

News Review of Current Events the World Over

President Confers With Roosevelt and Congress Leaders on War Debts—Hitler Offered German Rule Under Conditions.

By EDWARD W. PICKARD

PRESIDENT HOOVER and President-Elect Roosevelt held their scheduled conversation on the war debts in the White House Tuesday and exchanged views as to the wisest course for the United States government to pursue.



Dr. Raymond Moley

The conference may have been of value to the two gentlemen but its national or international importance is questionable. Mr. Roosevelt had no intention of committing himself concerning the debt question or of assuming any responsibility in advance of his inauguration.

Mr. Hoover can do nothing more than make a recommendation to congress in the matter of reopening the debt settlements, and it is practically certain that congress is overwhelmingly opposed to reducing the debts or suspending the payments.

Besides Mr. Hoover and Mr. Roosevelt, there were but two persons admitted to the conference. These were Secretary of the Treasury, Ogden Mills, who with Secretary of State Stimson had prepared the data for the President; and Dr. Raymond Moley, professor of government and law in Columbia university, who attended as Governor Roosevelt's adviser.

Dr. Moley, an authority on sociology and crime, was one of the so-called "brain trust" that traveled with Roosevelt during the campaign, and it was he who assembled much of the material for the governor's speeches. There are those who think the professor will be the Colonel House of the Roosevelt administration.

The President, as is well known, favors action looking to revision of the war debt settlements, but knows congress would not sustain him in this position; so it was thought probable he would merely tell the debtor nations that the United States declines to suspend the December 15 payments and that there is no immediate prospect of reduction of the terms. However, it was believed in Washington that he would recommend to congress the re-creation of the war debt funding commission for the purpose of making new settlements with the nations that might otherwise default. This he tried to have done in 1931 but congress declined, and it probably will decline again, which would mean the entire debt problem would be passed on to the incoming Democratic administration.

WEDNESDAY morning the President and Secretary Mills went over the whole matter again with 13 leaders of congress, including Speaker Garner, the Vice-President-Elect, and these: Senators Smoot, Watson and Reed, Republicans, and Harrison, King and George, Democrats; Representatives Collier, Rainey and Dougherty, Democrats, and Hawley, Treadway and Bacharach, Republicans. With them he sought to formulate a united policy on the debts for presentation to congress; and this was the conference of greater importance, for these leaders really will determine the attitude of the government in the matter.

Czechoslovakia joined Great Britain, France and Belgium in the petition for suspension of payments and revision. Italian ministers decided that Italy would pay its debts punctually and Premier Mussolini approved.

OVER in Berlin there were conferences during the week that were vital to the future of the reich and of intense interest to the rest of the world. After talking with leaders of various parties, President Von Hindenburg summoned Adolf Hitler, chief of the National Socialists, who had demanded control of the government for his party and the post of chancellor for himself.



Adolf Hitler

The Nazi leader set forth the aims of his movement, and in return the president gave him a mandate to form a cabinet under certain conditions which Hitler temporarily at least rejected.

The president demanded that Hitler agree to respect the majority of Von Papen's emergency decrees and that his cabinet would have to be backed "by a majority or almost a majority" of the reichstag. Von Hindenburg also demanded Hitler's pledge to govern according to parliamentary rule. He further stipulated that Hitler must maintain the present military and foreign policies and that General Kurt von Schleicher must be retained as minister of defense and Baron Konstantin von Neurath as foreign minister.

At this writing the outcome of the conference is in doubt. Hitler was

still trying to get assurance of a majority in the reichstag, but this seemed a feat almost impossible as Hugenburg's Nationalists and various other relatively small parties were holding out.

REDUCTIONS in the budget of approximately \$500,000,000, requested of the cabinet by President Hoover have been met. The cuts in appropriations for the fiscal year beginning June 1 next were settled by the cabinet at about \$700,000,000, but it was explained that this would be offset "by certain increases in uncontrollable items, such as interest and amortization on the public debt and tax refunds to the extent of about \$150,000,000."

