

L. T. - SUNOCO, MONDAY, MAY 18, 1936

GOOD EVENING EVERYBODY:

News comes from Washington today with a slam and a bang! The slam was the body-blow at the New Deal, delivered by the District of Columbia Court of Appeals. While the Administration was reeling from that one, bang came the decision of the Supreme Court, an upper cut to the jaw, which lays low the Guffey Coal Control Act. It is not easy at the present moment to decide which was the more damaging. The District of Columbia Court's ruling was aimed specifically at Professor Rex Tugwell's Resettlement Administration. That's the project for taking farmers from poor lands and putting them on fertile acres. And for removing workers from crowded city areas and colonizing them in modern communities, factory settlements. All this out of government funds. But today's ruling includes far more than mere settlement. Actually, it holds the entire Relief Act of Nineteen Thirty-Five unconstitutional, the Act which gave the President four billion, eight hundred and eighty million dollars to spend.

The opinion, written by Justice Van Orsdel, is one of the most withering ~~six~~ criticisms that have yet been leveled at Mr. Roosevelt's legislative program. The Nineteen Thirty-Five Relief Act enables "the President," he said, "and not the Congress, to legislate with respect to housing." Then he continued: "The President, not the Congress, sets up government agencies to carry out the purposes of the Act. The President, not the Congress, decides where and when and how this enormous sum of money is to be expended." "The Congress," he said further, "established neither path nor program for the Resettlement Administration."

This decision of the District of Columbia's Court of Appeals was by a three to two vote. The Chief Justice of the Court was one of those who concurred.

It was a particularly severe shock because it was unexpected. The lower Court had decided in favor of the government. Thus the Court of Appeals reversed the trial judge. The decision of this court is not final. The government has the right to appeal and can take the case higher up to its

old friend the Supreme Court of the United States. The Administration was so stunned that neither from the White House nor from the Department of Justice did we hear any word as to whether the Government would try its luck at such an appeal.

As for the Guffey Coal Control case, there is of course no appeal. The Supreme Court has spoken and that's final. It's a blow, to be sure, but not so unexpected. When Congress passed that Guffey Act, there were grave doubts about it. Nevertheless, there was huge excitement today. The new Supreme Court building was jammed to the doors with spectators, spectators who were interested, spectators who were merely curious. As Mr. Justice Sutherland read in his cool, unemotional voice the opinion he had written, the breathless silence was occasionally broken by gasps from the audience.

cut { As for that New Deal measure, a somewhat reluctant Congress passed it because President Roosevelt urgently insisted upon it.

The whole bituminous coal industry was in a terrifically bad way, had been suffering ever since Nineteen Twenty-Four.

The Guffey idea, briefly, was to set up a coal commission and a coal labor board. Price-fixing was a feature of the act. The measure also legalized the right of collective bargaining and made illegal the company union.

It was the price-fixing to which six of the Supreme Court Justices particularly objected, Chief Justice Hughes among them. Justice Sutherland added that the principles which made the N.R.A. unconstitutional, as established in the celebrated case of the Schechter sick chicken that killed the Blue Eagle, applied also to the Guffey Act.

This makes the ninth defeat which the Roosevelt Administration has sustained on the battleground of the Supreme Court. The score is nine to two, with the New Deal on the short end. Only in the cases of the Gold Clause and the Tennessee Valley Authority, has the Administration won out.

LEAD 5

"There are people today who think the Court was never intended to call acts of Congress unconstitutional," so writes Mr. Fred Rodell, assistant professor of law at Yale University in a book called "Fifty-Five Men", which has just been published by the Harrisburg Telegraph Press. It's the tale of the making of our Constitution. There were no newspaper men present, no official reporter. But, sitting with his back to the presiding officer, General George Washington, was another gentleman from Virginia, James Madison. He sat there day after day, taking notes in an improvised shorthand of his own. And if you read that account, one thing is made particularly clear. Mr. Rodell writes: "People say the idea of the Supreme Court declaring laws unconstitutional was invented by Chief Justice John Marshall." But, he adds, "Most of the men who wrote the Constitution expected the Court to have that power and use it." As a matter of fact, many of the delegates proposed that the Supreme Court should have the right to veto before acts of Congress were enforced, the right to veto now exercised only by the President. That proposition was voted down.

