

News Review of Current Events the World Over

Cuba Quieting Down With De Cespedes as President—Basic Industries Slow With Codes—Johnson Relies on the Women.

By EDWARD W. PICKARD

CUBA, recovering from its spasms of revolution, began to settle back into normal living under its new provisional President, Carlos Manuel de Cespedes. Killing and looting, that prevailed for several days accompanying the ousting of the Machado regime, ceased in the main, though the pursuit and capture or slaughter of porristas was continued. The long suffering Cubans were determined to wipe out all those murderous members of Machado's secret police, Dr. De Cespedes appointed his cabinet ministers, most of them belonging to the ABC or the Nationalist party, and they were sworn in. The President himself took the post of secretary of state. Castillo Pokorny was made minister of war and Col. Erasmo Delgado, leader of the military coup that forced Machado to flee, was appointed military commander of Havana.

Machado, who fled to Nassau in the Bahamas by airplane, accompanied by several of his closest friends, was reported to have taken with him several million dollars though he left behind even his clothing. His wife and other members of the family escaped the vengeance of the mobs by taking a gunboat yacht to Key West, Fla., whence they expected to go to New York and later to Paris. The ex-dictator said he probably would remain in Nassau and would not interfere with developments in Cuba.

No one would even intimate that the Roosevelt administration fomented the anti-Machado revolution, but the State department in Washington certainly knew in advance just about what was going to happen in Cuba. It knew Machado would be ousted, and that he would be succeeded by De Cespedes. Ambassador Welles was in close touch with the revolutionaries and was appraised of their plans. Assistant Secretary of State Caffery was kept informed and approved each step taken, and President Roosevelt apparently let him and Mr. Welles work out the problem themselves. The Cubans selected De Cespedes for the Presidency, but he received the O. K. of official Washington before being named. The islanders were not coerced in any way by the United States, however, and the three American warships that were sent to Havana and Manzanillo were sent only to protect American lives and property.

What part in the revolution was played by the National City Bank of New York and Electric Bond and Shares, which have heavy interests in Cuba, has not been revealed. Both concerns had formerly been considered supporters of Machado, but seemingly they did not lift a hand to save him from destruction. Probably they will come out at the big end of the horn when the island is rehabilitated. This recovery, Cuban business men feel, is certain if the price of sugar can be raised a cent or a cent and a half a pound, which can be done if the United States tariff of two cents a pound is reduced or abolished. They believe, too, that Cuba would then become a good customer for American goods. Cuba's national debt, hugely increased under Machado, also will have to be refunded, for the interest and amortization payments now amount to \$1,500,000 a month.

President Roosevelt was so satisfied with the state of affairs in Cuba that he went for a short motor trip in the Virginia mountains. Before leaving Washington he and President De Cespedes exchanged friendly messages. Secretary of State Hull explained to the press that Cuba had really not had a change of government. He said it was a mere change of personnel without any alteration in the structure or processes of government. Consequently, he said, the United States did not find it necessary to extend recognition to President De Cespedes since he came in under the constitutional method of succession in Cuba.

STEEL, oil, coal and automobile industries, looked upon as basic, were still unable to formulate codes satisfactory to their various factions and to the national recovery administration. This slowed up the NRA stride so much that President Roosevelt called on Hugh Johnson to get quick action, and the administrator told the leaders in the industries that they must at once agree on codes providing minimum wages and maximum hours. There was an unpleasant incident in the iron and steel discussions that caused further delay. William Green, president of the American Federation of Labor, went into a conference as a member of the NRA labor advisory board and also on the invitation of Secretary Perkins. But the steel leaders took one look at him and walked out.

Green declared this act was "a challenge to the government," and continued: "The question is whether steel is to dictate to the government or whether the government is going to set up machinery under the industrial recovery act and require industry to work with that machinery."

Shortly thereafter the labor advisory board formally protested his exclusion. Johnson described it as "Miss Perkins' party" and declined further discussion. The labor secretary, who continued in conference with the steel leaders without Green, made no statement.

Better progress was made with the oil and automobile codes. The former, it was believed, would provide for a measure of government supervision of prices. A group of Texas oil producers who challenged the constitutionality of the recovery act met defeat in the District of Columbia Supreme court. Justice Joseph Cox denied the application for an injunction against sections of the law permitting federal regulation of oil production.

