

# News Review of Current Events the World Over

## President Scraps Farm Board and Combines Several Bureaus Into One Agency; Wins First Round With British on Debts.

WHAT the President terms the "farm credit administration" was created by executive order which, if it meets with congressional approval, as is expected, will become operative May 27.



Henry Morgenthau, Jr. will be headed by Henry Morgenthau, Jr., with the title of governor, and an assistant, for the present at least, Paul Bestor, with the title of commissioner.

Governor Morgenthau said, after issuance of the order, that the activities of the government in granting loans to farmers and farm organizations will be fully co-ordinated. In the past, with the government making loans through the Department of Agriculture, the R. F. C., the farm board and other agencies, varying rates of interest were charged and different purposes and conditions were set up, and under the new regime, Governor Morgenthau said, unity of purpose and treatment will be observed strictly.

He also declared that all employees of the new credit administration will be placed under civil service, instead of under a patronage system as exists in many of the bureaus at present.

The executive order issued by the President directed the abolishment of the farm stabilization activities of the farm board which have resulted in losses of three hundred million dollars, except that he provided they should be continued only to liquidate the left over holdings of the board. This consists of thirty million bushels of wheat and twenty-eight thousand bales of cotton.

In a message to congress accompanying the order President Roosevelt said his purpose was to "maintain and strengthen a sound and permanent system of co-operative agricultural credit subject to federal supervision and operated on the basis of providing the maximum of security to present and prospective investors in bonds and debentures resting on farm mortgages or other agricultural securities—all for the purpose of meeting the credit needs of agriculture at minimum cost."

The consolidation of these various activities under one head is expected to result in an administrative saving of approximately two million dollars a year.

THE efforts of European nations to cancel or greatly reduce the war debts owed to the United States are on, and it is said President Roosevelt has won the first skirmish to the extent of considering world economic conditions before any discussion of war debts.



Sir Ronald Lindsay

As a result of Mr. Roosevelt's insistence it is reported the British government has backed down from the position announced by Austen Chamberlain, chancellor of the exchequer, when he said that Britain would not swap economic concessions for revision of the debt.

The British are now willing to discuss economic concessions before the debt question is taken up. By virtue of this sudden change of front on the part of the MacDonald ministry, the world economic conference is likely to be held in April or May instead of next summer or autumn, as the European powers were planning.

The British ambassador, Sir Ronald Lindsay, has discussed with Secretary of State Cordell Hull, the questions to come before the economic conference before the debt question is considered.

The French are also willing to discuss economic questions before considering war debts. Following a White House conference between President Roosevelt and M. Jacques Stern, vice chairman of the finance committee of the French chamber of deputies, M. Stern said that he had not discussed war debts with the President; that their conversation had been confined to the economic conference which the deputy thought "it would be very important to hold as soon as can be made possible."

Asked about the debt, he said "it would be very important for France to pay the December installment as a mark of respect to President Roosevelt. Mr. Roosevelt and Mr. Hull have taken the position from the start that the war debts are secondary in importance to the removal of tariff, embargo, quota, exchange and other restrictions on international trade.

A preparatory commission named for the purpose of preparing an agenda for the economic conference has listed the following subjects for consideration:

- "The original and present weight of debt and interest obligations.
- "Price of primary commodities and price of manufactured goods, both wholesale and retail.
- "The existing volume of production in different staple commodities entering in world trade.
- "The willingness of creditors to make international loans and their unwillingness to receive payment in goods and services.
- "The distribution in different countries of the available gold supplies of the world.
- "The disharmony between the stable and fluctuating rates of exchange."

Prime Minister Ramsay MacDonald, of England, will preside at the economic conference and will name the date for its convening.

PROGRESS of the farm relief bill in the senate has been slow. Senatorial dignity would not permit of the speeding up of the ponderous machinery of the upper house regardless of the plea of Secretary of Agriculture Wallace for speed and for the passage of the bill as originally written by the President and his advisors. There just had to be hearings on the bill and everybody, for and against, must have a chance to talk, and they have talked.

