

LOOKING AT WASHINGTON

By Hugo S. Sims, Washington Correspondent

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Deficit Cut of Billions Is Indicated As Tax Collections Surprise Treasury

The Federal Government's budget is \$1,000,000,000 nearer balanced in the fiscal year that ends June 30th than it was in the last fiscal year. During the first nine months of the present year about \$700,000,000 was borrowed as compared to more than \$1,700,000,000 in the same period of the preceding year. Another encouraging factor in the fiscal affairs of the nation is the increased income tax payments by corporations and individuals in March, with receipts exceeding those of last March by \$100,000,000.

The increased revenue from taxes on income reflect larger earnings by individuals and corporations during the year 1937. Even with the slump that occurred in the final three months of the last year, 1937 was a profitable year for business although business generally is in the midst of a defeatist psychology on account of present conditions. Experts attribute part of the increased revenues to legislation, closing loopholes which heretofore permitted large sums to escape the Treasury. The tax on undistributed earnings of corporations, undoubtedly forced dividends, which increased individual income tax payments.

The improved condition of the Treasury is not due to reduced expenditures but almost solely to enlarged revenues. For the first three-quarters of the present fiscal year, expenditures totalled about the same as during the preceding year when they were almost exactly \$5,500,000,000. The reader should note, however, that the total of expenditures for the present year includes a large amount belonging to the old age reserve accounts. The Treasury used the money that came from payroll taxes, paying the fund three per cent interest, and the amount was charged as an expenditure because of the debt created. In fact, however, nearly the entire \$700,000,000 deficit of the Government is represented by the dollars borrowed from the old savings.

Viewed in another light, the Government, in nine months, has taken in taxes almost as many dollars as it has distributed in expenditures. In other words, for the first time in nearly eight years, the Treasury operations created no net "purchasing power." In view of the enormous sums pumped into the economic structure of the nation in recent years, the cessation of governmental priming is generally considered a major factor in the present recession. In the opinions of some officials and many experts, the failure of private business to replace Government spending made a recession inevitable and the business slump will probably continue until the Government resumes its pump priming or business takes up the slack by capital investments.

Early Solution of Railroad Problem Vital to Nation's Economic Recovery

The plight of the railroads of the nation involves the welfare of banks and insurance companies which have invested heavily in the securities of the carriers. In fact, certain railroads of the nation have seemed to be mere pawns in the financial manipulations by which banks, brokers, attorneys and receivers have made huge sums. This, however, is hardly true of all carriers and the fact remains that most of them carry insuperable financial burdens. That some solution of the problem is vital to the nation's economic welfare is generally realized but no easy manoeuvres will be effective.

President Roosevelt recently appointed a "rescue committee" in an apparent effort to avoid anything like Government ownership or control at this time. However, it is generally recognized that the situation demands an authority with power to force sweeping reorganization of the entire railroad industry. About five years ago, the railroads, in a statement addressed "To the American People," pledged a reduction of competitive waste. Somewhere along the line, something interfered with the results anticipated.

The railroad crisis is to the present recession what the banking crisis was to the nation in 1933. Unless something is done, officials fear that the business slump will be aggravated. With widespread insolvency and other companies facing difficulties, positive action is necessary of the industry, which employs a million men, represents a big slice of national investment and looms large in our economic setup, is to survive. The plight may be emphasized when one realizes that three and a half billion dollars of the thirteen and a half billion dollar first-lien railroad bonds are now in default.

The President is concerned about the men who will lose jobs by reason of economies effected. It is estimated that enforced consolidations

might save \$250,000,000 a year, but that about seventy cents of every dollar saved would be at the expense of labor. Consequently, Mr. Roosevelt argues that the Government will have to take care of the men displaced until they can get other work or new railroad jobs through subsequent expansion and plant improvements. Studies show that almost one-half of the roads lost money last year, and that receiverships were operating thirty per cent. of the nation's direct mileage.