FOLLOWING a conference of President Roosevelt and his executive council, it was announced that the administration approved the Chicago Board of Trade's decision to withdraw the peg from wheat futures. Secretary Wallace said: "We are going to do everything effective that we can to keep the price of wheat up, but we are not going to indulge in sleight-of-hand business. The peg was put in to give time to iron out a technical situation arising from one extremely large speculative account. We can't keep up the price of wheat by pegging futures. We are not engaging in a stabilization operation. We will try to do as effectively as possible the fundamental things which will keep the price of wheat up."

It was announced, also, that the government was waiving the bulk of its debt claims against cotton farmers who have complied with the acreage reduction program so that about \$100,000,000 would start moving in small checks to farmers within a few days. The same formula found for cotton will be used for wheat.

FIRST of the open disputes within the personnel of the recovery administration resulted in the resignation of Prof. W. F. Ogburn as a member of the consumers' advisory board. Ogburn, who is an economist from the University of Chicago, was vexed because Mrs. Mary Harriman Rumsey, chairman of the board, appointed Mrs. Hugh R. Johnson, wife of the administrator, chairman of the complaint committee, and declared the committee was unable to fulfill its functions. Ogburn told Johnson the consuming public was not being protected, and later he said that the expressed policy of the NRA of keeping purchasing power moving alongside of rising prices "will be blocked, I predict, for want of adequate indexes."

"The complaints (against violations of codes by employers), I recommend, should be handled by a 'line' organization and not by an advisory board."

Mr. Johnson's only comment on Professor Ogburn's resignation was, "It's all right with me."

Flying in an army plane to St. Louis, Mr. Johnson made a stirring appeal for support of the President's re-employment program, asserting its success depended upon co-operation of the people in each town, and in the last analysis, upon the women. "Woman in defense of the support of her home," he said, "is about as safe for trifiers as a lioness at the door of a denful of cubs. When every American housewife understands that the Blue Eagle on everything that she permits to come into her home is a symbol of its restoration to security, may God have mercy on the man or group of men who attempts to trifle with that bird."

PARTS of four provinces in China are reported to be flooded by the waters of the Yellow river and many thousands of the wretched inhabitants have been drowned. The flood was said to be the worst since 1887. Several important towns were in danger of utter destruction.

MARTINEZ MERA, who was inaugurated president of Ecuador only last December, may have to give up his high office, for he doesn't seem to be satisfactory to the country. The congress voted, 42 to 22, to send a mission to him to ask him "in the name of democracy" to let the popular will rule. Latest dispatches from Quito said soldiers were guarding the presidential palace; but it is hard to say which way Latin-American soldiers will jump.

GEN. ITALO BALBO and his fellow aviators brought their great seaplanes back to Italy and were given a welcome by Premier Mussolini and the people that was much like the triumphs of the ancient Caesars. Balbo was made air marshal and each of his men was promoted and decorated.

RUSSIANS, Jews and international Free Masons, are concocting a world plot against Germany, according to Der Deutsche of Berlin, official organ of the Nazi "labor front." The paper cites, as proof that secret negotiations are being carried on, the simultaneous presence at the French resort of Royat of Bernard Baruch of New York, Andre Tardieu of France, Leon Trotzky, Maxim Litvinov, Russian foreign commissar, and the Russian ambassador to the republic of Turkey.

Former Premier Edouard Herriot's trip to Moscow is also part of the plot against Germany, according to Der Deutsche, which warns Germans against what it terms the duplicity of the Soviet Russians and "Jews who want to profit by the chaos and hatred they sow among nations."

UNCLE SAM'S war on criminals, especially kidnapers and racketeers, made progress in some regions, notably in the capture in Texas of Harvey Bailey, escaped convict and leader of desperadoes who is wanted for numerous crimes in the Middle West, including the machine gun massacre last June at the Kansas City Union station. Bailey also is charged with the recent kidnaping of C. F. Urschel, Oklahoma oil operator, and ten others implicated in that crime have been nabbed.

The federal crusaders, however, staged an awful flop near Chicago. Government agents, policemen and deputy sheriffs to the number of 250, equipped with airplanes, squad cars, machine guns and bombs, cornered two kidnapers for whom they had laid a trap, chased them by land and air all over the western part of Cook county, and then had to admit their quarry had escaped. The kidnapers had been baited with a promise of collecting a second \$50,000 from Jake Factor. They are supposed to be members of the Roger Touhy gang, four of whom, including the leader, are government prisoners under indictment for the kidnaping of William Hamm, Jr., wealthy St. Paul brewer.

