

WASHINGTON

The tax tangle in Washington takes a new twist today. The corporation tax has led to one snarl after another, ever since the President proposed it. Today came the snarl of snarls. "A tax on a tax," they are calling it. Tax everything even taxation. Sounds like a Gilbert and Sullivan idea; but it's part of the latest doings of the Senate Finance Committee.

President Roosevelt in the first place wanted a tax on corporation surpluses, that is, all earnings that are not divided up into dividends. This provoked such a storm in the world of business, that the Senate went to work and has been radically overhauling the bill. Yesterday, the Finance Committee worked out a compromise solution. Today, it has a headache - because it's now noticed that the solution they've adopted means, "a tax on a tax".

The whole thing is curious enough to be worth a moment of figuring and reasoning. The compromise adopted has two angles, two kinds of taxation. The first is a straight tax on corporate earnings. A firm would pay to the government eighteen per cent of its net income. The second angle is that tax on

surpluses, the kind the President advocates. The former Administration bill called for a heavy tax on surpluses. Compromise whittled that down to seven per cent tax on all profits that are not divided as dividends.

Now here's the way that would work:- Suppose a corporation paid the government ten thousand dollars in taxes on its net income. Obviously, that ten thousand would not be divided up as dividends. Therefore, it would come under the heading of undivided profits, and the corporation would have to pay a tax on the money that it turned over to the tax gatherer. Quick Watson, the needle.

So no wonder when that peculiar fact was noticed today, the Finance Committee promptly got a headache. Yesterday they jubilantly passed their compromise by a vote of eighteen to one, but now they have had to go wearily back to work and dope out something else. Today they struck out that double tax hazard and now are wrestling with ways and means of providing the money the Administration needs.

That tax headache is producing a pain in the neck

throughout the ranks of Congress. The tax question is a big reason why the legislators are not likely to have their wish, and go home soon. The Republican National Convention opens Tuesday, June ninth. The lawmakers want to quit work on Saturday, June sixth. They don't want to sit ^{stewing} ~~there~~ there in Washington just making laws - while the G.O.P. is staging its pyrotechnics in Cleveland. But it looks as if that's what they'll be doing. And they may not be able to finish business and call an adjournment until well into July.

There's one other important bill for Congress to deal with - the President's substitute for the Guffey Coal Act, that ~~little~~ ^{little} coal field N.R.A. which the Supreme Court knocked out the other day. The Guffey substitute comes under the heading of "must", and it's full of difficult constitutional questions - with the Supreme Court looking on.

And then the lawmakers have before them several other bills, not so important. There's an anti-lynching law which would empower the government to impose fines on counties that

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fail to end the law of the rope and the mob. That involves a constitutional issue, and plenty of sectional opposition as well.

Then there's - the Political Coersion Bill, which proposes to punish employers who dictate how their employees should vote,

using threats ~~of~~ ^{of} discrimination ~~or~~ dismissal to influence the

workers' ballots. *How about those C. C. C., W. P. A., Jobs, and so on?*

Congress ~~has been~~ hoping to close up shop on June sixth,

~~but they~~ ^{will} have to work a miracle to do it.

SOCIALISTS

Cleveland means National Convention this year - in two ways, a big way and a little way, Republican and Socialist. By way of coincidence, the G.O.P. and the believers in the Socialist Utopia have picked the same city and the very same hall for building their platforms and making their nominations. The Republicans, ~~on~~ June ninth and the Socialists tomorrow. ^P The Socialist national wrangle won't mean so much so far as the presidency is concerned, but it will bring into the open the factional fight that has split the ^{pink} ~~Socialists~~ into two warring camps, right wing and left wing.

That split is nationwide but its ructions have been more loudly concentrated in New York State. The somewhat lighter pink^s and the somewhat deeper reds, have been locked in a fierce struggle for months. This fact will be ~~very~~ much in evidence at Cleveland tomorrow, and will provide the first blaze of Socialistic fireworks. Because the New York Utopians are sending two delegations to the convention, and each will demand that the other be tossed out.

In the Socialist primaries last April, the left wingers,

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led by Norman Thomas, won out. And they are going to Cleveland with a delegation forty-four strong. But the right wingers have refused to accept their defeat. Led by Louis Waldman, former Chairman of the Socialist Party, they'll be there with their own forty-four delegates. ¶ And you know the amount of heat and hatred that can be generated by a clash of opposing idealists, who champion different ways of going to economic heaven. Waldman declares that if his delegation isn't seated, he will take an "Al Smith walkout" and form a political party of his own. Some compromisers are talking about seating both New York delegations, and giving each member half a vote. The fight is all the more bitter, because the big New York block of votes will hold the balance of power between the right and left wing factions at the convention.

Then will come the big battle about the platform. And this takes us to the heart of the trouble, the reason why the Socialist Party is split wide open. Two years ago, there was a Socialist convention in Detroit, and a declaration of party principles was adopted. It was put over by a left wing majority,

and was strongly militant in its call to battle against capitalism. The right wing was stoutly opposed. They claimed the declaration was an appeal to violence, and that it was Communistic - crimson red Bolshevik. One big difference between the Socialists and Communists is that the pinks want to walk the ways of peace toward Utopia, while the deep dyed reds are willing to wade through violence.

At the convention, the left wingers will demand the drastic Detroit declaration be adopted as the party platform for the presidential race. And the right wingers will fight for a milder and less revolutionary set of planks. There's a party of moderates in the ~~dx~~ middle who will try to harmonize things by rewriting the Detroit declaration so that it won't sound like a blast of violence and a ~~xxx~~ socialist line-up with the Communists.

