S.J. P.+ S. Tunday, Jan. 19, 1948. BARUCH

Here is a formula for world recovery and international peace; a prescription for Uncle Sam to follow, a prescription from Doctor Bernard M. Baruch. This is it:

A foolproof military alliance between Uncle Sam and all other nations that are prepared to resist aggression. That's part of it -- the foreign policy part. And, on top of that, a job for all of us: two years of hard work, high production, <u>and</u> high taxes.

And that's the conclusion to which Barney Baruch's recent meditations on his famous park bench in Washington have brought him. The elder statesman now in his seventy-eighth year, gave this prescription today, to the Senate Committee on Foreign Relations.

He admits it's medicine that we may not like to take. But, he told the Senators that if this country will do that, for just two years, the results will be magical. And that gone would be all fear of another war.

The military-defensive-alliance part of it that he suggests would take in the sixteen nations of

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Western Europe, that are to get help from us under the Marshall plan -- and any other nations that want to come along. By "military alliance" he said he meant a binding agreement; as he put it: "afirm promise to go to war in joint defense if any one of them is attacked."

He also urges that our European friends form a confederation, under the United Nations -- a confederation for political, economic and military defense. Not a mere customs union; but a union with exchange of goods made easy by low fariffs.

According to Baruch, the best contribution we can make toward world **RECOVERY** is to step-up our production, produce on a far larger scale than now.

He also advocates that the President have the power to cut our tariffs for the next three years. That there should be a big reduction in prices of food and other farm produce here at home. But with the farmers assured of a fair price for their crops for the next three years.

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Elder Statesman Baruch also discussed Labor. He proposes that Labor cooperate by agreeing to a longer work-week -- at overtime pay rates, and, with wages stabilized. Also, rent controls to be continued.

He further recommends no reduction in taxes for two years! After that a gradual decrease of personal and corporate taxes over a period of five years, plus a continued reduction of the national debt.

In his opinion at least fifty percent of the excess profits tax abolished at the end of the war, should be reinstated. To make up for which, manufacturem should be allowed the same amortization rates for new factories as they had during the war.

Finally, he proposes that public works projects be postponed, except those that are absolutely essential, such as housing, schools and hospitals. His explanation being that Federal, State, and Municipal **public** public undertakings contribute to inflation. Baruch suggests that Congress establish special committees to go over all public-spending-projects with a fine tooth comb.

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With only the absolutely necessary permitted during the next two years.

How to do all this?

Well, he told the Senators he thought the American people were ixim intelligent enough to accept his suggestions without the incentive of tax reductions. As he put it: "the drive for peace is all the incentive people need." He firmly believes that this objective would overcome the resistance to even such a Spartan program.

The Senators of the Foreign Relations Committee seemed to receive the Baruch proposals with warm mpp appreciation. But most of them doubted the eminent doctor's prescription could be sold to the people in an election year.

SNYDER-HARRIMAN

At the other side of the Capitol, two Cabinet Ministers were busy today trying to convince the Ways and Means Committee of the House that tax reduction, now, would be perilous.

Treasury Secretary Snyder sent in his annual today, report, with the statement that general tax reduction must wait; <u>until</u> the present inflationary pressures have subsided. Then, we should have a general revision of our entire tax structure.

Commerce Secretary Werild Harriman decried the argument of the Republicans that income taxes should be reduced to give people more money to invest and to expand business. Not necessary, said be. His idea is that we have plenty of investment funds available rik right pow.

GERMANY

Fireworks are expected in Berlin tomorrow at a meeting of the Allied Control Council of the Big Four &x powers. Soviet Marshal Sokolovsky is expected to resist the plan for John Bull and Uncle Sam to merge their occupation zones. Sokolovsky is said to be ready to make the point that, if the merger stands, then the Americans and British will be thrown out of Berlin! General Lucius Clay, our Commander-in-chief there, is reported to be ready to tell Sokolovsky to go jump in the Oder, or maybe I should say the Spree, which is the river that runs right through Berlin.

General Clay plans to fly to Washington as soon as the meeting is over -- accompanied by Ambassador Robert Murphy.

The outcome of tomorrow's meeting will determine the future course of relations between ourselves and the Soviets.

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Strikes in Germany spread to the American occupation zone today. This is a late development.

In theRuhr, labor leaders are threatening a general strike for Friday, if the workers do not obtain more to eat.

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In Austria, Soviet Russia announces that the people will have to pay twice as much as they have been paying for oil, from fields in the Soviet occupation zone. All of which is interpreted as a step to upset the Marshall Plan. Doubling the price of that oil will cost the Austrian government one million, three hundred thousand dollars a month, and upset the entire price structure in Austria.

INDONES1A

The United Nations accomplishes something! The leaders of the Indonesians and the Netherlands today signed an agreement at Batavia. One important clause in it provides for a general election in Java) a plebiscite to enable the sixty million odd inhabitants of **Jaco** *me ther parts of the* Dutch East Indies to vote whether they want to be an independent republic or whether they want to join the United States of Indonesia under Dutch auspices.

We are told that it will take at least six months to erect the machinery for such a plebiscite; maybe a year. In the meantime, the Indonesians recognize the sovereignty of the Netherlands.

