

News Review of Current Events the World Over

London Economic Conference Is Saved From Immediate Dissolution by Secretary Hull—Roosevelt Pushes His Domestic Recovery Program.

By EDWARD W. PICKARD

PRESIDENT ROOSEVELT administered what looked like a knockout blow to the world conference in London, and then, at the urgent request of Secretary Hull and his colleagues, made an effort to restore it to consciousness and action. Of course Mr. Roosevelt had not intended to paralyze the parley, but he wished it to proceed in accordance with his own ideas, and those probably are the ideas of most of his fellow countrymen as well. His effort was not at first successful, for the leaders, yielding to the demand of the gold bloc, decided the conference should take a recess for an indefinite time. This accorded with the views of some of the American delegates, but Secretary of State Hull, acting under instructions from President Roosevelt, fiercely fought the plan and finally persuaded the bureau, or steering committee, to change its mind. It then declared it was firmly determined to proceed with the work of the conference and asked the various subcommittees to prepare a list of questions that could be usefully studied by the conference, monetary problems being excluded by the gold bloc. As tariff problems also are out, it may seem that the conference has lost its first rank importance in world news for the present.

What the President first did to the conference was in the form of a note, read to it by Mr. Hull, beginning: "I would regard it as a catastrophe amounting to a world tragedy if the great conference of nations called to bring about a more real and permanent financial stability and a greater prosperity to the masses of all nations should in advance of any serious effort to consider these broader problems allow itself to be diverted by the proposal of a purely artificial and temporary experiment affecting the monetary exchange of a few nations only.

"Such action, such diversion, shows a singular lack of proportion and failure to remember the larger purposes for which the economic conference originally was called together."

Delegates of the gold bloc nations, led by France, were angered both by the President's attitude on stabilization and by what they considered his dictatorial manner, and Prime Minister MacDonald was grievously disappointed. The conference leaders met and after a lot of exceedingly plain speaking adopted a resolution to adjourn, which was what the gold bloc insisted upon. Secretary Hull alone, still hopeful and clinging to the internationalist doctrines which the President had abandoned, argued for continuance of the conference and finally persuaded the other leaders to withhold the adjournment resolution until further word had been received from Mr. Roosevelt.

The President's second communication was more conciliatory in tone but showed no disposition to retreat from the position he had taken. He asserted that the raising and stabilization of commodity prices was the major objective and the exchange value of the dollar in terms of foreign currencies a minor consideration.

Delegates of France, Holland, Belgium, Italy, Poland and Switzerland—the chief gold standard nations—met informally and formed a monetary pool which pins all their currencies one to another. They also decided in principle to form an economic union.

THE wheat committee of the economic conference alone accomplished something. It announced that the United States, Canada, Australia and Argentina, the great wheat producing countries, had accepted the American plan for restriction of acreage and production.

The agreement is subject to the assent of importing countries to some provisions for abolition of certain regulations concerning milling and quotas. The purpose of the plan is that wheat should be raised in natural growing countries and that European efforts to foster artificial production be abandoned.

SPEAKER HENRY T. RAINEY expressed the general thought of Americans when he said that the selfishness of foreign nations which demand that the United States continue to give them trade advantages is the real cause of the difficulties at the London conference. He declared the whole country was backing the President in his stand on currency matters.

Speaking at the Independence day dinner of the American chamber of commerce in Paris, Ambassador Straus vigorously defended the American economic policy. "When we read in the daily press," he declared, "of some nations, whose friendship we desire and who should be our friends, that we are grasping, that we are selfish and that we are pursuing a course unfavorable to world peace and

the solution of world problems, I think it time for us to argue the unfairness of such pronouncements."

President Le Brun was one of those at the dinner.

The European press in most instances criticized the President's stand harshly. But in Berlin the Nazi organ, Der Angriff, hit the nail on the head with the statement that President Roosevelt takes the same stand as the Nazi government, namely, that a healthy domestic economic system is more important than the relation of home currency to foreign.

IMPOSITION of the processing tax of 30 cents a bushel on wheat went into effect, and Secretary of Agriculture Wallace let the public know that he intended to exercise his powers to prevent "unreasonable" increases of retail prices in its wake. The Iowa Bakers' association had proposed to increase bread prices from 5 to 8 cents per pound loaf, and Mr. Wallace warned them, calling attention to his authority. The President of the Iowa association communicated with national headquarters of the American Bakers' association and announced that the projected price advance would be withheld until further notice. However, bread prices in certain cases were advanced in Minneapolis and St. Paul, in western Pennsylvania and also in some other localities.