At this writing it seems that "my" bill will eventually pass but whether it will be the bill that passed the house, and is acceptable to the administration, or whether it will be so radically changed as to be unrecognized by its proponents, or unacceptable at the White House, is for the future to reveal.

FARM relief in other directions moved along more rapidly. The proposal for refinancing farm mortgages has taken form and the proposition is for the selling of farm mortgage bonds to the extent of from nine to ten billion dollars on which the government will guarantee the interest, but not the principal. It is expected the government's guarantee of interest will make the bonds marketable at a comparatively low interest rate.

Farm leaders have urged a government guarantee of the principal on such a bond issue, but such a guarantee would make them a direct obligation of the government, and mean simply an increase in the national debt of nine or ten billion dollars. Guaranteeing the interest only means that should there be a complete default on the part of the farmers, which is never probable, the treasury would have from three hundred to four hundred million dollars to pay annually until the bonds had matured.

THERE is a growing belief in Washington that the budget will not be balanced during the next fiscal year beginning July 1, regardless of the economies made by cutting the pay of government employees, reorganization of bureaus and departments, and reductions in payments to veterans, amounting to an expected total of some seven hundred millions, and regardless of an added revenue from the tax on beer, estimated at about one hundred and fifty million.

The relief grant of five hundred million provided for in a bill now before congress, and the two hundred millions for the reforestation plan, will alone off-set the economies. It is probable that the more ambitious plans of the President will be financed through new bond issues, but there will be increased interest charges and a sinking fund to provide for which will run into hundreds of millions annually.

Along with these things tax yields are falling short of estimates because of the continued prostration of business.

FIVE hundred million dollars to be provided by the federal government and distributed as unemployment relief by the states is called for in a bill introduced in the senate by Senators Wagner of New York, Costigan of Colorado, and La Follette of Wisconsin.



Senator La Follette

The bill provides that the huge sum shall be given outright to such states as shall apply for aid, and places the responsibility for seeing that the money is given wisely in the hands of a "federal relief administrator."

This official would be appointed by the President, with the consent of the senate, and carry on his duties independent of any other department.

A NATION-WIDE boycott on all Jewish business and professional men in Germany has been clamped down by Chancellor Hitler's National Socialist party. The announcement states that it will last "until Jewish life in Germany is paralyzed." Hitler's government, while not officially countenancing the boycott, is not expected to intervene.

At Nazi headquarters it was said that the boycott "is a purely defensive measure solely directed against German Jewry as retaliation for the anti-German campaign in foreign countries."

All over Germany Jewish owned shops and department stores closed their doors and were picketed by storm troopers.

THE President's bill providing for the employment of 250,000 men for the purpose of reforestation and other work in government forest reserves and along the rivers, passed congress with some amendments made by the senate. One of these amendments removes the state quota restrictions on the sixty-eight million dollars remaining of the relief funds in the hands of the Reconstruction Finance corporation. This makes it possible for states that have borrowed up to the quota previously provided to continue to borrow until the sixty-eight million is exhausted.

In the house the bill was adopted without a roll call, but with the Republican members in opposition. This opposition was not directed at the bill but at the methods of ruling the house by the Democratic majority. It was the first of the administration bills that had not received non-partisan support. The bill was strongly opposed by President Green of the American Federation of Labor.

DIRECTOR of the Budget Lewis W. Douglas has completed the task of revising the payment to veterans under the terms of the economy bill giving the President dictatorial powers for such revision. This revision eliminates from the pension rolls all veterans with non-service disabilities, and reduces the payments to these with service disabilities by approximately 15 per cent, the same percentage of reduction as that made in the wages of government employees.

The economies that either have been, or are expected to be, effected cover the reduction of 15 per cent in the wages of all government employees made by the President; reduction in veterans' benefits and administration now made; reorganization of the departments and bureaus in the administrative branch of the government, for which the President has authority, and on which he is now working; postal service economies, now being considered. When all have been completed the following savings will have been effected:

Veterans' benefits and administration	\$480,000,000
Reorganization of administrative branch of the government, including abolition of functions	250,000,000
Reduction in the pay of government employees	125,000,000
Postal service economies	75,000,000
Total	\$930,000,000

Among the new expenditures that will offset these savings is the appropriation of five hundred million dollars as a gift to the states to be used for non-employment relief, and the reforestation plan of the President which congress has authorized, and which involves an expenditure of not less than two hundred million dollars.