The White House statement said "the administration is determined to present a balanced budget," and leaders of congress appear equally determined to keep down the regular appropriations at the short session.

WESLEY L. JONES, veteran Republican senator from Washington, who was defeated on November 8 for re-election, died in the Mount Baker sanitarium in Seattle. He had served in congress for 33 years, was one of the most uncompromising of the drys, and at the time of his death was chairman of the powerful appropriations committee.

Governor Hartley of Washington appointed E. S. Grammer, a Seattle lumberman and a Republican, to fill out Jones' unexpired term, thus assuring the Republicans of a majority in the short session.

WHAT did the President say to Fred Britten? That was the question that was agitating the proponents of a bill legalizing beer. The wet congressman from Chicago admittedly went to the White House in the hope of finding out what Mr. Hoover would do to such a bill if it were passed in the short session, and as he came forth he announced he was convinced that the President would not veto it. Rejoicings among the beer boys!

Then came swiftly Theodore Joslin, one of the White House secretaries, with the flat assertion to the newspaper men that "the President had declined to discuss beer with Mr. Britten." Cheers from the drys!

Notified of this action on the part of the White House, Mr. Britten took by his guns, asserted that Mr. Joslin knew nothing about what had been said during his conference with the President and reiterated his prediction that Mr. Hoover would approve beer legislation.

RAYMOND ROBINS, the long missing social worker and prohibition advocate, was found in the mountains of North Carolina masquerading as "Reynolds Rogers," a mining engineer and prospector. Identified by his nephew and then by his wife, he insisted for several days he did not know them and was in reality "Rogers." In other respects his mind was clear, and after a rest in a sanitarium and medical care he recognized Mrs. Robins and his own identity and was declared to be on the way to normal health.



Raymond Robins

The psychiatrist in charge said Mr. Robins had been suffering from amnesia or a similar mental malady.

Ever since his disappearance early in September Mr. Robins had been in the Great Smoky mountains, tramping about and prospecting.

SUPPORTERS of the St. Lawrence waterway treaty now fear that it will not receive consideration at the short session of congress, because the opposition has come forward in such strength. One of them, Senator Walsh of Montana, thinks it will reach a vote before March, but will not predict the outcome. Should the ratification or rejection of the pact go over to the new congress, its fate would depend largely on the attitude of the new President. This, it was hoped, would be revealed by the testimony of Frank P. Walsh, chairman of the New York power authority, who was scheduled to appear before the senate foreign relations subcommittee after the Thanksgiving holiday.

Powerful opposition to the treaty developed at the fourteenth annual convention of the Mississippi Valley association in St. Louis, on the ground that one article would dry up the Illinois waterway, now nearly ready for opening, and the lakes-to-the-gulf water route. The article in question, it was said, takes from congress its rights to prescribe diversion from Lake Michigan for navigation purposes. The Mississippi Valley association has in the past endorsed the St. Lawrence project, and it still does—but it opposes the treaty in its present form.

YOSUKE MATSUOKA, the smooth, smiling representative of Japan in Geneva, appeared before the council of the League of Nations and set forth his country's position in relation to Manchuria and China. In effect he defied the league and ridiculed the findings of the Lytton commission whose recommendation of the internationalization of Manchuria he declared unthinkable.

"Establishment of the state of Manchukuo seems to be the only solution possible," said Matsuoka in fluent English. "We have violated neither the covenant of the league, the nine-power treaty nor the pact of Paris. We acted in self-defense and spontaneously, and when we acted the independence movement developed spontaneously."

Matsuoka assured the council that China was a dismembered nation which was a prey to rival war lords and was menaced by communism. Had China or even Manchuria been properly governed, the present situation would not have arisen, he said.