If there was dismay in Washington over the death of the Guffey Act, it wasn't ~~fk~~ felt in some other parts of the country. In the money centers, particularly on the exchanges, there were rejoicings and a rush to buy. Down on Wall Street stocks have been sagging while everybody was waiting for that long expected decision. The minute the news flashed over the ticker, shouts of "buy, buy!" rose to the ceiling. Some stocks climbed as much as a dollar a share, others went up four dollars. But it wasn't a real boom. After the first excitement, the rally died down and trading became normal again.

FOLLOW LEAD

The death of the Guffey Act wasn't the only blow the Supreme Court handed the New Deal today. Another was aimed at the devoted head of Henry Wallace. The Secretary of Agriculture had barred a trader, Arthur Cutten, from doing any business in the nation's grain markets for two years. He was suspended by the Grain Futures Commission. He promptly took his case from court to court, winning all along the line. And now the Supreme Court upholds the Seventh Circuit Court of Appeals in declaring that the Grain Futures Commission, a part of the Department of Agriculture, cannot bar Mr. Cutten from the markets. That ruling was unanimous, all seven justices voting alike.

All this happening while the Senate was confirming the London Naval Treaty.

TREASURE

Travellers who pass by Fort Knox, Kentucky, these days are apt to think they're in Europe. If they approach a certain spot in that vicinity they run up against armed guards of Uncle Sam's who tell them in unmeasured terms: "Keep off." For months men have been at work on a building in an atmosphere of secrecy suggesting a fortification on the French frontier.

It's a huge massive treasure vault for Uncle Sam's money; in the middle of a military reservation where hundreds of armed troops can be available at an instant's notice. And here your Uncle will store six billion dollars worth of his gold.

This depository is a two story building over huge subterranean cabins lined with steel and concrete. Inside that building is still another building. This inner building has neither doors nor windows. It can be reached only through a series of vaults. How large those subterranean cabins are, only the high government officials know. Around

the whole business are two ditches. This seems to mean that Uncle Sam has copped an idea from the Bank of France. In times of danger those vaults can be flooded ~~wt~~ by the pressing of a button.

Uncle Sam's new depository will be finished in August. Fifty train-loads of gold, count them, fifty packed full of the precious metal will roll from New York and Philadelphia to Fort Knox. Thousands of armed men will guard the routes of the trains. Sometime ago several billion dollars of the metal was shifted from the Pacific Coast to Denver. The job was done with such secrecy that the people who lived along the route hadn't the faintest idea of the fabulous fortunes carried by some of the trains.

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Every workman employed on that job was hand-picked and sworn to secrecy. It's significant that the government was able to find hundreds of such who could be trusted to keep their mouths absolutely shut about what they were doing.

The building of this place at Fort Knox is part of a government policy established sometime ago. When those fifty trains have unloaded their precious freight ~~at Fort~~ there in Kentucky

~~These~~ almost all of Uncle Sam's gold and silver ~~and~~ supplies
will be far inland, safe from seizure by any who ~~has~~^{ever} contrived
to land on either the Atlantic or Pacific Coast.

PUERTO RICO

For quite a while Governor Winship of Puerto Rico has been wiring to Washington: "We need a chief of police and we need him badly!" The constabulary of the island has been without a commander ever since the natives assassinated Colonel Francis Riggs, formerly of Uncle Sam's Marines.

Washington's answer to the Governor was: "Just whom do you suggest?" Without hesitation Governor Winship replied: "General Pelham Glassford is the man for this job."

