



1—Mexican soldiers camped in the yard of the Guadalupe church in Mexico City. 2—Employees of Selfridge's, great London department store, arriving to study American store methods. 3—Nicholas Murray Butler, president of Columbia university, laying corner stone of Casa Italiana, Italian intellectual center in New York.



Jeremiah Smith makes us A proud of being Americans

Boston Lawyer Gives Hungary His
\$100,000 Pay as League
Commissioner.



Jeremiah Smith, Jr.

WHEN the average American business man, philanthropist, politician, capitalist or what have you, gives away \$100,000 he is not entirely unmindful of the gravity of the situation. There is the statement to be prepared for the press and marked with a Monday release date. And the fund is generally dedicated to some very worthy purpose which in the end gets the donor's name carved in stone or at least engraved in a copper plate.

But Jeremiah Smith, Jr., lawyer, economist and gentleman, of Boston, showed an extraordinary lack of knowledge of how such things are done when, with an amazing nonchalance, he got rid of \$100,000 by waving his hand and uttering four words: "Give it to charity."

Jeremiah Smith, appointed in 1924 by the League of Nations to put Hungary on its financial feet, refused to accept his salary of \$100,000 upon the satisfactory completion of his task. He had called upon Prime Minister Bethlen to take his final leave. The prime minister handed Mr. Smith a check drawn upon the Hungarian government for \$100,000. And no one knew better than Mr. Smith that the check was good.

Mr. Smith smiled, remarking: "The only compensation I desire for my work is the appreciation of the Hungarian people."

"But," protested the prime minister, "the vouchers have already been made out. We cannot alter the treasury books."

"Give it to charity," returned the Boston lawyer. "Re-enter it in your books as a gift from the American people to the people of Hungary." The prime minister was dazed.

"Again and again it was suggested that he should receive some reward, however inadequate," declared the editor of the leading Hungarian daily, "but, no, he preferred to see this sum employed upon the financial and internal reconstruction of the impoverished Hungary in which he had lived and which he had come to love. And only now, when Jeremiah Smith, the great American financier, is to leave Hungary, has the government made public the story of his altruism."

Falling in its attempt to remunerate the American, the government suggested that he at least accept a decoration. "If you do that I will never forgive you," he told the prime minister. "Your friendship and gratitude are more precious to me than any decoration."

And so there is at least one country in Europe which will never again believe that the American is one whose eye is always on the dollar. "This man Jeremiah Smith, whose name doesn't fit into poetry or oratory, makes us proud of being Americans," said the Philadelphia Record. "He has added distinction to his country."

Jeremiah Smith arrived in Hungary in May, 1924, and at once became the financial director of the nation. From the day he took up the reins of office economy became the watchword and he emphasized the necessity for this stricture by living as a plain everyday citizen who had a job that required all of his time. Time was money and, as it was money he had to deal with, Mr. Smith saw to it that the officials were kept busy. Within a month things had started to hum. Mr. Smith's American methods were showing results.

Never before had the Hungarians believed it possible that the chaotic condition of their country could undergo such improvement. From Budapest word soon spread to the countryside that the American, named Smith, had started the country on the way to success. The patriotism of the people was aroused. If an alien commissioner general could practice economy for the sake of a people he never knew; if the league's "czar" could work many extra hours, why not they themselves?

Within sixty days Jeremiah Smith, Boston lawyer, now commissioner general of Hungary, had won the faith, love and devotion of the man in the street and the worker in the field. All Hungary decided to show their idol his confidence was not misplaced and they put their shoulder to the bowlder that had spelled near ruin for the nation. The entire country was emulating Mr. Smith in his economy, every man, woman and child silently pledged themselves to aid him in every way to save their country. The shops reflected the progress, the fields never were better tilled and never before had the grain and other food crops responded so munificently. Hungary was saved.

Before the commissioner general arrived in Budapest the Hungarian budget had one of the largest deficits in Europe. The newly arrived official had at his disposal an international loan of \$55,000,000 which it was hoped

would, if properly administered, put Hungary on its feet within thirty months. In one-fifth the time allotted Mr. Smith had the budget not only balanced, but at the end of the first year showed a surplus of \$15,000,000, instead of the predicted \$20,000,000 deficit.