The candidate to be selected will no doubt be Norman Thomas, the perennial candidate, New York's left wing leader. But Mr. Thomas has offered to do anything within the limits of his conscience and his Socialism to bring peace and compromise. Anyhow he's not likely to be elected.

ZEPPELIN

I had a wireless message - a radiogram from the sky, a moment ago, saying: "We're breaking the record!" It was from Whitney Carpenter, world traveler, aboard the Hindenburg. She must be landing about now -- midnight over in Germany.

After her two magnificent trial flights to the United States, the biggest of Zeps is scheduled to do some elaborate touring among other continents.

SAFETY

The kid cops will march in Washington tomorrow, at the gathering of the National School Safety Patrol Conference. You know how in school districts all over the country they'll have youngsters guiding the traffic of street intersection. - Eight thousand of them will rally in the national capital on a crusade of safety. At their conference they'll discuss ways of cutting down accidents, methods ~~ax~~ for making streets safer for school children.

Virginia is staging a safety conference, beginning today. The Governor is the chairman, and fifty organizations are represented, chambers of commerce, the American Legion, municipalities and school authorities.

Today, there was ^{still} another appeal from the British government, saying - "Don't carry out that execution!" But it did no good. Governor Merriam refused to intervene. So the sentence was carried out - hanging.

One of the two doomed men was a British subject, a native of Glasgow. For months desperate efforts to save him were made by the British Consulate at San Francisco and the British Embassy at Washington, efforts that culminated in an appeal by Anthony Eden, Foreign Minister of Great Britain. Twice Alexander McKay was reprieved at the last minute, together with Joseph Kristy, convicted with him. But there was no third reprieve.

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The British contention was that the death penalty was excessive punishment for the crime of which the two men were guilty. There was a wild prison break from San Quentin, and it flared into the headlines in January, Nineteen Thirty-Five. The escapers were not guilty of taking life. The only man killed was one of their ^{own} number, shot down by a posse. But they beat the prison warden and they kidnapped three members of the state prison board who were holding a meeting in the "big house", and held

them as hostages. The hostages were not ^harmed. So, the case came under the heading of kidnapping, which brought it under California's Lindbergh Law, ^{which carries a} ~~and that provides the~~ death penalty for kidnapping.

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This dark episode of crime and punishment was not only an international affair, with declarations in the British House of Commons, and protests from one government to another, it had also ^a depth of dark emotion. If the British government thought that punishment excessive, what did the two doomed men themselves think? That's answered by a letter they sent to the three prison board officials whom they had abducted in their escape, a letter inviting their former hostages to witness the execution. "It will be magnificent", they wrote, "for you to witness the death of men from whom you begged life, who albeit may have treated you somewhat roughly, did so with courtesy and gave you to understand that rather than kill you, they would suffer capture and prosecution."

But, the law is the law, and today the law had its way!

BLACK LEGION

It's hard to imagine the mob madness and secret-society-craze that's in tonight's story of the Black Legion in Michigan. Picture a meeting at night, with fifty members of the Black Legion gathered. They're a weird outfit, something like the defunct Ku Klux Klan. They wear, not white hoods, but black - black hoods marked with the heath sign of skull and bones. They are organized to enforce one hundred per cent Americanism and Anti-Communism. They claim to be widespread secret society, with members in many places.

On this night, the under-cover meeting of the Black Legion soars to a height of excitement when two men arise and tell of a case of wife-beating. They accuse a W.P.A. worker - Charles Poole - of kicking his wife, since gone to a maternity hospital. Mad shouting breaks out, among the black hooded skull - and-cross-bones brotherhood. Shouts of:- "Let's take him out and beat him!" And other yells of "Let's kill him!"

The more conservative members and the wild ones disagree. A party of the maddest hurry to their automobiles. In their mob hysteria and secret-society-craze they appoint themselves judges and executioners. They drive to the house

of Poole, the W.P.A. worker. They trick him into coming with them. They know he's a baseball fan, and they tell him they're on their way to plan a new baseball team. So he goes along. They take him to a lonely place on Gulley Road, in the township of Dearborn. There they make him kneel down. They tell him he's beaten his wife for the last time. And they shoot him to death!

This happened a week ago, and at first the Michigan authorities thought it was a gang killing. Then they picked up the right trail, and arrested sixteen members of the Black Legion. Today we have the announcement that six of these have confessed and admit that they took part in what they call the execution. Seven of the Black Hoods in all will be prosecuted for murder.

The bitterest irony is that today Poole's wife speaks up. Emerging from the maternity hospital with her baby girl, she denies that her husband beat her! That is a sufficient comment on those self-appointed guardians of One Hundred Per Cent Americanism.

NAMES

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In Los Angeles, Federal Judge Cosgrave called three defendants in a liquor case. The first said his name was "Coates", Marvin Coates. The second gave his name as "Panz", Tony Panz. ^{P-A-N-Z}
The judge turned to the third defendant: "And I suppose", he said. sarcastically, "your name is 'Collar' or 'Suspenders'."

"No," replied the defendant, "my name is 'Shurtz', Harold Shurtz."

"Coates, Panz and Shurtz", murmured the bewildered judge. "Who is your attorney?" he demanded.

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"Your Honor," replied the defendants, "his name is 'Vest', Charles Vest." As it happened, the attorney was unable to be present. So the case was postponed for a week, which will give the federal judge time to recover his composure. Then, the four will be present in court - Coates, Panz, Shurtz and Vest! ^{Making}
it a ~~law~~ law suit! ouch.