

## LOOKING AT WASHINGTON

By HUGO S. SIMS, Washington Correspondent

### Proposed Constitutional Change Would Make The Rich Richer

Sixteen states have passed resolutions requesting Congress to call a convention to provide for an amendment to the Constitution which would limit Federal income and inheritance taxes to 25 per cent.

The effort to amend the Constitution by this method requires that 32 states pass the resolution, whereupon the convention must be called to draft and submit the amendment. Accordingly, it is somewhat important that the people of the states, which have not acted upon the resolution, understand the real nature of the proposition.

Congressman Wright Patman, of Texas, calls the proposal "the millionaire's amendment to make the rich richer and the poor poorer." He says that it is being pushed by "the most sinister lobby ever organized."

The purpose of the scheme is to limit Federal income and inheritance taxes to 25 per cent, which means that a man with an income of \$1,000,000, who now pays a tax of about \$800,000, would only pay \$250,000.

If this limit applies and the government needs revenue, it will have to secure the revenue by increasing the income tax on those with smaller incomes. Even then, it might be necessary for the government to adopt a national sales tax and other imposts that bear especially upon those with low incomes.

The promoters of the scheme, identified to Congress by Mr. Patman as Frank Gannett, a publisher reported to be a millionaire, Sam B. Pettigill, a former Congressman who has actively conducted a campaign against all New Deal measures, and Edward A. Rumely, said to be a convicted German agent during World War I. The movement is sponsored by an organization calling itself the "Committee for Constitutional Government."

As we understand the proposal, the amendment would limit income and inheritance taxes to 25 per cent, except in the event of war. This would save money for those who now pay more than 25 per cent of their incomes in taxes, but it would almost certainly mean an increase in taxes for those who pay less than 25 per cent on their incomes at the present time.

The campaign for the passage of the resolution has been conducted rather quietly in various states. Already, Alabama, Arkansas, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Michigan, Mississippi, New Jersey, Rhode Island, Wisconsin and Wyoming have passed the resolution. The Pennsylvania legislature passed it in 1943 but the Governor vetoed it. It was presented to the South Carolina General Assembly in 1944, but, after being denounced on the floor of the Senate, was withdrawn by its sponsors.

The proposal is an effort to shift the burden of taxes from those able to pay onto the shoulders of those less able to pay. It abandons the cardinal principle of the income tax which compels those with the largest stake in the government to contribute a proportionate share to the expenses of government.

The legislators of states which have not yet passed the resolution should be on their guard to prevent the propagandists from slipping it through the legislative mill. This advice is offered because members of some legislatures that have passed the resolution insist that they were unaware of the action being taken. Consequently, the legislative bodies of the thirty-two states which have not yet passed the resolution should be on guard.

### Bitter Fight For Control of Government Properties Ahead

It appears that Congress will remove the lending agencies from the Department of Commerce and that the Senate will, thereafter, approve the nomination of Henry A. Wallace as Secretary of Commerce.

The settlement of the bitter fight initiated by the President's nomination of the former Vice President should not fool anybody. It is only a temporary truce. There will be, in the course of the next year or two, a titanic struggle for control of the plants and properties of the government.

The vigor and aggressiveness of the interests opposed to Mr. Wallace indicate something of the nature of the struggle ahead. It is vastly important whether our war industries continue to produce as independent units or become parts of existing industrial organizations. Much is at stake, with private interests and public interests in direct conflict.

We prefer to see private capitalism develop and prosper in the United States, but we do not believe that the government should give away valuable properties. Unless existing organizations are prepared to purchase and operate the plants, the government should not hesitate to operate them, if necessary, to avoid selling them for junk.

So far as we are concerned, we are tired of the government of the United States subsidizing the operation of business interests. If the government is to invest its funds in an enterprise, the smart thing for the government to do is to own some of the enterprise and share in its profits.

### Montgomery-Ward Decision Hollow Victory Over NWLB

Mr. Sewell Avery, head of the Montgomery-Ward and Company Mail Order House, recently won a legal victory in his battle with the government but the triumph was somewhat tarnished by the biting criticism of his course by Judge Phillip L. Sullivan.

Mr. Avery is regarded as something of a hero by a small contingent of Americans but, before the great mass of citizens make up their minds, it might be a good idea to look into the background of the legal squabble and understand just exactly what Mr. Avery is trying to do.