Wellington Koo replied with eloquence and spirit for China. He charged that Japan had kept China in turmoil as part of a plan to conquer Asia and the world in successive stages. Matsuoka had complained that Chinese boycotts were hurtful to friendly relations. Koo inquired whether friendly relations still existed. He explained that the boycott was a self-imposed sacrifice and the most humane method of resistance to aggression yet devised. Then he whipped forth a clear threat in behalf of the Chinese government to legalize, extend and protect the boycott.

The league council was helpless, for there was no chance for conciliation, so the whole affair was referred to the assembly of the league. Whatever the assembly may do, the statements of Foreign Minister Uchida and the war office in Tokyo make it plain that Japan intends to maintain the status quo in Manchuria.

LATEST advices from Manchukuo say that the Japanese there have just launched a great military drive against the 33,000 Chinese who have been threatening from the north. In China it is declared these forces are under the command of Gen. Ma Chan-shau, whom the Japanese claim to have killed in battle some months ago.



General Ma

General Ma made a name for himself as the gallant defender of Tsitsihar, against the Japanese a year ago. Later he served with the Japanese army, but only, as he later revealed, to obtain Japanese secrets.

The Chinese forces are concentrated in the northwestern part of Heilungkiang province.

FORMULATING a new agricultural policy for the nation will be the task undertaken by the American Farm Bureau federation when it meets in annual convention in Chicago December 5. President Edward A. O'Neal in his call for the meeting said:

"As did those fighting farmers of 1787 crystallize the hope of a new people into the Constitution upon which this nation is founded, so will the organized farmers of today, meeting at Chicago in the fourteenth annual convention of the American Farm Bureau federation, build a new policy seeking through the rehabilitation of agriculture the salvation of this nation."

The federation's drive for legislation that will place the industry on a paying basis will be vigorously prosecuted, according to the pre-convention announcement. Steps to correct the tariff on those commodities produced in surplus, must be taken by the coming congress. It is said that millions of bushels of American corn would find a market in home industries if it were not for the competition in products produced by cheap tropical labor and imported in this country free.

"If America is to continue as a protected nation agriculture must be given protection," said Mr. O'Neal. "Either we must have tariff for all or tariff for none."

SENATOR F. BYRNES, Democrat, of South Carolina, has announced that he will ask the first Democratic senate caucus at the December session to agree not to confirm any of President Hoover's recess appointments, these including several appointments to the home loan bank board, the tariff commission and other bodies.

"President-Elect Roosevelt should have the privilege of appointing persons to serve in his administration and on whom he will depend for the success of his administration," Byrnes said.

AFTER serving 23 years as president of Harvard university, A. Lawrence Lowell, one of the world's foremost educators, has resigned. No reason was given in the announcement, but Doctor Lowell is seventy-six years old and it had long been known that he desired to retire as soon as the new house plan, which he regarded as the capstone of his career, was working smoothly.

UNIVERSITY of Michigan, with an unbroken list of victories, won the football championship of the Western Conference, with Purdue a close second. Yale defeated Harvard in their annual battle which still holds chief interest in the East.

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Our Government—How It Operates

By William Bruckart

OUR CURRENCY

THERE is ample reason, in my opinion, why people generally fail to understand money. First, treasury figures show on the basis of income taxes that most of us have very little of it, so little, indeed, that it fails to register, and second, because the processes of government in connection with money are, or appear to be, somewhat complicated.

Money for circulation purposes, of course, has its base in the Constitution. That instrument reposed certain obligations on the treasury in this connection, and the production and distribution of money constitutes one of the two major jobs of the treasury.

In the management of the money, however, the treasury has the assistance of the Federal Reserve board and the Federal Reserve banks. Creation of this auxiliary agency did not come about until recent years—some 18 years ago—and its part in money matters may be described as incidental to its main purpose of aiding business. The need for money and the ease of handling it, however, always have seemed to me to be the paramount reasons for its existence, notwithstanding what the law says about it.

