

jury came into existence which would indict.

This young man has rendered, already, a tremendously great service. He has proved the fallacy of the contention that, under exceptional circumstances such as existed in Indiana, the constituted machinery of the law cannot be depended upon to find the facts. He has proved that, after all, the legal method is a surer method than propaganda and public hysteria. We are glad to remember that our correspondent, who went to Indiana to investigate at the height of the furore last November, paid Mr. Remy the compliment of believing that he would accomplish this result.

The work, of course, is not completed. There will very likely be other indictments, possibly many of them. And the trials are still for the future.

The Chicago Movie Strike

As a result of disagreements and friction between the Moving Picture Operators' Union and the Exhibitors' Association, practically all the four hundred moving-picture houses in Chicago were closed on Monday, August 29, and remained closed until September 4.

One moving-picture circuit, the theaters it controls or owns, and all the working employees became involved in a question as to whether four or two operators were required by the existing agreement. One theater changed from exclusive moving-picture work to combined vaudeville and picture performances and discharged two out of its four operators under the letter of the general agreement. The unions claimed that the change was unfair and called out operators in all the circuit houses, whereupon the Exhibitors' Association ordered a lockout and closed practically all places of amusement in Chicago that show moving pictures.

There are three unions concerned with the operation of moving-picture theaters—operators, stage-hands, and musicians. The situation was complicated by the fact that the agreements between the exhibitors, on the one hand, and the stage-hands and musicians, on the other, were expiring. The stage-hands engaged in a strike for higher wages for themselves. In the background, our Chicago correspondent tells us, is a long period of dissatisfaction of the exhibitors with what they term the arbitrary and high-handed tactics of the operators and the stage-hands.

After the theaters had been dark for about a week representatives of the two sides were brought together in confer-

ence. The result finally reached satisfied both sides fairly well.

The extent of this strike brings out strongly the immense amount of capital and number of men employed in this business. The estimate of the daily loss to the theater-owners on account of the closing is given as \$225,000 or \$1,350,000 in all.

Twenty Destitute Counties

IN order to be eligible for jury service in Arkansas one must have paid his poll tax. A criminal trial was postponed recently in one of the flooded counties of that State because it was impossible to find twelve men who had been able to meet this obligation. This, at least, is the story that the daily newspapers have told. Even when due allowance is made for exaggeration, it indicates something of what Secretary of Commerce Hoover found upon his recent return to the overflow area.

Sixty thousand persons, it is said, are still dependent upon the Red Cross for food and clothing. Of the 101 counties flooded, all but twenty have measurably recovered. Crops of some sort have been grown; and, while there may be little money coming in, men are managing to feed and shelter their families. This may seem small progress toward recovery but it is, in fact, a marvelous achievement.

The destitute twenty counties, where such achievement has not been possible, are all in Mississippi, Arkansas, and Louisiana. Ninety per cent of the land in them, it is said, is owned by small farmers who will harvest no money crop and, if they are to stay on the land, must be financed for the making of future crops. "This," says one of the correspondents accompanying Secretary Hoover, "is the biggest of all problems growing out of the flood." But it is not.

The biggest problem has been and will continue to be, not relief, but prevention. To put the prostrated counties again on their feet would be no solution if they were to be left subject to disaster again and again. Prevention is a long task, a heroic task, not for the Government alone, but for the people of the Valley.

Columbus, Kentucky, is setting an example. The entire town, founded more than a hundred and fifty years ago, is in process of moving. Every lot owner has deeded his land to the city, with the stipulation that it is not to be used again for residential purposes. The city has deeded to every lot owner a new lot on the bluffs back from the river.

All houses that can be moved are being moved to newly made streets on the high ground. Those that cannot be moved are being razed.

Other communities may not all be able to follow the example of Columbus in detail—for many of them, there is no high ground—but they can all learn from it appreciation of the fact that, if the Valley is to be freed from the danger of flood disaster, communities must themselves take heroic steps.

Federal Reserve Powers

THE Charter of the Federal Reserve Banking System expires in 1934. It is probable that the institution will come up for much reviewing in the next Congress through a desire to secure early legislation for its renewal and from disputes that have developed as to its powers.

The latest of these arises over the question of fixing the rediscount rate of interest to be charged by the regional banks. Hitherto this has been a local question, and the rates have usually reached a parity by mutual adjustments. In this way eleven regional Federal Reserve Banks—all except the one in Chicago—came some time ago to a 3½ per cent rate. Chicago held to 4. As a result the Federal Reserve Board in Washington has ordered the Chicago Federal Reserve Bank to cut its rediscount rate to 3½ per cent. There followed a protest, based upon the alleged right of the regionals to act independently, backed by the claim that centralization of the power to fix the rate is contrary to the meaning of the law, is dangerous, and can be unfairly applied. Already the announcement is made that Senator Glass, one of the authors of the Federal Reserve Act, will lead a fight in Congress to have the rate-making power lodged definitely with the regional banks.

The situation grows out of a complexity difficult to remedy. Of late more than \$3,200,000,000 is kept regularly employed in financing operations on the New York Stock Exchange. This is "call" money, loaned subject to repayment on demand. A sudden shift in the discount rate—that is to say the price charged for the use of the money—can easily upset the market. Such a case occurred some months ago when the regional bank in Philadelphia changed its rate in the closing hours of the market. Wall Street had a seismic shudder in consequence.

As half of the money loaned in Wall Street comes from country banks it can readily be seen that without a uniform rediscount rate things are apt to be

Yet complainest thou of obstruction ?

(Twelfth Night, Act IV, Scene 2)

Cartoon by Knott



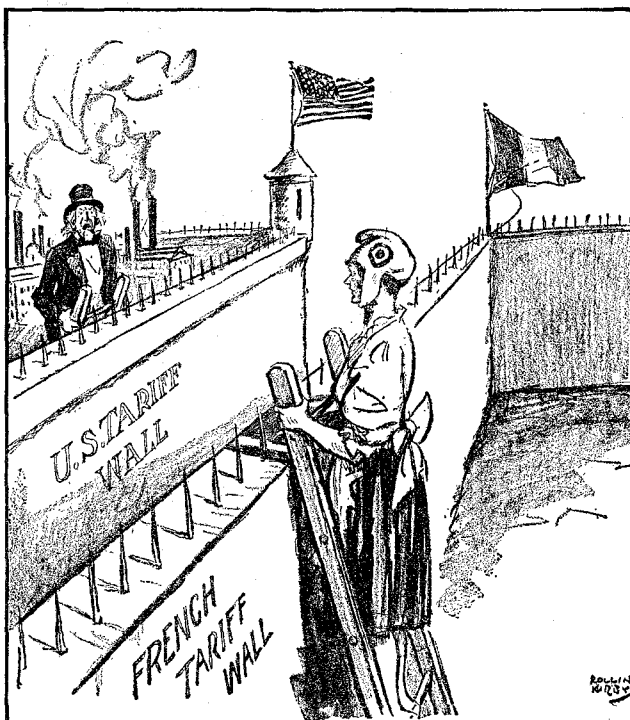
Remember the fable of the foolish farmer and his goose ?

Knott in the Dallas News



"I'm too old, Honey"

Kirby in the New York World



A game two can play at

From D. S. Imrie, New York, N. Y.

Kirby in the New York World



As Willie sees himself

From D. S. Imrie, New York, N. Y.