Chicago's law authorities are doing better. The courts are manned by judges who have given up their vacations, and every day sees a number of desperate criminals convicted and sentenced to prison terms. The usual long delays granted to defendants in such cases are being refused by the judges, and the unsavory lot of lawyers who get rich defending known murderers and gangsters are rather dumfounded.

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The Swiss, on the other hand, claim to have discovered a Nazi plot, one of their papers charging that Hitler's followers have launched a propaganda campaign for the annexation of German Switzerland to Germany.

An American sailor named Thorsten Johnson was sentenced to six months in jail at Stettin on charges of calling Chancellor "a Czechoslovakian Jew," and the American authorities were preparing to move for his release.

JAPAN'S fine navy of about 280 ships sailed south from Tokyo, under personal command of Emperor Hirohito, and began the maneuvers that take the form of an encounter with a hypothetical foe attacking Japan from the equatorial Pacific. It was assumed that the enemy fleet had seized the Caroline and Marshall Islands, between the Philippines and Hawaii, which the League of Nations turned over to Japan under mandate after the Germans lost them in the World War.

ALTHOUGH the old prohibition bureau has been abolished, and repeal is expected before the close of the year, "liquor control is neither dead nor forgotten," in the words of L. McHenry Howe, the secretary to the President said the bureau had merely been absorbed by the division of investigation of the Department of Justice, adding that "if any racketeers or bootleggers are holding celebrations over the supposed demise of the bureau they are due for an awful shock."

DETERMINED to prevent graft in the expenditures of the government's huge \$3,300,000,000 public works fund, Secretary Ickes, the administrator, announced appointment of ten regional inspectors as the nucleus of an organization to see to it that the government gets its money's worth. They will receive their orders from and report directly to Louis R. Glavis, chief of the division of investigations of the interior department.

All engineers, familiar with construction work, the inspectors will be charged with seeing that contract specifications are fully met, and with investigating evidences of conspiracy in bidding and complaints.

Washington Digest

National Topics Interpreted
by William Bruckart

Washington.—Some twenty-five or thirty newspaper correspondents were privileged the other day to witness the start of a new stage in the national drive for economic recovery. It is unfortunate there were only those few persons able to witness that which I am convinced is going down in history as an event worthy of recollection. It is unfortunate that more persons were unable to see the spectacle of Gen. Hugh S. Johnson, the recovery administrator, in that moment of determination, his eyes glaring, his jaws set. It was decisive.

The incident to which I refer was when General Johnson, at one of his regular conferences with newspaper correspondents, announced that the time was near, if, indeed, it had not already arrived "when somebody is going to take one of those blue eagles off the window of some business house" because that business house failed to live up to its pledges in the code.

"And," General Johnson added with all of the grim determination of the army officer that he was, "when that happens, it is going to be an economic death sentence. That outfit will be nearly through."

He leveled a finger at the correspondents that, under the atmosphere created by his earlier remarks, seemed for all the world to me like it might go off. There was no braggadocio. It was a positive declaration, this assertion that some of those who promised to do their part would try to cheat. And the added remark that such a business house was economically sentenced to death when their pet blue eagle insignia was taken down was as sternly said as though it had been an actual sentence of death from the lips of a jurist. I repeat, it was impressive.

I do not know how effective this threat will be. No one does, because it never has been done in peace time in this country. But make no mistake about it: the individual who attempts to balk General Johnson is going to have both hands full. To employ a favorite expression of a colored boy whom I know: "He ain't goin' to fool wid 'em."

General Johnson's remarks on that occasion illustrate better than other words available to me the developments thus far in the great campaign to lift this country out of the economic depression. Heretofore, and it still continues, the effort was to get businesses into line, into agreement to stand united and work for the common good. Those agreements among the individual businesses were, and are, agreements with and promises to the President of the United States that each will make the necessary sacrifices, the required concessions, that a given result may be attained. Everyone hopes for better times. That is the end sought, and the signing of codes, including the promises of individuals who buy things to deal only where the blue eagle is displayed, was just the preliminary work.

Now, however, the national recovery administration has reached the point where the enterprise must either succeed or fail. There are to be no more soft words. The decisive moment has come. General Johnson's determination that "he ain't goin' to fool wid 'em," has placed the entire power of a sovereign nation behind that which has been done.