Not many Americans are worried by the statement that, unless the higher courts reverse the current opinion, the precarious balance between labor unions and industry, maintained by the War Labor Board, may collapse. Many Americans are not thoroughly informed of the task assumed by the NWLB.

When the Japanese attacked the United States at Pearl Harbor, the nation faced the immediate task of producing weapons, equipment, munitions, tanks, ships and other war items at a miraculous rate if the nation was to defeat its enemies. It was highly essential that strikes be prevented, if possible.

The government sought and obtained from labor leaders of the American Federation of Labor and the Congress of Industrial Organizations, and a few other groups, a pledge to give up the strike, their chief economic weapon, for the duration.

To persuade labor to give up strikes, the government promised to fight against inflation and, since wages were to be frozen, to keep the cost of living pegged at its existing level. This was the basic agreement between the government and labor.

It is readily admitted that there have been some strikes and that the government has not been able to fulfill its part of the agreement completely. Nevertheless, statistics show that time lost from strikes is far below pre-war figures and that the cost of living is in a great deal better shape than it was in the first World War.

The labor leaders, in giving up their strike weapon and agreeing not to stage walk-outs for higher wages, expressed fear that they would not be able to maintain their membership and then the government called upon industry to grant "maintenance of membership" clauses in labor contracts.

Under this arrangement, workers had a right either to join or stay out of a union but, if they joined, the "maintenance of membership" clause kept them in the union until the contract of the union with the employer expired. In brief, labor unions, surrendering the strike, were protected in their membership.

This, then was the basis of the truce entered into to facilitate the production of war supplies. The government, labor and industry adopted an arrangement designed to prevent strikes and increase war production. To supervise the details, the National War Labor Board, including panels of labor, industry and the public, was improvised to settle issues arising under the war-time agreement.

The record shows that labor has kept its no-strike pledge to a remarkable degree. Industrial leaders, almost without exception, have waived contentious questions to cooperate with the NWLB in settling labor dis-

putes that might interfere with production.

There have been two notable exceptions—Sewell Avery and John L. Lewis. Avery has vigorously fought the government, having legal clashes in 1941, 1942, 1943, 1944 and now in 1945. John L. Lewis would not agree to the non-strike pledge and his mine strikes produced a considerable part of the time lost from strikes.

Everybody understands, including the government, business leaders and labor leaders, that the National War Labor Board does not possess authority to enforce its decisions. In attempting to settle labor disputes that have arisen since Pearl Harbor, the Board has made mistakes, but its findings and, on the whole, its verdicts have been respected.

Recently Avery defied the War Labor Board and its findings. Inasmuch as the NWLB has no power to enforce its findings, the President, acting under broad powers to seize whatever is necessary for the war effort, ordered the seizure of the Ward plant. In his recent decision, Judge Sullivan ruled that the War Seizures Act is not broad enough in its terms to cover the seizure of the plants of the mail order house.

Mr. Avery occupies the unenviable position of a man who, while his country is engaged in two tremendous wars, is unwilling to cooperate with his government, with labor leaders and with other industrialists, to forego technical rights temporarily in order to speed the war effort.

In fighting his government and in attempting to break up the war-time truce between labor and industry, he sets a poor example and hardly improves the prestige of his company in the minds of those who have loved ones fighting overseas.

### 1944 Peanut Crop Virtually Sold

Practically all farmers' stock peanuts in North Carolina and Virginia have been sold, according to L. Marion Dilday, farm crops specialist with the State Department of Agriculture.

"Except for cleaned goods, very

few peanuts are available for shipment other than on priority orders to manufacturers holding contracts for peanut products for the armed forces, and to candy manufacturers who must set aside 50 per cent of their five-cent candy bars for delivery to men and women in the military service," said Dilday.

### Postal Notes Not Cashable Overseas

Persons writing to service men and women overseas are urged not to send Postal Notes—simplified money order forms—to their husbands, sons and sweethearts in the service overseas.

Although the postal notes went on sale by the Post Office Department on February 1, 1945, Navy post offices afloat and at overseas bases are not authorized to cash the notes. They may only be cashed within the United States and are good for only two calendar months from the date of issue.