The internal revenue bureau assumed the task of collecting the processing tax. Forms for its enforcement were sent out, requiring returns from approximately 25,000 bakers, 450,000 retailers and 4,000 millers. The tax applies not only to wheat entering mills to be ground into flour, but also to stocks of products processed from wheat held by millers and bakers. Its purpose, it may be recalled, is to finance wheat acreage reduction.

To finance application of the farm act to corn and swine the farm administration is planning to put into effect by October 1 a processing tax on hogs from which it is expected \$150,000,000 will be realized. Secretary Wallace has suggested that representatives of the corn and hog producers get together in the near future and discuss this matter.

A maximum processing tax on cotton, probably 4 cents, is to become effective on August 1. If the acreage reduction campaign now under way in the cotton belt succeeds, and a processing tax of about 6 cents a pound is to be levied on cigar leaf type tobacco by October 1.

RETURNING from his vacation cruise to Campobello island, the President received members of his cabinet on board the cruiser Indianapolis, and then landed, went to the White House and plunged into the task of getting his domestic recovery program into full operation.

His attention was given first to the public works and industrial recovery plans. In the case of the former he decided that priority should be given to the projects that provide the most labor, and he carefully studied a list that was prepared by Secretary of the Interior Ickes.

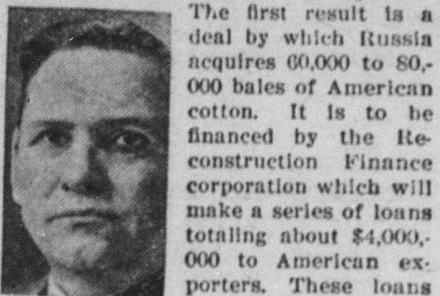
Next came the trade codes that are being submitted rapidly to Administrator Hugh S. Johnson and that require the President's approval before being given the force of law. The first of these was the cotton textile code, which officials, industry and labor were inclined to look upon as the model for other trades to follow.

General Johnson and his assistants received the code proposed by the woman's apparel industry, affecting about 500,000 workers; and the oil industry code also was ready for consideration. Others on the way were the codes of the iron and steel, anthracite coal, automobile, lumber, wool and retail dry goods industries. Administrator Johnson let it be known that a single code was desired for the whole bituminous coal industry. Indiana mines had already submitted a separate code.

MOBILIZATION of the reforestation army, otherwise the civilian conservation corps, it was announced in Washington was virtually completed, and the concentration of man power exceeds even the mobilization of American troops during the World War in a like period—three months. Director Robert Fechner reported that 250,000 men were living and working in the forest camps; another 24,000 were in the conditioning camps, and 25,000 more were being recruited from the ranks of the idle. These men receive a dollar a day and their keep from the federal government, and are engaged in constructive labor, whereas a few weeks ago they were idle. As Mr. Fechner says:

"They have been given a chance. Overnight they have become contributors to the family needs, to the extent of at least twenty-five dollars monthly, with direct benefit to their relatives and to local relief agencies."

EFFORTS to renew trade relations between the United States and Soviet Russia, earnestly promoted by Smith Wildman Brookhart, are bearing fruit.



The first result is a deal by which Russia acquires 60,000 to 80,000 bales of American cotton. It is to be financed by the Reconstruction Finance corporation which will make a series of loans totaling about \$4,000,000 to American exporters. These loans will be secured by notes of the Amtorg Trading company and unconditionally guaranteed by the Soviet state bank. Amtorg is owned by the U. S. S. R. and was organized by the new Russia to carry on its business in a country where it had no official standing. The loans will be for one year and, like the \$50,000,000 advanced to China by the Reconstruction corporation for the purchase of wheat and cotton, will bear 5 per cent interest.

There was much discussion as to whether this transaction foreboded diplomatic recognition of the Soviet government by the United States—another of Brookhart's hobbies. Assistant Secretary of State Moley had an intimate talk in London with Maxim Litvinov, astute commissar of Russia. Riga dispatches say that Moscow expects this recognition by July 31.

LITVINOV greatly strengthened the Russian government's world position by bringing to a successful conclusion negotiations for a pact of non-aggression with seven of its neighbors. The states signing this convention, besides Russia, are Estonia, Latvia, Poland, Rumania, Turkey, Persia and Afghanistan. Litvinov said in London:

"The convention constitutes a new link in the chain of the Soviet government's measures systematically directed towards reinforcement of peaceful relations with its neighbors. The Soviet Union is ready to sign similar conventions with any other states irrespective of their geographical position and existing relations with itself."

Several days later it was announced that Lithuania and Russia had signed a pact along the same lines.