Hull Says Nation Cannot Surrender Principles and Hope to Gain Peace

The foreign policy of the United States is somewhat puzzling to Americans, as well as to foreigners. The sentiment for peace at any price, the fear of entangling alliances and the belief that it is possible for the United States to be isolated from the world clash with the growing sentiment that this nation is inevitably involved in the affairs of the world and that its prospects for peace will be enhanced by intelligent participation in world affairs.

Secretary of State Cordell Hull recently attempted to outline the principles guiding this nation in its relations with other powers. He insisted that "we are fully determined to avoid the extremes either of internationalism or of isolationism." It is not possible to fully state the argument of the Secretary's seven-thousand-word address but it is worth noting that he expressed devotion to the cause of peace, the sanctity of treaty obligations, our deep concern over the rising tide of lawlessness and the necessity for every nation to accept and observe the principles upon which international law and order are based.

Mr. Hull urges each nation to respect the rights of others and to assist in promoting the economic security and stability the world over. He declared that the Government would follow its policy of affording protection "by appropriate means and under the rule of reason," to its nationals and their rights and interests abroad. "To waive these rights in the face of threats," he said, "would encourage the disregard of law" and "contribute to an inevitable spread of international anarchy."

He backed the adequate defense program because to do less "would lay our country open to unpredictable hazards." He defended the exchange of information with governments facing common problems and maintained that for peace-seeking nations to remain completely aloof from each other would mean the encouragement of nations lawlessly inclined.

He defined "the one objective of our entire foreign policy" as "the establishment of durable peace" and held that our most effective contribution in the face of present tragic conditions is to have "this country respected throughout the world for integrity, justice, goodwill, strength and unswerving loyalty to principles." He opposed measures intended to keep us out of war which were in complete disregard of experience and practicability.

To "withdraw precipitately from any part of the world in which violators of international decency choose to assert themselves" would involve the surrender of fundamental principles which must be the basis of international order as opposed to international anarchy. Support of these principles are more fundamental, he declared, than the protection of citizens and trade investments in particular areas.

The momentous question "is whether the doctrine of force shall become enthroned once more and bring in its wake, inexorably, international anarchy and a relapse into barbarism?" The alternative is for this and other peaceful nations to work unceasingly—singly or in cooperation with each other, as circumstances, their traditional policies, practices and their enlightened self-interest may dictate—to promote and preserve law and order, morality and justice as the unshakable basis of civilized international relations."

To turn our backs on the problems of the world would mean an abject retreat before those forces which we have, throughout our own national history, consistently opposed. It would mean the menace of our security "in proportion as other nations came to believe that, either through fear or unwillingness, we did not intend to afford protection to our legitimate national interests abroad, but, on the contrary, intended to abandon them at the first sign of danger."

This would mean the abandonment of economic, cultural, intellectual and other international relationships, the development of a self-contained existence, with less production of higher cost, lower living standards, regimentation in every phase of life, economic distress to wage earners and farmers, and the doom on an ever-increasing scale. This would be the result

of an attempt to isolate ourselves to avoid war when reason and experience definitely point to a conclusion that "we cannot withdraw from the world itself."

Old Chinese Pastime
 It is said that the Chinese of the pre-Confucian period were in the habit of relieving the monotony of their existence by writing one another's lives.

Classified and Legals

FOR RENT—UP-STAIRS APARTMENT—two rooms and kitchenette, convenient to bath. Mrs. W. A. Arnold, Church Street.

Mar. 25, Apr. 1.

PATENTS — REASONABLE Terms. Books and advice free. L. F. Randolph, Registered Patent Lawyer, Dept. 399, Washington, D. C. Feb. 11 to May 13, 1938.

NOTICE OF SALE

By virtue of a decree of the Superior Court of Perquimans County entered in the name of F. M. Copeland and wife, Ibbie Copeland, et als, Ex Parts, the undersigned commissioner will on Monday, April 25th, 1938, at 12 o'clock M., offer for sale to the highest bidder for cash at the Court House door in Hertford, N. C., the following described property in Perquimans County, North Carolina:

First Tract: Being in Hertford Township adjoining the lands of Warren J. Winslow and known as the Mill Pond, containing 6 1/2 acres, more or less, and being the same tract conveyed to the late J. H. Copeland by John G. Webb by deed recorded in Deed Book 7 at page 318, Perquimans County Registry.

