

News Review of Current Events the World Over

American Delegation on Way to London Economic Conference—Brookhart Becomes "Agricultural Ambassador" to Russia—Morgan Inquiry Proceeds.

By EDWARD W. PICKARD

SIX delegates and nineteen experts are on their way to London to represent the United States in the international economic conference from which so much is expected in the way of finding a path out of the world depression.



Rep. S. D. McReynolds

Secretary of State Cordell Hull heads the delegation and his associates as announced by the White House are: James M. Cox, vice chairman, former governor and Democratic Presidential candidate in 1920; Senator Key Pittman of Nevada, Democrat; Senator James Couzens of Michigan, Republican; Representative Samuel D. McReynolds of Tennessee, Democrat, and Ralph W. Morrison of Texas, retired banker. Chief of the experts are William C. Bullitt, executive officer; James P. Warburg, financial adviser; Fred K. Nielsen, legal adviser, and Herbert Feis, chief technical adviser, under whom will serve several members of the "brain trust."

Of all the delegates the one consistent conservative is Congressman McReynolds. He is chairman of the house committee on foreign relations and his influence is expected to be potent in the deliberations of the delegation. Senator Couzens, the one Republican member, has frequently lined up with the more radical Republicans and Democrats in congress.

The administration, according to Assistant Secretary of State Raymond Moley, has considerably modified its expectations of what the conference will accomplish, and now realizes that the prospects are definitely limited and do not include a lowering of tariffs or an immediate permanent stabilization of currencies.

Secretary Hull is said to be the only one of the administration leaders who still advances the urgent necessity of a drastic international agreement to lower tariffs and trade barriers.

Mr. Moley included only the following among the solutions which probably would be obtained at the conference: An agreement on monetary policy through action of central banks supplemented by an agreement among governments to synchronize policies of internal public expenditure. An agreement on progressive removal of restrictions on exchange. The international wheat conference moved from Geneva to London and there the representatives of the United States, Argentina, Australia and Canada continued their discussions. If they agree upon any plan for curtailing wheat acreage it will be submitted to the economic conference for approval.

GREAT BRITAIN, France, Italy and the other nations that owe war debts to the United States failed in their effort to have the debts included in the agenda for the economic conference, but their delegates enter the conference with the cancellation or drastic reduction of the debts their chief aim. The Roosevelt administration insists that the war debts, however important they may be, were not a major cause of the depression and are not a major remedy. Consequently the parleys in London are almost certain to develop into a great battle of diplomacy.

President Roosevelt has flatly denied that he intends to negotiate new settlements of the war debts without recourse to congress. This was made necessary by dispatches from Washington published in London, saying Mr. Roosevelt had offered to accept from Britain \$10,000,000 as part payment of the \$75,900,000 due June 15. It seemed fairly certain that the British government would make this payment in full. This will be easier than before because of the devaluation of the dollar. Britain can either pay in paper dollars, which cost about 2 per cent less to buy than gold dollars, or in American securities, which can be bought with paper dollars at a discount and turned in at par.

CHAMPIONS of the gold standard in both the house and the senate had little chance as the administration forces pushed through the Fletcher-Stegall resolution for the abrogation of the gold clause in all governmental and private contracts, both present and future. The measure, asked by the President to legalize action already taken, was first passed by the house by a vote of 283 to 87. Twenty-eight Republicans and all five of the Farmer-Laborites joined with the Democrats in favor of the resolution. Representative Luce of Massachusetts, who led the small minority, denounced the measure as a breach of faith on the part of the government; but Chairman Stegall of the banking committee said it was essential for the recovery of national prosperity.

INVESTIGATION of the banking house of J. P. Morgan & Co. was resumed by the senate banking com-

mittee, and a new list of important persons who had received bargains in stocks was produced. Ferdinand Pecora, the committee's counsel, was persistent in his probing, but was compelled to tell the senators, in executive session, what evidence he proposed to introduce and what he expected to prove by it, and to convince them of the propriety of his purpose. Senator Glass was still determined that Pecora should not bring out matter outside the committee's jurisdiction or irrelevant to the inquiry. Mr. Glass said he had received a number of anonymous threats by mail and what he termed "blackguard telegrams" because of his stand.