MEXICAN Communists object to "Joseph Daniels as American ambassador at Mexico City. Posters captioned "Out with Daniels" have appeared on walls in the capital. They call him "the murderer of Aznetz and Uribe." These men were Mexicans who were killed in the fighting when United States forces landed at Vera Cruz in 1914. At that time Mr. Daniels was secretary of the navy.

UNDER the authority granted him by congress the President has ordered a 15 per cent cut in the pay of all federal employees, effective April 1. The order affects the employees in all departments including officers and enlisted men in the army, and navy, Post Office, department, and all others on the government pay rolls, a total of approximately 800,000.

The authority given by congress provided for such cut as reduced living expenses might warrant up to a total of 15 per cent. An investigation of living costs made by the Department of Labor showed a decrease from June 30 of last year to the present time of 21.7 per cent. On the strength of that report the President ordered the cut in pay to the limit that allowed by the terms of the economy law. It is estimated the saving to the government will be approximately \$125,000,000 annually.

# Washington Digest

National Topics Interpreted by William Bruckart

There can be no doubt any longer that President Roosevelt is going about the job of cutting down government expenses with utmost sincerity and seriousness. How far he will, or can, go remains to be seen, of course. But he has his subordinates at work in a way that surely is destined to produce results of considerable importance.

But there are signs on the horizon which seem to portend difficulties. The President has begun to talk about balancing the budget in ways that have proved erroneous for other Presidents. He wants the budget of "ordinary" expenses of the government to be as small or smaller than the ordinary receipts. As far as that program goes, it is not subject to complaint or criticism. But the President, at the same time, continues to talk about bond issues for relief of the destitute and bond issues for reforestation and perhaps some other bonds also. He contends that a bond issue for public construction, for example, should not be considered a part of the national budget.

So the old question again has arisen. If there is an expenditure of government money, raised by a bond issue, is it or is it not properly a part of the budget? President Hoover argued that it was, while he occupied the White House. President Cleveland held the same view. Proposals to pay for the Hoover construction program with a bond issue were characterized in senate debate a year ago as making a "dishonest budget," since it was contemplated that the expense should not be included in the budget.

President Roosevelt takes the position that the course he has proposed places the bond issue in a different category. He considers that government help for starving people is an emergency and that, for the reason it will not recur each year, it should not be considered an "ordinary" expense. Since it is not an ordinary expense, it can properly be excluded from budgetary calculations.

There is argument on both sides of the question. Moreover, there is certainly a need for extraordinary measures under the stress of the times when hundreds of thousands of persons continue to live solely by charity. It should be recalled, however, that one of the reasons why the bonds of a good many foreign countries are no longer held to be desirable as investments in this country, is because no one can tell accurately what the financial status of those countries actually is. Their budgets do not tell the full story. The President says, respecting his proposals, that we should look the facts in the face and that the expenditures are justified. Undoubtedly, his view will prevail in congress, and there will be quite an outpouring of public money in order to do as much as humanly can be done to relieve the distressed.

But from a political standpoint, the program which he has sponsored is looked upon by many observers as leading him into open spaces where Republican fire can reach him. I have heard considerable discussion among Republicans to that effect. After all, it must be remembered, the Democrats are the "ins" and the Republicans are the "outs," and it is very much easier to attack than it is to defend in the great game of politics.

The fear of war again sweeps Europe. The ghost of a "Mittel-Europa" Sweep Europe and the changes it made in the political structure of Europe are almost, if not quite, ready for revision.

Europe has had war scares since the end of the World war. Most of them have been manufactured scares, scares produced for a given purpose. But the very indefiniteness of the present fears constitutes the most disturbing factor that the world has faced since the armistice of November 11, 1918. It is, indeed, no ordinary scare that now pervades Europe.

It was only a few short months ago, certainly not longer than a year ago, that a general war in Europe was accredited as being wholly and positively "unthinkable." Yet, suddenly such a war as that has become "thinkable." The challenge is to European statesmanship, for the statesmanship of the continent is weighed in the balance.