This blue eagle insignia is a powerful weapon. It may later fall into disrepute, but, however that may be, the display of that poster now is having an enormous effect. For instance, General Johnson's attention was called to the status of public utilities operating wholly within a state, a unit unto itself and not subject to the jurisdiction of the federal government. He replied that the blue eagle knows no state lines.

"This blue eagle doesn't know anything about interstate or intrastate commerce," he said. "If the recovery act falls to reach such corporations, the blue eagle will reach them."

And so the stage is set for the drive to encourage people to buy now and to buy only from those displaying the blue eagle.

Let us look into this program. The call to buy now represents a move to get people to let loose of money they have been holding back on account of uncertainty (if they have had such money) and thus to provide the distribution agencies such as retail stores with business and, of course, profit. If the retailer sells, he must buy from his source, which is the wholesaler or the jobber, and when they have disposed of their stock they must seek replacements from the manufacturer. He, in turn, if he is going to remain in business, must manufacture replacements, and thus the cycle has been set in motion.

There has not been a time in recent years that stocks of manufactured goods in warehouses of the country were as low as they are now. It is a condition known as hand-to-mouth buying. One result of that condition is that when a retailer, for example, sells a couple more suits of clothes or shoes or dresses, he is out of those sizes or styles. Unless he goes back to the wholesaler immediately and buys replacements, he cannot make further sales of those particular things. So it is with the wholesaler, and the manufacturer has no great stocks piled up either. If he refills empty shelves, he has to put people to work to do it. When he hires workers, the money they are paid immediately is spent because tens of thousands of them have been out of jobs and with no money to spend even for barest necessities.

General Johnson's purpose, therefore, is twofold. He is driving hard to get people to buy now if they have money with which to do it that the cycle of business may be set in motion full swing again and thus, if successful, the plan will provide jobs for workers, profit for the dealers and manufacturers and markets for the producers of the raw materials. In pleading for consumers to buy only from establishments where the blue eagle of N. R. A. is displayed, General Johnson seeks to cement the united effort for recovery and at the same time repay those who have made the concessions necessary for such a movement by turning the business to them.

With the destruction of cotton crop surplus under way in every cotton-growing state, the agricultural adjustment administration has concentrated its attention on getting the wheat acreage program started, which, indeed, it has been in more than a preliminary way. Previously, I reported that Secretary Wallace figured a wheat crop of not more than 490,000,000 bushels next year was all that would be necessary. Accordingly, withdrawing of thousands of acres from planting will be necessary.

Now, the adjustment administration has sent out orders to farm extension agents wherever counties have them and has appointed temporary workers where no county agents exist, and these people are laying the ground work for wheat farmers to sign contracts with their government. The contracts will provide for withholding of acreage and the farmers will be paid for giving up that acreage through the funds obtained by the processing tax on wheat as it is milled into flour.

Something like 1,100 agents, either permanent county agents or temporary appointees by the Department of Agriculture, are at work in twenty-three states. They are taking the initiative in organizing the farmers, explaining to them what the purposes of the acreage reduction program are and how they will be compensated by joining in the plan.

Chester C. Davis, director of the wheat production division in the agriculture adjustment administration, entertains no doubt at all about the ultimate success of the program. Nor does Dr. M. L. Wilson, of the same group, who has been in close touch with actual wheat farmers. They are agreed that it will go over just as rapidly as the farmers can have the thing explained to them.

In the meantime, however, the millers of wheat are suffering, and the Department of Agriculture is playing tag with the grain exchanges and boards of trade. The millers obviously are kicking about the burdensome processing tax which they say is difficult to pass on to the consumers fully. The boards of trade and the Department of Agriculture are snarling and biting at each other over a different matter, but settlement of their differences will affect the results of the acreage reduction campaign. So the whole thing constitutes one picture.

The grain exchanges have been criticized without end by Secretary Wallace and the others in positions of responsibility on the farm problem. Secretary Wallace has told the grain dealers they have to come under a code, like other businesses, and they have submitted a code for his consideration which he does not like at all. The secretary wants to keep the "little fellows" out of the grain speculation. He feels they have no business there and that their marginal trading has been the cause of some of the violent fluctuations in prices because they cannot always put up more money if the price falls out from under them. The code submitted by the exchanges leaves more power in the hands of the exchange governing boards than Mr. Wallace wants to leave there, and falls also to reduce the speculative factors the secretary thinks necessary.