Though William H. Woodin's name was on one of the Morgan lists of "preferred" customers before he became secretary of the treasury and hence demands for his resignation were made by various men in public life, Mr. Woodin declared he had not resigned. His statement left no doubt that he would be willing to quit his office if his presence there in any way hindered the return of prosperity, but it also was interpreted to mean that Mr. Roosevelt wished him to hold on, at least for the present. More serious, perhaps, is the case of Norman H. Davis, the very active "ambassador at large" in Europe, who also was on a Morgan list. Representative George H. Tinkham of Massachusetts has demanded a congressional investigation of the financial dealings Mr. Davis may have had with international banking and business interests.

Asserting that Mr. Davis has spoken at Geneva in "repudiation of the traditional American foreign policy," Mr. Tinkham said that a congressional committee should also investigate Mr. Davis' connection with "disloyal and seditious American organizations and foundations in the United States."

SMITH WILDMAN BROOKHART, former senator from Iowa, has a new job. Secretary of Agriculture Wallace has appointed him "agricultural ambassador" to Soviet Russia, and has instructed him to explore the opportunities for disposing of American surpluses of cotton and live stock in that country.

In effect, this means the opening of trade negotiations with a government that is not recognized by Washington, but Brookhart says his connection with the diplomatic relations, though he hopes recognition will result from his efforts to effect a thriving trade between the two countries.

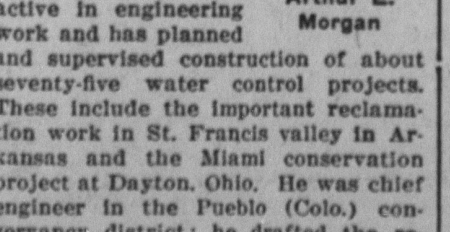
The Iowan has been given the title of "special adviser to the agricultural administration" and serves under Administrator George N. Peek.

"I've done a lot of work already," he said. "I have gone into the matter with people here, including the Soviet representative, Boris Skvirsky. He's a pretty fine fellow and I've had several talks with him."

Mr. Skvirsky is not a trade representative of the Soviet, nor has he connection with the Amtorg corporation, organized by the Soviets to transact business in America. Mr. Skvirsky said that he is a representative of the Soviet foreign office.

GERMANY has refused to accept an unfavorable report of the League of Nations on her treatment of the Jews and virtually told the league that the affair is none of its business. The league council, however, referred juridical aspects of the issue to a committee of jurists with the understanding that the matter will have a complete airing.

WHEN President Roosevelt the other day selected Arthur E. Morgan, president of Antioch college at Yellow Springs, Ohio, as director of the vast Tennessee valley conservation project, there were many derogatory remarks about the appointing of just another professor for a big job. But the skeptical ones did not know about Morgan. Since 1902, when he was just out of high school, he has been active in engineering work and has planned and supervised construction of about seventy-five water control projects. These include the important reclamation work in St. Francis valley in Arkansas and the Miami conservation project at Dayton, Ohio. He was chief engineer in the Pueblo (Colo.) conservancy district; he drafted the revised drainage codes for Minnesota, Arkansas, Ohio, Mississippi, Colorado and New Mexico, and has been consulting engineer on drainage and flood control projects all over the nation. He is entirely familiar with conditions in the Tennessee valley.



Arthur E. Morgan

REVERTING to the matter of the gold standard, dispatches from Vienna tell of how, in the seventeenth congress of the International Chamber of Commerce, the United States was bitterly denounced by Charles Boissvain of Holland for what he called its "immoral" monetary course. He condemned the behavior of those nations which abandon the gold standard "although unquestionably in a position to maintain it." He condemned also what he described as the "repudiation" of the gold clause in contracts by the United States.

In the transportation section, Ira Campbell of New York defended United States shipping against what he termed an international attempt to rule it off of the seas. American merchant marine cannot exist without subsidy, he said, and an international agreement to abolish subsidies would mean the abolition of American ships.