Second Tract: Being in Belvidere Township, adjoining the lands of Joshua Hurdle, Elizabeth W. Nicholson, Nathan Q. Ward, and the heirs of J. W. Layden, known as the Darden Pine Thicket, containing 4 acres, more or less, and being the same tract conveyed to the late J. H. Copeland by Wm. C. Chappell by deed recorded in Deed Book 13 at page 254, Perquimans County Registry. This 25th day of March, 1938.

H. G. WINSLOW, Commissioner.

Apr. 1, 8, 15, 22

NOTICE OF ADMINISTRATION

Having qualified as Administrators of the estate of Thomas Nixon, deceased, late of Perquimans County, North Carolina, this is to notify all persons having claims against the estate of said deceased to exhibit them to the undersigned at Hertford, N. C., on or before the 7 day of March, 1939, or this notice will be pleaded in bar of their recovery. All persons indebted to said estate will please make immediate payment.

This 7 day of March, 1938.
 EDNA J. NIXON
 B. B. DAWSON,
 Administrators of Thomas Nixon.
 Mar. 11, 18, 25, Apr. 1, 8, 15

NOTICE

Sale of Valuable Real Estate
 By virtue of a Deed of Trust executed to me by W. G. Wright, for certain purposes therein mentioned, which said Deed of Trust bears date of July 5th, 1929, and is registered in the office of the Register of Deeds in Perquimans County, in Book 17, on Page 280, I shall on Monday, April 25th, 1938, at 12 o'clock, noon, offer for sale to the highest bidder for cash, at the Court House door in Perquimans County, N. C., the lands conveyed to me in said Deed of Trust, as follows:

Tracts 1 and 2, being the same tracts of land that were formerly conveyed to John Ross and Frank Skinner by S. T. Shannonhouse and J. C. Blanchard and subsequently re-conveyed to J. C. Blanchard by Trustee Deed from J. S. McNider, for full description of which see Mortgage Book 9, Page 48, Register of Deeds' office, Perquimans County.

Tract 3, being 10 acres of woodland. Same being one-half of 20 acres purchased by H. T. Shannonhouse and J. C. Blanchard from John Smith. See Deed Book 11, page 385, and further conveyed to J. C. Blanchard by Annie H. Butler and W. T. Shannonhouse, representing the Estate of H. T. Shannonhouse. See Deed Book 15, Page 382.

Dated and posted this March 25th, 1938.
 T. W. WILSON, Trustee.
 Mar. 25, Apr. 1, 8, 15.

NOTICE OF SALE

By virtue of the authority contained in that certain deed of trust executed on the 1st day of January, 1926, by T. S. White and wife, Mattie T. White, and W. E. White and wife, Mattie L. White, to Southern Trust Company, Trustee, and recorded in the office of the Register of Deeds for Perquimans County, N. C., in Book 1, at page 33, default having been made in the conditions of said deed of trust, the undersigned Trustee will, on the 10th day of April, 1938, at 12 o'clock, noon, at the Court House door of Perquimans County, N. C., offer for sale at public auction, to the highest bidder for cash, the following described property:

All those certain lands containing 181.4 acres, more or less, situated on the Durants Neck Road, about 3 miles from the Town of Hertford, in

Parkville Township, Perquimans County, N. C., and adjoining the lands of Thomas Nixon and the Perquimans River and others, and beginning on the New Hope Road at Thomas Nixon's corner; thence S. 83 deg. 30 ft. along the road 1,508 feet to corner; thence along the canal, its various courses to a corner; thence S. 49 deg. 40 ft. W. 5,285 feet to the Perquimans River; thence along the Perquimans River 1,637 feet to Thomas Nixon's line; thence North 50 deg. 30 ft. E. 4,785 feet to the point of beginning. Being part of the Fleetwood Farm, and being part of the same lands conveyed to James L. Skinner by B. S. Skinner by will and deed recorded in book of Wills F, page 521, and in deed book C. C., No. 444.