CHANCELLOR HITLER has realized his ambition to control Germany politically, for the Catholic Centerists, the last surviving non-Nazi party, has dissolved, as has the Bavarian People's party, which before the elections of March 5 was the sixth in importance of the groups in the reichstag.

Semi-officially it was announced negotiations between the Centerists and the Nazis had been closed, with the Centerists reichstag members becoming "guests" or "hospitants" of the Hitlerites.

Bruening himself, one source said, would not become a Nazi, but Count Eugen Quadt-Inny, who was empowered to act for the Bavarian populists, applied for admission to the Nazi party as a hospitant and advised his colleagues to do the same.

All other opposition parties having quit or merged with the Nazis, the Hitler government is now free to go ahead unhampered with its "national revolution," which is being extended to industrial, religious, educational and agricultural life.

HIGHLY successful aviation meets were held in both Los Angeles and Chicago. The only unfortunate incident in connection with the California affair was the death of Russell Boardman, noted transoceanic aviator, whose plane crashed at Indianapolis as he was racing across the continent.

AMONG recent deaths were those of Albert R. Erskine, former head of the Studebaker automobile corporation, who committed suicide; and Hipolito Yrigoyen, one of the most powerful figures in Argentina and twice President of that republic.

THOSE who are interested in the doings of the movie folk—and their number is legion—are avidly reading about the break up of what had been regarded as the ideal family among the cinema actors. Mary Pickford and Douglas Fairbanks, it appears, have reached the marital divide, as the Los Angeles correspondents phrase it, and are about to separate. Whether they will be divorced remains to be seen, but they probably will be.

The news came out when it was announced that "Pickfair," their home in Beverly Hills, was for sale. On behalf of Mary this statement was made:

"It is true that Pickfair is for sale. It is true that separation between Douglas Fairbanks and Miss Pickford is contemplated. If there should be a divorce, the grounds will be incompatibility. Beyond that there is nothing to say."

Early in the year there were rumors of a separation of these screen favorites, and Miss Pickford joined Fairbanks in London in an effort to end them. But soon after they returned to California Douglas left hurriedly for England. They were married 13 years ago, the second marriage for each. Both of them are millionaires, and under agreements negotiated during recent years they have waived claims on each other's properties.

Mary Pickford

Washington Digest

National Topics Interpreted by William Bruckart

Johnson Gets Action

Washington.—General Hugh S. Johnson, President Roosevelt's "ira," (industrial recovery administrator) has been moving with so much speed that he now has between thirty and forty major industries in agreement respecting principles and practices which each group shall follow in getting industrial machinery into motion, labor employed and buyers buying again. He has accomplished these things by sheer driving power coupled with the full force of publicity. Industrial leaders have had to stand hitched, have had to make concessions and have had to abandon a lot of their own ideas in order to reach the agreements, but Ira has brought them together because the bulk of them were afraid of the spotlight of publicity if they failed to co-operate.

Developments under the industrial recovery act, the program which the President drove through congress as a means of making partners of business and government, have begun to show the extraordinary power accorded the President by that law. They reveal likewise the enormous pressure that can be exerted in the name of the government of the United States and the subordination to which even traditionally independent and free Americans will subject themselves in time of stress. But, simultaneously, observers here have noted the undercurrent of anger among those same industrialists at the use of the powers of the government in the way they are being used. In other words, I think it is no exaggeration to say the majority of the industrial codes were worked out under duress and fear and that the majority of those agreeing to each code had their fingers crossed and their tongues in their cheeks when they signed on the dotted lines.

General Johnson has a term—pineapples—by which he describes the knotty problems constantly recurring in his negotiations with the various industrial groups. It is freely predicted both among the industrialists who came here for their conferences on the new codes and among wiseacres in the government that there will be a surplus of pineapples along with some other crops this year.

Ira had hardly been under way a week with conferences in which the codes worked out by the industrialists for governing their industries were being aired when up came the age-old pineapple of "capital versus labor." Capital can not be criticized too much for desiring to protect itself, and labor cannot be criticized too much for demanding what it considers to be its rights. Yet the feeling here seems to be that each must go along within reason under present conditions, or else each will be put in the position of cutting off its nose to spite its face. Ira was pretty "hard boiled" on this program and a full head of steam was developed that resulted in an inevitable blow-off.

Came the Blow-off

The blow-off came with startling suddenness. Like lightning out of a blue sky came Miss Frances Perkins, secretary of labor, and she laid down some solid demands in a hearing before Ira. She said that capital was trying to take advantage of labor, that it was sliding out from under the terms of the law which created Ira's job, and that Ira was moving with such speed to get recovery under way that labor was going to suffer. Miss Perkins did not say it that way, yet my language is no stronger than hers.