In the big underground vaults of the treasury in Washington, in equally great vaults of several of the Federal Reserve banks in cities like New York and elsewhere and in the vaults of the assay offices, which operate with the United States mints, there is a vast store of gold bullion. It amounts to well over \$4,000,000,000 in value.

That gold is the basis of our currency; that is why we are said to be on the gold standard. Theoretically, every dollar in paper currency that is outstanding or "in circulation" may be converted into gold at the demand of the holder of that currency. Theoretically, also, the gold standard keeps the dollar at the same value year in and year out, but there is one school of thought in the country who prefer to measure the value of the dollar on the basis of prices of wheat and corn and cotton and other commodities.

All of the paper currency in circulation is produced—actually printed—in one great establishment in Washington, a plant known as the bureau of engraving and printing. It prints your postage stamps, too, but money-making is its main job.

The coins that you have ever produced under the direction of the treasury, also, but in the United States mints. They "strike off" the coins from gold or silver or nickel or copper which is acquired and tested for them by the assay offices, tested closely that each bit of metal will be of exactly the same purity, or fineness, as it is called. Whether in the mints or in the printing bureau, almost inconceivable scrutiny is exercised, and that is obviously necessary for if money could be made by everybody, it would not be worth anything to anybody.

The bureau of engraving and printing keeps its great presses in operation constantly, using a distinctive paper, a paper that is hardly possible of being counterfeited. Piles upon piles of bills, ones, twos, fives, tens, twenties and up to \$100,000 are the result. They are stored in vaults, every bill numbered and every one accounted for. They are kept there for "aging." One might say for curing, so they will last longer when they are put into circulation.

To the uninitiated, this process may seem unnecessary. To the government, however, it means saving money for the taxpayers. The cost of circulation, that is, the expense of printing the money and keeping it in circulation, runs into millions each year as you may realize when you know that a bill costs about two-thirds of a cent to manufacture, and there are hundreds of millions of them put out every year.

An idea of this cost is provided also from knowledge that the average one-dollar and the five-dollar bill is fit for circulation only about ten months.

So it behooves the treasury to have very "good" money, as well as sound money, and its experts are constantly studying scientific subjects to find ways to prolong the life of the bill. Numerous kinds of paper have been tried, and countless "treatments" have been given the bills in the experimentation by the experts to find means of making the life of a bill last longer. The maximum, however, seems to be about ten months for the bills that are in constant use like the ones and fives. The two-dollar bill still has superstition attaching to it, so it does not wear out so soon.

Attention might be invited in this connection to the effect of modern business developments on currency. Take the gasoline filling station, for example. The attendants have grease on their hands, not from choice of course, but that grease is not conducive to longer life for the bill you hand him to pay for your gas.

The currency distribution begins after the bills are aged. Each bill bears its individual number. Each bill has to be signed by the secretary of the treasury and the treasurer of the United States. Each one is registered by the register of the treasury. Then an armored car, a regular steel safe in itself, backs up to a guarded door for a load of money.

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New Silhouettes in Style Parade

By CHERIE NICHOLAS



IT IS interesting.

even amusing, to note with what sleight of hand Dame Fashion molds us to her liking. One season she makes flappers of us all with skirts amazingly brief, waistslines a negative quantity, sleeves conspicuous by their absence, the picture topped with a "boyish bob" the very essence of youth, and then—the mood of this capricious creature changes. Behold! The fair sex in the style parade, particularly when it comes to formal dress for winter 1932, transformed into beings of imposing dignity, tall, stately, "real ladies," if you please.

So it is, in the season as now is, we find ourselves bowing to the mandates of fickle fashion who insists that the skirts of our evening gowns be lengthened even unto touching the floor, that our shoulders be broadened through various devices even at the risk of appearing top-heavy, and that waistslines become normal with bustline raised (the new corsets and foundation garments are designed to do just that). Thus the transformation goes on until due to the long skirts and high waists we find ourselves looking as if inches and inches had been added to our stature.