The above property will be sold subject to all taxes now due and unpaid.

A deposit of five per cent of the amount bid will be required of the successful bidder at the hour of sale.

This notice dated and posted this 14th day of March, 1938.

SOUTHERN LOAN & INSURANCE CO., Trustee.

(Formerly Southern Trust Co.)
 By Worth & Horner, Attorneys,
 Elizabeth City, N. C.
 Mar. 25, Apr. 1, 18, 14

NOTICE OF ADMINISTRATION

Having qualified as Administrator of the estate of Clarissa Reed, deceased, late of Perquimans County, North Carolina, this is to notify all persons having claims against the estate of said deceased to exhibit them to the undersigned at Hertford, N. C., on or before the 26th day of February, 1939, or this notice will be pleaded in bar of their recovery. All persons indebted to said estate will please make immediate payment.

This 26 day of February, 1938.
 VERA HALL,
 Administratrix of Clarissa Reed.
 Mar. 4, 11, 18, 25, Apr. 1, 8.

NOTICE OF SALE

By virtue of the authority contained in that certain deed of trust executed on the 21st day of December, 1934, by Alonzo Reid, to J. W. Ward, Trustee, and recorded in the office of the Register of Deeds for Perquimans County, N. C., in M. D. Book 19, page 144, default having been made in the conditions of said deed of trust, and at the request of the holder of the note secured by said deed of trust, the undersigned trustee will on the 9th day of April, 1938, at 12:00 O'clock Noon, at the court house door of Perquimans County, N. C., offer for sale at public auction a one-half undivided interest in the following described property:

First Tract: Bounded on the North by State Highway leading from Winfall to Elizabeth City; on the east, by lands of Chas. Johnson; on the south and west by lands of T. J. Nixon estate, containing one acre, more or less, and being known as

the Home Place of W. E. Reid, deceased.
 Second Tract: Bounded on the North and south by John B. Riddick lands, and on the east and west by lands of T. J. Nixon estate, containing six acres more or less, and known as the Knox Tract.

subject to all indebtedness thereon up to the time of this deed of trust, and subject to all taxes thereon. Dated and posted this March 9th, 1938.

J. W. WARD, Trustee.
 Mar. 11, 18, 25, Apr. 1

TAYLOR THEATRE

EDENTON, N. C. THE BEST ENTERTAINMENT

Today (Thursday) and Friday, March 31 - April 1—
Walter Huston, James Stewart, Beulah Bondi, Guy Kibbee and Ann Rutherford in
"OF HUMAN HEARTS"
 NEWS ———— CARTOON

Saturday, April 2—
Bob Steele in
"PAROLED TO DIE"
ZORRO RIDES AGAIN NO. 6 ———— OUR GANG COMEDY
OWL SHOW AT 11:15 P. M.
Beverly Roberts and Dick Purcell in
"THE DAREDEVIL DRIVERS"

Monday, April 4—
Edward G. Robinson and Jane Bryan in
"A SLIGHT CASE OF MURDER"
 — ALSO —
"Husbands Are Good For Something"
 An \$89.50 COOLERATOR FREE to Some Lucky Person Attending the Theatre on This Date—Matinee or Night
 DRAWING AT 9 P. M. ON STAGE

Tuesday, April 5—A Swell Show—
Claudette Colbert and Gary Cooper in
"BLUEBEARD'S EIGHTH WIFE"
 ACT ———— NEWS

Wednesday, April 6—
Dolores Del Rio and George Sanders in
"INTERNATIONAL SETTLEMENT"
BANK NIGHT

Thursday and Friday, April 7-8—
CHARLIE MCCARTHY and THE RITZ BROTHERS in
"THE GOLDWYN FOLLIES"



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