Jeremiah Smith's first move was to halt the printing presses that had been turning out worthless money. He saw that the Hungarian National bank was established. He let it be known that the salvation of the nation rested with the individual and that if the country was to be saved that each must bear his burden. He found the national treasury lacking in funds and then at once increased the tax rate. Only for a moment was this levy resented, and when this did not bring in the desired amount the following month an increase was made in the levy. By March, 1925, one month's pledged revenues were 60 per cent of the total sum required for one year's service of the reconstruction loan.

But in the stabilization of the crown Mr. Smith won a big victory and that along with the balancing of the budget and making a large part of the reconstruction loan available for capital investment such as rolling stock, irrigation projects and other improvements was a victory for him as well as for the Hungarians themselves. For in June, 1925, when Hungary was out of danger the tax rates began to fall, the burden on the people became lighter and they with the commissioner general had won the fight. Even nature stepped in the first year of Jeremiah Smith's administration and provided the biggest crops in years.

Commissioner General Smith's success in leading Hungary from the depths of despair and poverty and placing the nation in the sunlight of success in reality has recreated the financial side of the government and has demonstrated what can be done if business methods are adhered to. He likewise has shown how successful government is reflected in the people. For three years before 1924 the people, emulating the government, had become slothful. Not only had business slumped, but attendance at church, participation in sports and attendance at amusements became almost nil. The people had given up, their ambition was stifled, their hopes dead. Today the churches are filled, the theaters crowded and sports events attract capacity throngs.

From the moment of his arrival Hungary knew it had a friend in Jeremiah Smith. Greeted at the station by a delegation, he was informed he would be housed in the imperial palace of the Hapsburgs—with apartments adjacent to those occupied by the regent, Admiral Horthy.

"What? A palace for me!" said Smith, surprised. "You must be mistaken. My name's Smith, and no one ever heard of a Smith living in a palace. I'd have to change my name to do it."

Anyway, the palace was taboo, and the only time the genial Yankee stepped in the royal castle was when he could not decline an invitation to dine with the regent.

This evidence of democracy, even though out of keeping with the aristocratic tendencies of smart Hungarian society, made a deep impression. By setting an example of thrift and simple living, it was not hard for him to make "suggestions" to the treasury officials when retrenchments were necessary.

And in his "suggestions" lay one of the secrets of Mr. Smith's success. Never during his entire tenure in office did he issue an "order," although he was empowered to do so at any time. His "suggestions" were the law. There was no appeal.

There was one ironclad rule that Smith observed—to make no exceptions. He declined politely all invitations to dinners except of official character. Luncheons by civic organizations, industrialists, bankers and such were passed up without exception. His theory was that in so doing he would avoid any intimations that he was being influenced or any temptation to take sides.

His one diversion was golf, and the club at which he played wanted to make him an "honorary member." Even this he refused, paying his dues the same as the rest of the players.

While Mr. Smith invited criticism of his administration in the press, it is noteworthy that the editors throughout Hungary met every move he made in the spirit that he made it. Although accustomed to rabid denunciation of all opposition, the Hungarian press made only "suggestions" in regard to contemplated reforms and once the changes were accomplished they refrained entirely from adverse comment, knowing that the commissioner general had only Hungary's interests at heart.

It was in 1830 that this money passed into the care of chancery. Attempts had previously been made to recover it, but it is only now that a claim has been established.

Enjoyment in Old Age

We can learn from the best of the old-age records that life may be prolonged and that death may, in a sense, be cheated, by making life, while it lasts, happy and useful. He dies twice who permits old age to reduce him to mental and emotional poverty.

self that "man is the warrior and woman the worker." Man's sole duty is to defend the home and his family's honor with firearms. The women age prematurely under the ceaseless burden of work, and few of them live beyond fifty.

Law's Slow Process

A fortune of \$150,000 which has been lying in chancery in England for almost a century, has just been divided between two brothers and a sister.

"Land of Tombstones"

One American visitor characterized Montenegro as a "land of tombstones." Left to itself, the country would starve, for such small arable land areas as exist produce only about one-third the population's food requirements. The rest must come from the outside.

Yet in this primitive, poverty-ridden land women do all the work. It is an adage as old as the country it-

NEWS REVIEW OF CURRENT EVENTS

Ohio Democrats Name Pomerene, Wet, to Oppose Senator Willis, Dry.

By EDWARD W. PICKARD

OHIO'S primaries were the most interesting and important of those held last week, for the state will be one of the chief battlegrounds of the November election, and in the opinion of competent political observers the fate of one of the nominees will have a determining influence on the Democratic presidential nomination in 1928.