In the last month, we have seen Ramsay MacDonald, the British prime minister, rushing—yes, actually flying—from London to Rome, to Paris, to Geneva. He consulted with Mussolini. He met with Premier Daladier in Paris. Ostensibly he talked about disarmament in each instance. But in Washington there is some lifting of eyebrows about that. Official Washington accepts the reports that the subject was disarmament. But privately, more than one observer looks upon the situation as ominous, as one denoting an impending crisis.

It is difficult for observers here to disassociate the situation in Europe from the rise of Hitler as dictator in Germany. No one is saying that Hitler is fostering trouble. But Hitler as the ruler of Germany stands out there in a way that causes European states-

men to feel something of the same fear known to the small boy who is compelled to walk by a cemetery late at night. They appear to be "jumpy." Besides, the Rhineland is traditionally a potential battleground. France always has been Germany's "potential enemy." That which France won in the treaty of Versailles through the fighting at the Marne and the other great battles still is considered by Germans to belong to Germany. Then, there is the so-called Polish corridor which was set up. That is neither liked by the Germans nor the Poles, and Hitler has promised to correct that situation. France shakes in her boots at that thought.

That is one part of the picture. Where is the danger point? None of my sources of information have been able to put their fingers on it, but they feel there is some specific danger point.

On the other side of the picture, there is German fascism. It is dominated by Hitler as completely as Mussolini ever dominated Italian fascism. Consequently, it may be assumed that Hitler must consolidate his own political fronts just as Mussolini found it necessary to do when he launched his fascist ship of state for Italy. Further, except for minor moves, Mussolini has refrained from venturing too far afield in foreign matters. This may have been due to a desire to avoid meeting the French in the dark, or it may have been due solely to Mussolini policy. At any rate, it has not happened. So, if Hitler models his program after that of the Italian duce, reasonable assumptions would be that fear of an arising German nationalism is premature and unwarranted.

But one cannot overlook the Balkans in any analysis of the situation in Europe. One must recall that the World war was preceded by war in the Balkans. France has continued to exercise her influence in Poland, in Yugoslavia, Czechoslovakia and Rumania. The latter three have been called the Little Entente. No one doubts that Italy would like to break up that arrangement. If Mussolini has a desire to attain a "destiny" such as has characterized the aspirations of many a ruler before his time, the Little Entente would stand in the way.

Some observers here, in discounting this new scare of war, feel that MacDonald, of England, is doing a work the Big Task equivalent of which never has been attained, or even attempted, heretofore. They believe MacDonald is trying to get France, Italy and Germany into an agreement with his own nation whereby the big four powers would rearrange Europe's political structures on a new basis. That would mean complete destruction of the treaty of Versailles, for it was the treaty of Versailles, drafted by our own President Wilson, that parcelled out the peoples of Europe into the divisions and subdivisions we now recognize.

If that be the end that is sought, peace-loving people must greet it with some semblance of approval in the opinion of those conversant with the ins and outs of European politics. At least, it holds hope of binding two or three potential enemies into an arrangement whereby they would make fast their dogs of war for a few more years.

The recent arrival of His Serene Highness Prince Damras Damrong Devakul to be the minister of Siam to Washington has created some little difficulty for the folks hereabouts who have to know their etiquette and greet the diplomats properly. The minister is a cousin of the king of Siam, so he rates as a prince first of all, but what else? Should he be called or addressed as Prince Damrong, or Prince Devakul? Some one in the Department of State is going to find out. Being trained in those matters, the proper title will be ascertained without the prince being offended. In the meantime, one hears references largely to "the new minister of Siam." The prince speaks excellent English, having been educated in London, so that he naturally will understand what is being said of him or to him. That fact has not made the problem easy.