So! We haven't heard much about that picturesque, outspoken general since he was Superintendent of Police in Washington in the Hoover Bonus March days. But during the last few weeks he's been busy reorganizing the police of Phoenix, Arizona, which he has done in his usual trenchant fashion. "Happy" Glassford, as he was known in Washington sassiety, had the distinction of being one of the most popular men in the capital, even though head of the police force. Washingtonians used to see him racing all over the city on his motorbike. One moment he would be conducting a raid on a speakeasy, for those were prohibition days, the next he could be seen in some fash-

ionable mansion or foreign embassy drinking tea and hobnobbing with the big shots.

~~When~~ But most of his spare hours he spent painting.

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 What is still more astonishing in a soldier and policeman he's a good painter. Several of his murals were sold for quite respectable prices. That led to a big laugh in Washington one day. Happy Glassford's men raided a fashionable speakeasy. And low and behold on the walls of that illegal establishment were murals executed by the Superintendent of Police. ~~Needless to say they were murals he had done for a vastly different sort of house.~~

General Glassford's energetic conducting of his force during the bonus riots are still remembered in Washington. Indirectly it led to his losing his job. It wasn't what he did but what he said that got him fired. He declared that ~~it~~ it was absurd to bring the United States Army into *the picture and that* ~~suppress the rioters, they~~ if he had been let alone he could have ~~he~~ handled the situation ~~himself~~ without ~~any~~ bloodshed.

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method of handling the marchers. During the height of the riots his head could be seen towering over the crowd as he shouted: "Be peaceful men. Be calm. Don't throw bricks, they're awfully hard and they hurt." Just then one bounced off him. Happy Glassford got into trouble too for contradicting General Douglas MacArthur. The Chief-of-Staff had charged that ~~at~~ not one in ten of the marchers were real veterans. But General Glassford said this wasn't so, and that it was shameful for soldiers to use gas and bayonets against their former war buddies.

That's Happy the happy General now being considered for the difficult task of restoring order in unhappy Puerto Rico.

BOLIVIA

The coup d'etat of the Bolivian army has produced an interesting situation. Only last February there was a similar upheaval in Paraguay, the republic with which the Bolivians fought ~~in~~ that long exhausting war in the steaming jungles of the Gran Chaco. The commanding officer of the Paraguayan forces was General Rafael Franco. Leading the Bolivians in the field was Colonel Jose David Toro. When the Paraguayan army revolted, ~~the soldiers~~ ^{the soldiers} selected General Franco to head the new Fascist government. And today we learn that it is his one-time opponent, Colonel Toro, whose fellow officers have chosen him as Bolivia's new dictator. So there they are, the former enemies, looking at each other from their new thrones, for that's what a dictatorship amounts to in South America.

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Strictly speaking, Colonel Toro isn't working at his new job yet. When the news reached him, he was still in the Gran Chaco. Until he returns to La Pas, Colonel Bush ~~is~~ ^{will} act ~~as~~ as head ~~ing~~ ^{his} of the state, ~~the Colonel's~~ ^{being} first act ~~was~~ to form a junta (hunta) of dictators, a combination of leaders of Socialists of the left and Republican Socialists.

The new government doesn't expect to exist long. The regular elections will be held May thirty-first. Of course the chances are a hundred to one that the voters will be cordially invited to elect none other than the new dictator. The new government will be a semi-Fascist sort of affair. That is, it will be Fascist with constitutional reservations. Curiously enough, the Bolivian officers are imitating their ex-enemies, the soldiers of Paraguay.. The new set-up in Bolivia will be modeled along the lines laid down for Paraguay's new government.

The whole episode establishes a new record for South American revolutions. No riots, no bloodshed, not even any hatred. It wasn't unexpected. The signal was given when the newspapers ceased to appear. That was followed by a general strike. President Sorzano, wearied by years of office and the difficulty of wrestling with the Gran Chaco problem, walked out of public life, thanking everybody who had worked with him. What's more, the new government walked into office with only the kindest words for the defeated, retired ^{ing} president.

Kind words all around. And now I'll say a kind word - S-L-U-F

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