### Produce Infertile Eggs To Save Loss

About five per cent of all eggs produced are lost between the nest and the breakfast table, and T. T. Brown, Extension poultryman at State College, says that a large portion of this loss can be prevented if cockerels are kept with the laying flocks and only infertile eggs are produced.

The germ in a fertile egg begins developing when a temperature of 70 degrees is reached, according to Brown. Therefore, many of the surplus spring eggs are damaged by heat while they are kept at home or while they are in trade channels.

Other causes of loss between the nest and the table include blood spots, bloody whites, cracks and dirt on eggs, Brown reports. "The producer can't do much about blood spots and bloody whites but he can produce infertile eggs and provide

clean houses and nests for his hens," he explains.

When eggs are dirty, bacteria and mold easily enter the egg through thin spots in the shell. Eggs should never be washed except when ready for immediate consumption. As to the keeping quality of eggs, Brown points out that clean eggs keep much better than "cleaned" eggs. If dirty eggs are to be cleaned, he recommends dry cleaning with emory cloth, sand paper or steel wool.

Brown estimates that North Carolina farmers last year lost about 214

carloads of eggs of 500 cases each between the nest and the table and that this loss amounted to about \$1,500,000.



## Crop Loans

### MONTHLY INSTALLMENT LOANS

YOU CAN BORROW MONEY AT THIS BANK FOR SEASONAL CROP PURPOSES... OR FINANCING THE PURCHASES OF

Automobiles - Electric Stoves  
Electric Refrigerators - Taxes  
Doctor's Bills - Hospital Bills  
Vacation Trips and other items

We make Real Estate loans. Loans secured by collateral and endorsement loans.

Before borrowing for any of the above purposes, consult the officers of this bank.

We are glad to be of every service that conservative banking will permit.

## THE HERTFORD BANKING COMPANY

Member F. D. I. C.

Hertford, N. C.

## TAYLOR THEATRE

EDENTON, NORTH CAROLINA  
We Have the Shows

Friday, Feb. 16—  
Maria Montez, Susanna Foster,  
Jack Oakie and Turhan Bey in  
"BOWERY TO BROADWAY"  
Latest News — Color Cartoon

Saturday, Feb. 17—  
Alan Lane and Wally Vernon in  
"THE SILVER CITY KID"  
'Manhunt of Mystery Island' No. 5  
Comedy

Sunday, Feb. 18—  
Kay Kyser and Marilyn Maxwell in  
"SWING FEVER"  
With Lena Horne and  
Kay Kyser's Orchestra

Monday-Tuesday, Feb. 19-20—  
A. J. Cronin's  
"THE KEYS OF THE KINGDOM"  
With Gregory Peck, Thomas  
Mitchell, Vincent Price, Roddy  
McDowall and Jane Ball  
Shows 3:30, 6:10 and 8:50  
Features 3:55, 6:35 and 9:15

Wednesday, Feb. 21—  
Basil Rathbone and  
Evelyn Ankers in  
"THE PEARL OF DEATH"  
"Black Arrow" No. 4  
Disney Cartoon

Thursday-Friday, Feb. 22-23—  
Deanna Durbin and  
Robert Paige in  
"CAN'T HELP SINGING"

## Announcement

We have opened a sales stable at the old Blanchard location on the Town Lot in Hertford, and are now ready to either trade or sell.



We Will Carry a Complete Stock of Good,  
Well Broke Mules and Mares at All Times

BE SURE AND SEE OUR STOCK BEFORE  
YOU BUY OR TRADE!

## CAROLINA HORSE & MULE COMPANY

Town Lot

Hertford, N. C.



The Axis has reason to fear the Southern Farmer. You are setting new records—growing foods that nourish fighting men and civilians—producing raw materials for the tools of Victory. Americans realize the hard work you are doing and the intelligence with which you are planning.

History will prove that you are worthy of the highest decoration for devotion to duty.

## SCO-CO

HIGH QUALITY  
FERTILIZERS

THE  
SOUTHERN COTTON OIL  
COMPANY

Published in Recognition  
of the Achievements of Southern Farmers

BY

# SCO-CO FERTILIZERS

## The SOUTHERN COTTON OIL CO.

HERTFORD, N. C.

PHONE 2131