President Roosevelt got a really big laugh out of advice given to his secretary of the treasury, William H. Woodin, at the annual dinner of the White House Correspondents' association. Mr. Woodin composed, among other productions, the "Franklin Delano Roosevelt March." It was played for the 956 members and guests of the association at the dinner by the United States Navy band. After the band had rendered the selection in tribute to the President who sat in the midst of the writers, Jack Bennie, the comedian, serving as master of ceremonies for the occasion, addressed the throng: "Mr. President, I suggest that you say to your secretary of the treasury that he stick to his present job. There is not much money being made out of song writing these days."

# Howe About:

## Making a Fortune Problem for Stenographers Reading

By ED HOWE

HOW is a fortune made? In seven out of ten this is the process: A young man finds himself with a wife on his hands, and a family of children coming on. (How universally children keep coming on!) He works and saves with a view of providing for them. From an expert workman he becomes foreman, superintendent, proprietor in a small way, and works long hours. He discovers that the more reliable he is, the more he helps in community affairs, the more his business prospers. In course of time his little business becomes a big business, if he continues to manage it well. Finally, along toward old age, he becomes well-to-do; occasionally rich. And at forty, fifty or sixty he is more reliable than he was at twenty or at thirty, when a small business man, foreman or superintendent. There is nothing in the general belief that as soon as a good workman is advanced, he becomes more careless in his morals.

A man in Florida, separated from his wife, employed a woman as his secretary. One day when the secretary came out of her office she was shot and killed by the wife; five balls were fired, and although women are supposed to be poor pistol shots, every one was deadly. Was the trouble between the husband and wife due to the bad acts of the secretary? If the secretary was actually an honest woman, seven newspaper readers out of ten, and the twelve jurymen to be called later to decide the case, will believe she was not. It is an exhibition of human unfairness that the millions of good girls who study stenography at business colleges must consider.

Books, newspapers, magazines and pamphlets have become so numerous many say they are a pest. Still, in the stream of print is all the wisdom the race has accumulated, and all the good writing; the problem is to find it in the pile of rubbish.

I have a friend of reasonable taste who is an enormous reader. He gets his start in selecting books of possible value by belonging to book clubs in New York, and has accumulated a great number of such selections. I lately visited him, and came away with ten he specially recommended. Only three of them actually interested me, although I looked over the others, and found some curious things in the process.

Books are like men: so many of them do not amount to anything. I know an old fellow who walks occasionally, for the benefit of the exercise and fresh air, and during these walks he looks straight ahead, that he may see as few men as possible.

"The English," says a Canadian writer, "seem to have a world perspective, a world outlook and world philosophy, unequalled by any other people on earth." I neither deny nor accept the statement, but it causes me to wonder just how much truth there is in it. I should say France and Germany are close rivals of England as possessing, on an average, the wisest and most efficient inhabitants. Up to the time of the war Germany was crowding England for first place; since the war France has shown itself smarter than either of its rivals. The United States is entirely out of the competition, not because of lack of efficiency, but because lack of common sense has become our national misfortune. Some say the island of Java is the Garden of Eden so far as ease of making a living is concerned, and that the rule of the Hollanders comes near being the wisest and best. Denmark, Sweden, Norway, should be considered in picking out the country best managed. Switzerland, although it has far better scenery than soil, has long attracted attention as specially well managed so far as public affairs are concerned.

In reading sea stories I have observed that when there is a strong wind, a good captain drives his ship, and takes risks. Occasionally he meets disaster from driving too hard in a roaring gale; at best the decks, the cook house and life boats are afloat, and the sailors get little rest. The best captains take chances in everything, to get along. Still, a man who drives his ship in a hurricane, to make up for the days he is becalmed, must have sound judgment; sound knowledge as to the strength of ropes, masts and sails.

In my home in the country I have heard no show commended as much as "Of Thee I Sing." The show has not come within two or three hundred miles of me, but travelers to the big towns have seen it, and told me of its unusual cleverness.

The writers of the play have made a great fortune. Soon we will be hearing of their yachts, their strings of race horses, of their being sued for, alimony.

Can anyone doubt they have won their distinction and money honestly? Any poor man who abuses them because they do not divide with him, or charges we need a new form of government because these men have succeeded, is unfair and mean.

These men spent many a day and dollar in drilling dry holes; now that they have struck oil, they are fairly entitled to all a gusher may bring in.