So the situation is tense. It is proper to say, I believe, that restrictions already thrown around grain trading have virtually abolished contract markets.

ROADSIDE MARKETING

By T. J. Delohery

ADVERTISING PRINTING

WHILE few roadside or farm markets do enough business to warrant continued advertising unless it be small classified space, the value of advertising printing as a follow-up to newspaper publicity should not be overlooked.

Cards, folders, dodgers, blotters, labels, stickers, food charts, recipes and other such material tie in very well with newspaper advertising, to say nothing of helping to make new customers which come from the recommendation of satisfied buyers.

The kind of printed material to use depends upon the market, what is sold and where it is located. In the past few years operators of roadside and farm markets which are off the main highway or a bit difficult to find, are including maps in their printing and advertising to guide prospective customers.

Recipes are well liked; in fact, directions on cooking will help sales, especially of new crops. When broccoli first made its appearance on the roadside market which we patronize, my wife didn't know how to cook it. The farmer told her. And Italian squash makes a delicious dish when stuffed with meat. It, too, was prepared according to the advice of the vegetable grower. A poultry farmer who sells dressed chicken direct wishes he could obtain recipes which would guide his customers. He advocates different weights and ages for certain purposes—that is, roasting, stewing, etc., but when housewives do not follow directions and don't get the desired results, they often blame the chicken.

One of the best pieces of printed advertising I have seen is a so-called health chart. It was used by roadside market owners in Cook county, Illinois. The heading: "For Those Who Are Healthy and Those Who Would Like to Be." The chart, made up of three columns, listed the minerals and vitamins essential to body health, told their effect on the system, and then listed the fruits, vegetables, eggs, nuts and other farm produce in which they were contained.

The chart attracted an unusual amount of interest. Doctors commented upon it as being a fine thing to place in the hands of consumers. Not one piece of this literature, which was available in racks hung in front of the markets, was thrown away after first glance.

In Essex county, New Jersey, where roadside markets are grouped in an association, County Agent H. A. Harman helped the farmers draw up a series of four advertising cards. On the front side of each card, which measured 3 1/2 by 5 1/2 inches, was a picture of the association sign or emblem which was on display before all member markets. "Fresh Farm Products," in large heavy type, was the display line on the first card. The second line said "Quality Goods—Honesty Packed." Below was sufficient room to stamp in the name and address of each member. On the reverse side was a little history of the organization telling what it meant to both consumer and farmer alike.

All of the four cards were seasonal. The second card had "Fresh Vegetables" in large letters on the front side, with recipes for canning tomato juice, making tomato cocktail, sautéed tomatoes, stuffed tomato salad and some information on home canning in general. No. 3 card stressed sweet corn, with recipes and the last of the series was devoted to "Fresh Canned Eggs"—day-old eggs. The value of fresh eggs produced by chickens fed balanced rations of feeds rich in vitamins and minerals, and their value in feeding babies and adults as well, was stressed. Recipes on various egg dishes fill the back side of the card.

"The cards did a fine job of advertising," said County Agent Harman. "They carried the message of the association and have made customers for the roadside markets displaying the association sign. It was nothing unusual for customers to ask for several of each card. Presumably they keep a set for reference and pass out the others to friends and neighbors."

Printed paper bags are now regarded as fine advertising—and cheap, too, since the printing costs little extra if done at the time the sacks are ordered. John Haley of Centre Grotton, Conn., relates the story of a woman telling her friend that she had been in the country buying vegetables from a farmer, only to have the friend declare she bought from a dealer, pointing out that producer-owned roadside markets in that section used bags on which their names and addresses were printed.

Package inserts are good advertising, especially if they carry messages on future crops. Tales of new machinery or equipment which produce better fruits or vegetables, aid in making for better quality or cheaper production. The more honey and friendly these messages, the better. Customers realize you are a farmer and not a trained advertising writer. A good example of a package insert is that used by F. R. Dolman, Ohio fruit grower. It says:

FOR 30 CENTS I'll sell one bu. of apples. Not the fancy grade. Not the choice, but The best apple on the Ridge for the money.

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President De Cespedes



Mrs. H. R. Johnson



Bernard Baruch



William Green