When we come to analyze the situation, we sense that many of our current fashions are directly traceable to various period influences. We are, for instance, frequently reminded of the quaint Victorian age, likewise the early 90's, which indulged in all sorts of feminine fads and fancies.

The quaint little shoulder capes of the long ago are the inspiration for the prettily shirred wrap which the lady to the left in the picture is

wearing. As adorably feminine as in the 1890's is this cunning cape which happens in this instance to be styled of ruby red velvet. The skirt goes floor-length, widening at the hemline and taking on rows of wee ruffles just as skirts used to do in the long, long ago.

However, the above described is only one phase of the question, for fashion is making a versatile play upon "lines" gathered from many a past era. The gown centered in this group is typical of this movement toward what is known as the directoire period throughout the story of fashions as told in days of yore. It is of green crepe. Its little bolero-like jacket is tied so as to accent the new high bustline which so many designers are featuring in their newest creations.

Then again fashion's followers are called upon to consider the silhouette as it appears on the present-day style program from an entirely different viewpoint. We refer to the new, very new, long-waisted effects which go way back to medieval times for their inspiration. More than one noted designer is working along these lines, with the result that some of the most successful gowns brought out this season have long body-fitting waists which join their skirts low on the hips. The handsome velvet hostess gown pictured to the right suggests this type, although in a purely modernized way.

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ACCESSORIES ARE HIGHLY IMPORTANT

There is just one rule for fashion this year and that is "buy fewer things, but the best quality your money can buy."

Asked for the season's ten commandments by which the well-dressed woman must abide, Miss Helen Cornelius, associate editor of Harper's Bazaar, made it emphatic that the above, single commandment held for every woman, be her income what it may.

According to Miss Cornelius, this year of grace will see the buying tendency one of getting the best for your money—quality will be spelt in capitals.

Sending a message to the young women whose salaries are small, the stylist begs that one heed the importance and elasticity of accessories. She suggests that the wardrobe fund be well-high exhausted in a few tailored gowns and the surplus be invested in new all-important collar and cuff ensembles.

Nap Fabrics Are Seen Everywhere This Year

Velvet is everywhere this year. Paris is going in heavily for all sorts of nap fabrics.

There are crepe velvets of varied thicknesses—some soft and pliable as chiffon, some heavy and thick as woolsens. There are fur velvets—those which look like ermine, like caracul, like breitschwanz.

There are soft silk velvets made into gowns whose skirts fall in soft voluminous folds, and heavy cotton-back velvet dresses with full flaring skirts whose hems cover spaces each a yard and a half in diameter.

Velvet is used only for dresses and coats, for evening wraps and gowns, but for daytime suits, for pajamas, for lounging robes and negligees, for cocktail suits, for gloves and shoes, for hats—in fact, for practically everything modern women wear.

Velvet Picture Hat

The wide brimmed picture hat of black velvet is the best thing that has come along for many a day, if you are the type to wear any big hat at all.

NEW AND NOVEL

By CHERIE NICHOLAS



Now that cunning little capes and jackets are made such an outstanding feature in the formal evening mode, designers are devising all sorts of clever and unusual accessories along this line. The bolero-and-fluff set here sketched is fashioned of sheer white material arranged in tier upon tier of tiny ruffles. The black velvet dress which it tops is fashioned along youthful lines as is also the black evening toque which completes the ensemble. A most perfect costume is this for the debutante who may be attending the wedding of a sorority sister. The little ermine cape is tied at the front in cravat manner. It is worn with a dress fashioned of corduroy-stripe brown velvet. It is a Vera Borea creation.

Plaid Velvet

A chic little tricorne of plaid velvet with an ascot scarf to match is one of the newest offerings of fashion. The two are charming to wear with your fur coat to give a bit of color to an otherwise one-color costume.