That was an unexpected pineapple, indeed. Ira had been face to face with several of them. This, however, was the first shot from what had been looked upon as a neutral in the war between the capital and labor troops.

Correspondents who attended that hearing were given the impression that Ira did not enjoy the labor secretary's speech one bit. Some of his associates surely did not like it all, but they were less restrained than was Ira, himself, and the gossip around Washington is that Ira's staff will be happy to see Miss Perkins remain in her office which is some seven blocks from the colossal department of commerce building where General Johnson has headquarters.

Washington is actually overwhelmed with codes these days. Ira has his crop of new codes of principles and practices for industry, Secretary of Agriculture Wallace is developing a barnyard full of codes in attempting to carry out the so-called farm parity bill with its processing taxes, options to the farmers to buy hold-over cotton, and acreage reduction for various crops, and Agricultural Relief Administrator George N. Peek and Farm Credit Administrator Henry Morgenthau, Jr., have their codes. Each one has its definite purpose and each one fits into the picture which President Roosevelt is trying to put together to lead the country out of the slough.

But where are the codes going to lead? Visitors to Washington these days are many and it seems that on the lips of each there is that question. The whole program is so new and so untried on a national basis that it is quite natural to express some wonder about it.

See New Economic Era

I have heard it suggested that the various steps now being taken by the Roosevelt administration probably constitute the beginning of a new economic era. Indeed, one analyst declared that possibly the arrangement of all of the new codes of practice for industry might conceivably represent the start of a period in which the federal government will become an industrial referee or umpire. Carrying that thought further, it was conceived as possible that fewer and fewer federal laws would be enacted with reference to control of industry and agriculture. With a federal umpire to sit in judgment, for example, farmers could organize and control their own destiny, solve their own problems and be independent.

That same reasoning, it is asserted, applies to every other line of commercial endeavor. It represents a theory that private business, observed from a watchtower by something of a federal dictator, can and will manage its own affairs to a better advantage than can be done by continual enactment of new and half-baked laws. To that extent, therefore, instead of making partners of the government and private business, the Roosevelt program takes shape as a possible move to put business on a plane to do the job itself.

It seems pertinent to call attention just here to the fact that, except in wartime, neither agriculture nor any other industry has ever received the shock of its life with such equality as it has swallowed the orders of the federal government. I have heard it said that it would take just such a shock to awaken the individual members of the various lines of trade to the necessity for complete co-ordination of all of their activities and functions.

Must Boost Prices

President Roosevelt, on his return to the White House after a vacation, repeated that he was in a deadly earnest about the necessity for boosting prices and that nothing is going to stand in the way insofar as the government can control those factors. His statement was but a repetition and a broadening of his earlier appeal to the cotton farmers. To them, he sounded a keynote for the whole campaign of crop reduction. No doubt exists that unless the farmers help themselves, the crop reduction program and the consequent boost in prices cannot be expected to succeed.

In other words, the situation is this: the federal government has set up machinery for reduction of crop acreages. It has worked out a program that means higher prices for that which the farmers sell, and it has made a part of that program an inflation of credit and use of federal funds. It has resorted to its taxing power in order to obtain funds to compensate those who agree to cut acreage and reduce the surplus. It is up to the farmers, therefore, to do their part.

The reason the President spoke of cotton first, was because that crop is still in a position and at a stage of growth where part of it can be destroyed. It was explained in this connection that the growth to fruition of the entire acreage of cotton now planted would increase the surplus to such an extent that a carry-over of as much as 27,000,000 bales was possible. That figure probably is too high, but the point is that growth of this year's entire crop would only add to the amount of cotton already stored from previous years and the result obviously would be a price reduction. Some market experts say it might go down to 3 1/2 to 4 cents a pound.

Tobacco is the next crop in line. It still can be cut down. The Department of Agriculture is working on plans to levy a processing tax to pay the growers for curtailing that crop. The tax is scheduled to be 5 cents a pound and will be collected, as the other processing taxes are, from the factories that prepare the commodity for market. A wheat processing tax of 30 cents a bushel has gone into effect already to finance curtailment of the surplus wheat acreage. And the same can be written respecting procedure for the other commodities.

Nevertheless, one can ask what good the processing tax will be and what will be accomplished by this vast machine that has been set up to help the farmers unless they themselves co-operate. The answer, if stated in candor, would be, nothing.

A few more weeks probably will be sufficient time within which to judge whether the farmers are going to do their part.

During the debate in congress when the farm parity bill was under consideration, there were frequent references to the possibility that the program could not succeed because too many farmers would hold back.