W. L. Runciman of Great Britain objected to his argument that the American marine is needed for national defense, asserting such argument is out of place in a commercial congress.

War debts also came up for discussion. W. H. Coates, British delegate, asserting that they must be settled before it would be possible to improve world economic conditions.

MILITARY representatives of Japan and China signed a formal armistice in the warfare in north China at Tangku, where the negotiators took place under the guns of Japanese naval craft. The truce provides for demilitarization of the area bounded by the great wall on the north, the Peiping-Mukden railway on the east and the Peiping-Suiyuan railway on the west; for dissolution of the Chinese volunteer corps in this area and for resumption of rail traffic between Peiping and Shanhaiwan.

Just before the signing of the truce the banner of revolt against the Chinese Nationalist government was raised by Gen. Feng Yu-shiang, usually alluded to as the "Christian King." Feng denounced Gen. Chiang Kai-shek, the dictator, as a traitor and announced himself as commander-in-chief of the "people's anti-Japanese army." He had been recruiting a large force at Kalgan and it was believed he was acting in close cooperation with the army of Canton, which was reported to be moving to the northward. In Tientsin it was thought that Feng must have been receiving large supplies of arms and ammunition from the Russians of Mongolia by the old caravan route from Urga.

The National government issued a declaration that the Tangku truce is entirely local and of a temporary nature.

"It is not incompatible with the declared policy of continuing a sustained resistance and efforts for the recovery of lost territories," the statement said.

It is absolutely impossible for the National government to agree to an ignominious surrender since the Manchurian issue is entirely outside the sphere of the local military truce with Peiping.

LANSING state penitentiary near Leavenworth, Kan., was the scene of a sensational escape of 11 convicts who were led by Wilbur Underhill, a lifer and one of the most desperate outlaws of the Southwest. During a baseball game Warden Prather and two guards were seized, used as shields and forced to accompany the fleeing convicts over the wall. Other guards were disarmed and the men got away in the car of the prison farm superintendent, keeping their prisoners with them as hostages until hours later, when they were released in Oklahoma. In their flight they commandeered two other cars and captured three women, who were set free near Pleasanton, Kans.

SIX bandits held up the State Exchange bank of Culver, Ind., and fled in an automobile with \$10,000. But the men of the town had been trained as vigilantes and, receiving word of the crime, they mobilized immediately under command of Captain Obenau of the Culver Military academy and went into action. Result: All six bandits were captured, one of them being fatally wounded, and the loot was recovered.

ONE hundred thousand spectators saw Louis Meyer of California win the 500-mile automobile race at the Indianapolis speedway in record-breaking time. They also saw a series of fatal accidents that sadly marred the great spectacle. Three men were killed and three others were badly injured. Mark Billman of Indianapolis was crushed to death when he lost control of his car and it crashed into the retaining wall, and Elmer Lombard, his mechanic, was hurt. Later the car driven by Malcolm Fox of New Jersey lost a wheel and skidded into the middle of the track where it was smashed by the car of Lester Spangler of Los Angeles. Spangler and G. L. Jordan, his mechanic, lost their lives, and Bert Cook, Fox's mechanic, was injured.

Washington Digest

National Topics Interpreted by William Bruckart

Washington.—It begins to appear like the summer will be hot insofar as the prohibition controversy is concerned. Indeed, as the situation now is outlined, neither prohibitionists nor anti-prohibitionists propose to allow any grass to grow under their feet. The motto of each side seems to be: "now or never."

Observers here believe that Postmaster General "Jim" Farley, continuing the political astuteness of the last campaign, rather caught the prohibitionists taking a nap. I mean that the prohibitionists were plodding along throughout the country with their efforts but were putting forth no real campaign attacks. Mr. Farley broke out suddenly with a brand new idea and laid the pressure of the Roosevelt administration on the movement to repeal the Eighteenth amendment.