Atlee Pomerene, long a leader of Ohio Democrats and a former United States senator, was nominated for the senate, defeating Supreme Court Judge Florence E. Allen by a comfortable majority. Pomerene is listed as a decided wet and opposed the Eighteenth amendment when serving in the upper house. Judge Allen is an ardent dry and was supported by the Anti-Saloon league. On the Republican side is Senator Willis, who is easily won a renomination. He is one of the chief supporters of prohibition in the senate and it is assumed the Ohio dries will concentrate on him. But there is a complication in the fact that the Democrats renominated Gov. Vic Donahey for a third term, and as he is a dry, the Democrats believe many dries will be held in line for their entire ticket. Pomerene's admirers, who are many, think that if he can beat Senator Willis he will stand a good chance for the Presidential nomination, and there can be little doubt that he would be formidable as a compromise candidate if there were some such deadlock as in the 1924 convention. Donahey's Republican opponent for the governorship is Myers Y. Cooper, a business man of Cincinnati.

In Nebraska the Republicans renominated Governor McMullen, and Charles W. Bryan received the Democratic nomination without opposition. Incomplete returns from Alabama indicate that Hugo Black won the Democratic nomination for senator, equivalent to election, and that Bibb Graves was named for governor. In Arkansas Gov. Tom J. Terral seems to have been defeated by John Martineau.

Dodging her promise to resign if Dan Moody defeated her in the primary, Gov. Miriam Ferguson of Texas has declared that she will contest with Moody for the nomination in the run-off primary set for August 28, and has raised the anti-Klan banner, so the fight is on again there.

THREE Circuit court judges sitting en banc at Dixon, Ill., held unconstitutional the Illinois primary election laws on the ground that equal representation in county conventions, and consequently in state and judicial conventions, is impossible under the existing laws. The case will go up to the Supreme court in October on appeal, and if the decision is sustained the entire system of making party nominations in Illinois will be wiped out and the old party delegate convention system will automatically return. Senator Deneen and others believe the nominations made last April will be unaffected because the November election will be over before the Supreme court acts on the appeal.

FOR the first time since 1884 the national assembly of France, consisting of the deputies and senators sitting in Versailles, was convoked last week for the purpose of incorporating in the constitution Premier Poincare's plans for saving the republic from financial disaster. By a vote of 671 to 144 the assembly wrote into the constitution a law creating a sinking fund for the redemption of the floating debt which will be autonomous and will be provided from fixed definite sources with a sure income. Such dignity as might be expected of the occasion was destroyed by the 144 recalcitrants, mostly Socialist extremists. They fought the measure in every way, sang the "Carmagnole," shouted and hooted, and one of their number, known as an agent of Moscow, had to be removed from the

palace by the guard, which was commanded by General Pelletier, the one-armed war hero.

This action by the assembly completed the victory of the Poincare cabinet and both the assembly and the parliament were adjourned. There was no attempt to obtain ratification of the debt accords with the United States and Great Britain, and the sub-commission of parliament named to study them will do nothing until September. The chairman of one of these commissions says the Mellon-Berenger agreement cannot possibly be ratified in its present form. Ambassador Herrick sailed at once for America for the especial purpose of acquainting President Coolidge and members of the cabinet with the financial situation in France and the attitude of the French government toward the debt. The Paris newspapers think he has come home to support the French aims and viewpoint. It is likely he will urge that American credits be extended to France immediately.

Prospects for acceptance of the Mellon-Berenger accord by the American senate were not enhanced by the action of Georges Clemenceau, the veteran French statesman. From the seclusion of his retirement he wrote to President Coolidge an open letter concerning war debts that was so sarcastic and covertly threatening as to be insulting.

SENATOR BORAH, addressing a gathering in Idaho, predicted that the next fifty years would mark the most severe economic war history had ever recorded and declared that in view of this impending struggle there was no just reason for the United States to give up World war debt collection.

Depicting the generosity of the United States toward foreign governments during the war as having "no parallel," Mr. Borah declared the attitude of debtor nations would cause the senate to reverse its decision and reject the world court if it were voted on today.

SO FAR as the government will admit, the religious struggle in Mexico is only a war of words. But from others come stories that give the contest a more sanguinary aspect. Correspondents of American papers have told of bloody riots and of summary executions, and now Archbishop Ruiz of the state of Michoacan has carried to the archbishopric in Mexico City a report that is the most serious yet heard. He asserts that two priests and between 27 and 37 Catholic citizens were executed after an all-day battle between troops and Catholics in Zahuayo, and estimates that fifty persons were killed in the battle. The prelate also said that at Acambaro, state of Guanajuato, disorders arising from the religious laws controversy led to other executions, and he related further instances of violence in various places.

