminated speculative operators who in the past could be trusted to take up much of the slack in thin markets. Government officials, such as SEC head James Landis, who has recently resigned to become Dean of Law at Harvard, defended the regulatory policy, intimating that still more stringent regulation may be necessary. Whether the Landis' point of view is right or wrong, such a policy evidently has a dampening effect on large industry.

So far as the political situation is concerned, all is chaos. President Roosevelt's sweep around the country, in the view of most commentators, is designed to give him a chance to meet and see people, to use his personality, and to enlist public support in his campaign against the conservative wing of his party. The President, as he has said in almost so many words, is now envisioning a "second New Deal" which involves still further enlarging Federal authority, new and restrictive legislation dealing with business practices, notably in the field of wages and hours, and a lessening of the power of the Federal judiciary. There is still talk that a special session may be called late this fall. And it is known that the Administration will present an ambitious and inclusive "must" program before the second session of the 75th Congress, which convenes in January, including re-introduction of a Supreme Court "packing" bill.

Evidence is not lacking that Mr. Roosevelt's popular following has diminished—the Black Klu Klux Klan disclosures are perhaps the most serious blow he has received. But it cannot yet be said with accuracy that a majority of the voters are no longer willing to follow his lead.

In some quarters it appears that war scares have been exaggerated—and in others they have been too much minimized. A major war could not help but tremendously affect American industry, whether we became involved as belligerents or

not. General expert view is that there will be no war next year—but that there will be one in 1939, when Europe's vast armament program is more or less complete. American foreign policy has so far been careful, even timid—as it must. We are in the delicate position of attempting to keep clear of war—yet having to maintain our prestige in the interest of American citizens and residents abroad. Hot-heads criticize Secretary Hull for what they think is vacillation. Cooler heads generally approve his policy, think that he is right in seeking to feel our way gently and carefully.

There is talk of an entirely new gross earnings tax on business. This, coming on top of the present corporation income tax, the profits and loss levy, the surplus tax and other taxes, might make it impossible for business to maintain expected dividends, even in a time of heavy orders. There is no organized movement behind such a tax, however. Business is worried about the general tax policy, and about the continued government deficits which will require heavy new taxes of some kind—unless an unlooked for retrenchment in government spending occurs.

In conclusion, it should be pointed out that some experts feel that the present business news recession is less important than it seems, that the political and tax situation will work out without doing too much damage. Best guess is: The short-term outlook for commerce is favorable, and the long-term outlook is in the laps of the gods.

According to Business Week of September 18, a dollar of earning power could be bought for \$11.49 at that time, as against \$18.17 a year before.

LIVE YOUR PRESENT

During the past two years I have asked 2,997 persons, "What do you live for?" I discovered that 94 per cent are merely enduring the present for some future event or condition. Poor souls! They are wasting today's realities for tomorrow's speculations, sitting bored at a great entertainment, waiting for a better show which may never open. It's a common failing.—William Moulton Marston.

FOR SALE, MILK COW, SECOND Calf, heifer, two weeks old, \$50.
—A. G. Kemp, Zebulon, N. C.

Featured With Kay Circus In Zebulon October 19th

Circus bands will play, Circus crowds will gather, Circus Day will be here in Zebulon, Tuesday, Oct., 19, when the Kay Brothers Circus arrives in Zebulon and sets up its massive spread of canvas tents on the lot in rear of Privett's garage, offering an afternoon performance at two and an evening show at eight.

School will be dismissed early Tuesday afternoon in order that all school children may attend.

Kay Brothers augmented to a much larger size than ever before, offers a performance full of thrills and surprises. Everything from acrobats who seem to have forgotten the word "fear" to clowns who make you daffy with the dizzy dings, led by the peer of all mimics, "Beano", the clown offering 1001 laughs.

A new and interesting star has been added to Kay Brothers list of feature attractions, none other than Art Mix, Hollywood's most daring stunt man and star of such western thrillers as "Cyclone Horseman" "Desert Pirate" and others. Mr. Mix brings with him, his congress of rough-riders, cow-girls, Indians, Rodeo Prize winners and some picked players from his studio cast. An authentic re-enactment of the "Days of the Old West" an exhibition in the dare-devil stunts of the modern rodeo will be offered in true ranch style.

The entire globe has been encircled in the search and collecting of arenic and aerial acts for the big top displays. Australia sends Greggs famous teter board and acrobatic artists, Japan furnishes the much heralded Kitchie Troupe. India sends "Teddy" the world's largest performing elephant, Germany, Kay's prize horseman and prize herd of horses, even war-ridden Spain is represented in the air. Not to be out-done American acts do the seemingly impossible to set a fast pace for their circus cousins from around the globe.

PIGS — DUROC — FOR SALE! Cabbage Plants for Sale: 10c per hundred.

B. B. RICHARDSON
Near Zebulon



FINAL NOTICE

All Water accounts are due and payable by the 10th of each month at the Clerk's office in the People's Bank & Trust Company. If not paid by the 15th of the Month services will be discontinued without further notice. There will be a charge of \$1.00 to re-connect service.

All accounts not paid by October 15th will be cut off October 16th, 1937.

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