Of course, when Mr. Farley told the country that by ratification of the repeal proposal it would automatically end the extra taxes that had to be levied under the public works bill, he was favored by a condition not available to the prohibition supporters. He was, therefore, in a position to offer some inducement that had not been presented before, while thus far the prohibition arguments have lacked any new elements of showmanship.

I advert to showmanship because it will be remembered that it was a type of showmanship that started the big repeal drive and worked the country up to fever heat on the prohibition repeal question through the last campaign and in the newly elected congress. Mr. Farley merely restored life to the movement. It is generally conceded that defections have occurred in the ranks of the anti-prohibitionists in rather large numbers. It is obvious, too, that the ardor was cooling in a good many sections of the country. Mr. Farley sensed those things and he capitalized the situation that was presented to him in an almost cut and dried form.

Thus, the postmaster general has again demonstrated his usefulness as the right hand of the President. Not only has he added to, or rather revived, the momentum of the repeal move but he has employed the circumstance to solidify the Democratic party organization. He addressed letters to thousands of party workers in the states where there may be some doubt as to the success of the repeal proposal. Those workers naturally are responding. It is obvious that some of them will balk at the idea but the information we get here is that the bulk of the party workers will do just the thing Mr. Farley has asked and will get busy for repeal as a party movement. The full effect of the postmaster general's quick move can be measured from the political standpoint.

It must not be overlooked that the drys are busy, too. For example, two great conventions recently were held in Washington. One was the Southern Baptist convention and the other was the Northern Baptist convention. One group engaged directly in the prohibition fight and adopted a resolution by which the delegates agreed to avoid patronizing businesses selling beer. The vote to adopt such a policy was lopsided, but one of the ministers told me he had some difficulty in finding a place to eat in the Capital City where no beer was sold. Nevertheless, the impracticability of such a policy does not overshadow the fighting spirit that is displayed.

Another illustration: scattered throughout the auditorium where the sessions were held were signs and posters which read "No quarter to the liquor interest; thousands of quarters to fight them," or words to that effect.

These facts are cited because they constitute evidence of what is going on throughout the country. The instances were with reference to only one church, but there is much the same attitude on the part of all the churches. Their leaders and those who, though not participating directly in the church movement, are sincerely dry, are not going to be licked while they twiddle their thumbs. I recall having written in one of these letters several months ago that the question of repeal was probably going to be decided around the firesides of hundreds of thousands of homes in the land. The circumstances now developed convince me more strongly than ever that such will be the case.

The wets are claiming buoyantly that they will win repeal. Dry leaders here are just as certain that they can stop repeal. On the side of the wets is the gigantic vote they developed at the Chicago convention of the Democratic party and the compromise position forced on the Republicans in convention in the same city. The Republicans did compromise, because the re-submission plank did not represent the original position of either faction. On the other side, the drys point to the fact it is necessary for repeal to fall in only thirteen states to defeat the proposal that restores liquor control to the states. And when you look over a list of states, you will note a

good many of them that have voted dry over and over again.

But we must not forget the powerful leverage that Mr. Farley exerted in the matter of taxes. I think it is a fact that there is not a state in the union where taxes are not the subject of complaint. The taxes laid by the federal government also have been criticized plentifully during the depression. So when the President says and congress agrees that additional taxes are necessary to pay for public work to stimulate business recovery, it is not unnatural that a mighty howl was heard. It always is easy to complain about taxes and it is easier to complain about them in hard times.

The Roosevelt administration, with Mr. Farley vying the magic wand, promptly told congress and the country that all of these new taxes could be repealed if prohibition would be repealed. They won't be in effect a month longer than the Eighteenth amendment, said the administration. Taxes from liquor will more than offset the levies lately put through by congress, for the records show that liquor taxes in the days before the Eighteenth amendment were adopted were yielding something like \$350,000,000 annually. The present addition to the tax list will produce only an estimated \$225,000,000, so there will be some to spare if the old figures hold.