Under the terms of the agreement, any one part of Indonesia, any state, may decide to join the Republic or **tht** the Dutch supervised United States of Indonesia.) PALESTINE

According to a story from Jerusalem, Uncle Sam is now supporting sixty-five members of the Haganah defense army. These American war veterans. Under the G.I. Bill of Rights, they - the university on Mount Scopus -enrolled at Hebrew schools, some of them at Jerusalem, some at Haifa. This came to light when a young Brooklyn, was found to have been one of the thirty-five Maganan Haganah men killed by Arabs in an ambush south of Jerusalem. Uncle Sam's Consulreported to be General at Jerusalem is rid writing a report for the State Department on all this. We also learn today that a former Marshat of the This officer British Army is in command of the Haganah force. He told a correspondent that his men control every path leading in and out of the big seaport of Taffa -- that he out of Jaffa. He intends to treat the hundred thousand Arabs in Jaffa as hostages against a possible massacre of any more Jews. Thin addition to Jaffa, Haganah is also holding the in like and this of er two rich Arab villages north of Tel Aviv. So said that went on to say He said that Haganah has become a foreign legion, composed of men of nearly every nationality -- Russians, American,

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French, German. Not only he, but many of the ranking officers under him, served six years in the British Army during the war.

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RANCHER

A colorful gentleman from California came all the way to Washington to tell Congress that the farmers of this country are fed up with the way Uncle Sam has been interfering with the affairs of the farmer. He's a tall, lean, weather-beaten chap dressed after the manner of the Plains. Before he sat down to talk to the House Committee on Agriculture, he put his sombrero on the table, took off his 'leather jacket, and displayed a fawn-colored shirt with one of the gaudiest ties seen in the nationes capital in some time. Then he grinned a wide grin, and talked to the Congressmen as though they were friends. "You know, fellows," he drawled, "we farmers have mi been scared half to death ever since we first heard Hank Piggy Wallace telling us how to farm."

Then he went on: "The farm programs of the New Deal made things too easy for farmers not to work. And since those days, a lot of the boys have been doing their farming on sidewalks."

Frank Long of Fresno County, California --

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that's his name -- added that "business, labor and agriculture always seemed to him like a fine three-horse team, which could plow a fine straight row when pulling together. But along came the New Deal and saw the farm horse was pretty rugged, so they took some of its oats away. And they see the horse is getting along okay, so they take all the oats away. Then they take some of the hay away. Finally, the horse falls and pulls the other im two horses down with him." That was the way he put it.

The gist of his plea to the Committee was, to leave the farmers alone -- for Congress to forget all about writing a new farm program."

"If you <u>have</u> to pass a farm law," said the Fresno Farmer, "for gosh' sakes put it in English! Then he added: "Make it so that even Congress can undefstand it."

The Committee grinned and replied that it might be worth trying. SKI

The U.S. Women's Olympic Ski team suffered another loss at St. Moritz, Switzerland, today. Dodie Post of Reno, Nevada, our twenty-five year old shalom ace, fell and broke her ankle while at practice; putting her out of the February races. Dodie tumbled on a narrow trail during a practice run on a standard downhill course. An accident that is always likely to happen -- and has happened to a number of Olympic skiers now practicing at St. Moritz -- including the Swiss ace, Edy Romminger.

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WEATHER_

Jack Frost descended upon the U.S.A. with vengeance today, and the shortage of fuel has brought suffering in widespread parts of the country. The coldest places were said to be International Falls, Minnesota, just south of the Canadian border, Pemberton, North Dakota, and Craig, Colorado, --- twenty-eight below. Coldest, that is. always excepting Malone, New York, which is known as the ice box of the east. Explorer Vilhjalmur Stefansson says it is seldom as cold even in the Archt Cir le as at Malone.

I talked to Olympic Bob Sled champ hubert Stevens, this morning, and he said it was twenty-eight below at Lake Placid. Malone and Owls Head still colder.

We hear it even was twenty-nine below at Bellefonte, Pennsylvania; twenty-five below at Binghamton, New York, twenty-one below at Albany, twenty below at Canaan, Connecticut, and twenty below where I was on Quaker Hill near Pawling. I faced the storm after the annual Explorers Club Banquet, with Matt Hensen, eighty-one year old explorer who made it possible for Peary to reach the

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North Pole. If you want to read a thrilling book, read the biography of Matt Hensen called DARK COMPANION just out.

Cold even down south; freezing weather in Gerogia, the Carolinas, and northern Florida.

To cap the climex, word came over the wire today that Satan's Kingdom had frozen over. The wire does not come from the nether regions, it comes from Connecticut. Satan's Kingdom being a small town near Hartford. Twenty below zero in Satan's Kingdom. Does that mean Hell froze over? I guess not. Naturally, the question arises, how does a presumably God-fearing community in the heart of Puritan New England, come to be known by such a diabolical name? The residents must be proud of it, or they would have had it changed long since.

To satisfy my curiosity, I called up Connecticut State Police Headquarters at Hartford, and Sergeant Taylor did some research for me. He says there are several explanations for that name, Satan's Kingdom. One, that many, many years ago, two camps were established that

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attracted a highly mixed lot of residents, Indians, negroes, whites, -- mostly of the lawless kind. And they came to be known as a community of evil-doers, -- hence the name, "Satan's Kingdom."

Another explanation is that in the middle of the rapids in Cherry Brook, a large rock just out, which caused so many Indians in their canoes to be drowned; the theory being that the devil tipped 'em over. In fact in rocks near there, persons found large cloven hoof prints; undoubtedly left there by the Prince of Darkness himself. Now Nelson, you are not a Prince of Darkness or gloom, you are just the opposite.