So from whatever angle one examines the program, one arrives at the conclusion that it is "up to the farmer." If the price he receives for his wheat or his cotton or his other products fails to stay around the point where it is profitable for him to engage in the industry, some of his number have killed the goose that laid the golden egg.

Don't Let the Grass Grow

By OXLEY STENDEL

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"BETTER and better!" Ralph Wilcox exclaimed delightedly. "Why, I didn't believe you had it in you, Max!"

Max Crawford groaned aloud. "I say! Have a heart, can't you? Just because I tell you I spilled a cup of tea—like the clumsy ass that I was—spilling a dress and an afternoon for a pretty girl and generally making a fool of myself—you think it a huge joke."

"Drop a cup of it," Ralph corrected solemnly. His brown eyes twinkled. "Nevertheless wild horses couldn't have kept him away!" he exclaimed in an aside. "You see, she, the One-and-Only-Girl-in-all-the-World, asked him to go. There is the answer."

"What of it?" Max demanded fiercely. "She's asked others, too!"

"What of it! That's what I'm asking you, curly head," Ralph returned. "Why, man, I didn't think you were so clever!"

"Clever in getting myself in messes, yes. Say, Ralph, can't you let me alone?"

"Certainly, I can. But is it fair, I ask you, to begin a good love story and not finish it? I want to know how it is going to end."

Max did not follow his friend upstairs until the clock struck one. Had Mary really forgiven his clumsiness of the afternoon before? She had said so, of course.

On the 8:10 bound for the city the next morning Ralph made no mention of the tea and Max's part in it. For which Max was duly grateful. But as they were paring at the Grand Central station Ralph reminded him that he could finish "that story" on Sunday. "Don't let the grass grow under your feet," he warned. "Dinner at two as usual. There may be company."

Acting on Ralph's advice, Max decided to call Mary up. He waited until evening, however. Miss Davis was out for dinner, he was informed to his dismay. That was Thursday.

On Friday morning Max was called out of town on business. He reached home late Saturday night. Too late to call Mary Davis! He tried at ten on Sunday morning. "Miss Davis is out of town for the week end."

Max started out and walked miles before catching the 12:32 for Tower Hill.

Max arrived at The Rookery just in time for dinner. Mrs. Wilcox greeted him cordially and ignored his silence. "Ralph is late, I'm sorry," she told him. "He drove down to the city early. He only said he would bring a girl home to dinner. I don't understand it at all. Max, I thought—"

"I thought so, too, Mrs. Wilcox!" Max volunteered. Then in answer to her questioning look: "I thought Ralph was in love with Elizabeth Darrow—and she with him," he simply added.

Just then they both saw Ralph's car coming up the drive. It stopped in front of the piazza and Ralph jumped out. He was followed by a girl, Mary Davis! For a moment Max saw red. Then he realized another girl was being assisted out of the car also. Elizabeth Darrow.

Dinner was a wonderful feast. Max was seated next to Mary.

After dinner what was more natural than to wander over the hills of the Rookery with Mary? Ralph and Elizabeth had just disappeared.

It was nearing sunset. Max and Mary had been watching a sailboat on the Sound. Mary looked down at the carpet of green at their feet.

"Why, you can almost see the grass grow!" she laughed, tossing her dear brown curls out of her face.

"Oh, it mustn't!" Max exclaimed. "Stand on that rock, please, Mary!"

"What do you mean?" the girl was puzzled.

"I mean—I don't want to let the grass grow under our feet—I don't want to lose you, Mary."

Then he held out his arms and Mary's dear head was on his shoulder. He drew her close. It was their hour. A golden hour on a golden afternoon. "Now, will you finish that story?" Ralph demanded when the two girls had gone upstairs with Mrs. Wilcox.

"Yes. And they lived happily ever after—thanks only to you! But how in the world, Ralph, did—"

"How did I find out about Mary? Easy. She and Elizabeth are friends, you remember. But even with your good start you surely needed help, old man!"

"I surely did!" Max grinned. "Thanks, pal. But congratulations are due you, too. All the happiness in the world!"

"Well, I go after mine! Here are the girls now."

Carlsbad Caves

Carlsbad Caves, New Mexico, were made a national park in May, 1930. They consist of a series of lofty, spacious chambers and connecting corridors, with alcoves extending to the sides, that are of remarkable beauty. The park has an area of only one square mile, although the caverns extend for miles underground. The most impressive portion of the caves is the Big Room, an enormous chamber 4,000 feet long, with a maximum width of 625 feet. At one place the ceiling rises to a height of 300 feet.