The country has just witnessed another "show" staged by a senate committee. This time, up to fever heat on the prohibition repeal question through the last campaign and in the newly elected congress. Mr. Farley merely restored life to the movement. It is generally conceded that defections have occurred in the ranks of the anti-prohibitionists in rather large numbers. It is obvious, too, that the ardor was cooling in a good many sections of the country. Mr. Farley sensed those things and he capitalized the situation that was presented to him in an almost cut and dried form.

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Howe About:

Martin Johnson Virtue Among Kings Railroads

By ED HOWE

ALTHOUGH born in a country town in Kansas, there is a famous and rich man named Martin Johnson. All he had to start with was a good deal of natural sense (as most people have), and good parents and neighbors to teach him the importance of politeness, fairness and industry.

Probably at first he was ambitious to fight Indians and hunt buffalo, but was soon able to understand that such adventures were no longer available. Happening on a book about Africa he determined to go there to take moving pictures of big game animals, capture them alive for sale to parks and museums, etc., and now lives in a palace in Nairobi, in South Africa. He has had wonderful adventures, met many famous people, and appeared before great audiences in every part of the world.

Anyone who denounces Martin Johnson because he is famous and a gentleman, or says he acquired his fortune by means not available to everybody, is a cad. Johnson's average in decency has been a little above the average of those who denounce him because of his prosperity.

And I like his wife Osa, who is also from Kansas. I do not know either of them; have seen them only in their wonderful public performances and paid for the privilege.

Every one is writing now; even kings and business men are seeking such defense as print affords. There is lately available a book by the recently deposed king of Spain, although the actual work was done by a ghost writer. The title is "By-Ways of Royalty," and the ghost writer, the Grand Duke Alexander of Russia, is thoroughly familiar with his subject. It is the first intimate story of royalty I have ever read, and I wonder the book does not attract more attention. The intimate life of a king is as curious and strange to me as the intimate life of a Russian peasant, with his tea drinking, fleas, sheepskin clothing, and running away from wolves and families. The author, although a grand duke, writes surprisingly well; he believes democracy a false system, but is fair in dealing with it.

Having been a humble subject all my life, and gazed on rulers only from afar, I found many surprising statements in the book, and quote one for your amazement:

"No major country has ever gone bankrupt because of its king's mistresses, but the worst fate that ever befell a monarch befell the czar of Russia because of being ruled by a foolhardy wife."

The czar and Grand Duke Alexander were cousins; the grand duke knew the Russian royal family intimately and for many years. The author concludes kings as husbands average about as do draymen, dentists, clerks, merchants, lawyers, doctors, and other town men. He thinks it possible, however, that the average among farmers, as to outside love affairs, may be a little higher than it is among kings, owing to farmers being isolated on lonely creeks and prairies.

The moving picture people have about all the money now, but the facts are not suggesting that they divide with the poor; that demand is made on manufacturers and other useful persons who haven't any.

One "movie" man in Hollywood lately authorized his press agent to broadcast the statement that his income from salary alone was half a million a year.

The class one railroads (meaning a group comprising all the best ones) last year lost more than a hundred and fifty million dollars, as against a profit of sixteen million in 1931. Throughout the year of this terrific deficit, the class one railroads gave employment to hundreds of thousands of men at the highest average wages paid in the world; yet there is not a community in the country, or a jury, that does not join the government and courts in efforts to further impoverish the railroads.

But how the "movies," of no use to anyone, prosper!

It is another exhibition of the American spirit, unintelligent and dishonest, that must be changed before the country can again get on its feet.

Nothing is ever settled. When I was a boy I heard quarreling which greatly disturbed those taking part. I have heard the same quarreling about the same subjects within an hour, now that I am in my eightieth year. If, after death, I am restored to consciousness I shall be surprised, but whether I land in the bosom of Abraham or in the clutches of the devil, I think I shall appreciate once-knowing positively where I am at.

Everyone knows you are a weak creature; you will finally admit it yourself after reaching considerable age. I can offer no advice here except that everyone become as strong as possible. Emergencies are always coming up, and a little strength and sense will be found of great value in considering them.

It has actually been proposed that the government do something to prevent earthquakes; several congressmen have bills ready as soon as they begin campaigning again.