The government has started its campaign for the nationalization of all churches and church property, and its secret agents are turning up many private chapels that are being used for public worship, contrary to the spirit of the law. Mayor Arturo Saracho of Mexico City, in the first concession of any kind made to Catholics since the religious conflict began, has decreed that the committees placed in charge of Catholic churches in the capital may be composed of five Catholics and five municipally appointed citizens for each church. Hitherto the committees have been municipal appointees. Under the new plan the Catholic committees are to have charge of the management of each church, but the municipal committees will assume responsibility for the property. It is believed this action of the mayor may somewhat appease the Catholics.

Archbishop Mora y del Rio gave a long interview to the correspondent of the Chicago Daily News, again denying the charges of President Calles against the church but really saying nothing new. The minister of the interior held the prelate had thus violated the clause in the constitution prohibiting clergymen from criticizing the laws or government of Mexico, and said the matter had been "cited to the attorney general for investigation." So there is a chance that the venerable prelate may be arrested and tried.

A self-constituted "good will mission

from the United States," numbering thirty-two Americans, including ten Protestant clergymen from the Middle West, has concluded its inquiry into the Mexican troubles and summarizes its findings in this resolution:

"We believe that a program of education and social reform is necessary for the rehabilitation of Mexico. We believe the Calles administration is engaged in a great program of social reform and that all truly interested in the welfare of Mexico will co-operate in its essential undertakings."

Declaring the Mexican anti-clerical measures were injurious to American persons and property, the Knights of Columbus asked President Coolidge to intervene with force to compel their modification; but the President naturally has declined. Officials of the American Federation of Labor also say that body will take no sides in the controversy. Ambassador Sheffield has started home with a lot to report, but presumably about the alleged violations of treaty rights in the land and oil laws.

GEN. LINCOLN C. ANDREWS, chief of prohibition enforcement, has returned from his trip to Europe and says the agreement he made with the British authorities dooms rum row to extinction. He declines to go into details but says the basis of the plan is exchange of information and evidence and that it will tend to stop illegal shipping operations. Andrews repeated his recent statement to the effect that imported liquor was only 20 per cent of the total sold in the United States, and added: "Every time a story is published that 100 cases of liquor have been smuggled in or have mysteriously disappeared from some warehouse you can bet that these 100 cases will be sold 10,000 times. Every bootlegger in town promises to get his clients some of the good stuff and the result is that a lot of home-made is sold at increased prices."

DIPLOMATIC representatives of Yugo-Slavia, Rumania and Greece in Sofia delivered to the Bulgarian government a joint note from their governments asking that Bulgaria suppress the Macedonian revolutionary societies and prevent further violence along the frontiers. The note was firm but couched in friendly phrase, and the Bulgarian foreign minister said it would be answered within a week. So far, Bulgaria has refused to accept responsibility for the comitadjis and their border raids.

GERMANY celebrated the seventh anniversary of the republic with parades that, in Berlin at least, were interrupted by rioting on the part of the communists, in which scores of persons were injured. President Coolidge sent a telegram of congratulation to President von Hindenburg.

The German government is still pressing the allies for reduction of their garrisons in the Rhineland, and it is said the German ambassador to Paris has been conferring with M. Briand and has received the promise of further withdrawals in the near future.

IN A conference with Director of the Budget Lord at White Pine camp, President Coolidge cut the departmental estimates of expenditures for the fiscal year 1928 by about \$100,000,000. Mr. Coolidge found that the appropriations requested for 1928 totaled \$3,369,000,000, an increase of \$154,000,000 over the total voted for. This the President said would not do, and he set to work with General Lord to meet the estimates. When they had finished they had reduced the total to \$3,270,000,000.

Government officials saw a possibility of further reduction of taxes in 1928, this depending mainly on the continuation of prosperity and business expansion meantime, and on the extent to which retirement of the public debt decreases the annual interest charge on Liberty bonds.

WILLIAM P. MCCRACKEN, JR., of Chicago, secretary of the American Bar association, has been appointed assistant secretary of commerce in charge of the development of commercial aviation, and has been sworn in. He is thirty-seven years of age, was an aviator in the World war and has devoted much of his attention since then to civil aviation.