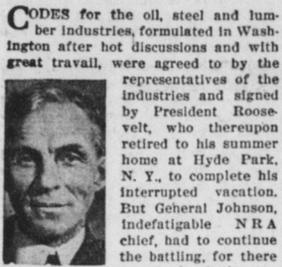


# News Review of Current Events the World Over

## Johnson Bringing Basic Industries Into Line Under Codes; Wants Banks to Relax Credits; Caffery to Succeed Welles in Cuba.

By EDWARD W. PICKARD



Henry Ford

CODES for the oil, steel and lumber industries, formulated in Washington after hot discussions and with great travail, were agreed to by the representatives of the industries and signed by President Roosevelt, who thereupon retired to his summer home at Hyde Park, N. Y., to complete his interrupted vacation. But General Johnson, indefatigable NRA chief, had to continue the battling, for there remained of the so-called basic industries coal and automobiles to be brought under the wings of the blue eagle. Despite the sometimes angry debates over main points of divergence, especially the open shop question, Johnson was certain the automobile code would be completed within a few days. Donald Richberg, NRA general counsel, asked that the open shop clause be eliminated because it left doubt as to whether the industry accepted the collective bargaining provision. The motor car manufacturers seemed disposed to agree to this without surrendering the policy.

Every one was anxious to learn what stand Henry Ford would take, but he maintained deep silence. Mr. Ford is the only large automobile manufacturer who is not a member of the National Automobile Chamber of Commerce. Hitherto he has insisted on his right to bargain with his workers without the intervention of unions. That he may alter this policy, voluntarily or otherwise, was indicated by dispatches from Edgewater, N. J., which said the employees of the Ford assembling plant there were organizing under the auspices of the American Federation of Labor. In the past Mr. Ford has maintained the open shop by meeting or exceeding the demands of organized labor in pay and working conditions. It was thought possible he would adopt a similar course in the matter of the blue eagle code.

Coal operators, according to General Johnson, were all displaying a co-operative spirit that insured an early agreement for the bituminous industry, and the representatives of the miners appeared willing to accept compromises on the question in debate.

BY LABOR day the oil code will go into effect, and the industry generally will support it although it does not completely satisfy the trade. To a very limited extent it provides for price fixing for gasoline. Standard Oil of Indiana did not wait for the effective date of the code, but put all its refineries on code schedules of hours and wages. The part-time system was abandoned, resulting in a 13 per cent increase in the total wage payment and a corresponding increase in the purchasing power of the refinery employees as a group.

Base rates of pay in the various refineries were established as prescribed by the code as follows: Whiting, Ind., 52 cents an hour; Wood River, Ill., 52 cents; Sugar Creek, Mo., 48 cents; Neodesha, Kan., 48 cents; Casper, Wyo., 50 cents. These rates are for common labor. Proportionate adjustments were made in rates for skilled labor.

RETAIL dealers who gathered in Johnson's office for a hearing on their code were warned by the administrator that the government would not countenance unreasonable price increases and were urged to resist such boosts from jobbers who supply them with their goods. He said the national industrial recovery act would increase prices to meet new costs imposed by compliance with the trade charters, but just because of this "there is no reason to go way beyond reason. If you do this you just kill the goose that lays the golden egg. The house that we are trying to build will collapse like a house of cards."



Mrs. Mary H. Rumsey

In enforcing compliance with the blue eagle provisions, Johnson asserted that there would be no violence, no man-hunting and no boycotting. But, he said, the administration would move to uncover cheaters behind the blue eagle and then "we are going to move in and take the blue eagle right off their windows."

Human nature being what it is, there naturally are lots of complaints of "chiseling" by persons and concerns that have received the blue eagle. These come most numerously to Mrs. Mary H. Rumsey, head of the committee that is supposed to protect the consumer—though Professor Ogburn says it isn't doing it—and to President William Green of the American Federation of Labor. Both of them have organized systems for watching and catching the code evaders. Mr. Green has instructed all union men to keep

an eye on things throughout the country and to report to him any suspected violation of codes; he then reports to General Johnson. In this way a closer scrutiny of code chiselers than the government could institute is made possible.

SOME time ago Administrator Johnson hinted that the banks were not doing their part in the recovery program, and he has now persuaded them to relax credit extension conditions and thereby make money available in the channels of general commerce. To begin with, he conferred with members of the federal reserve board and Jesse Jones, chairman of the Reconstruction Finance corporation, concerning methods by which the bankers might be induced to grant loans on classes of security which they have not been willing to accept.

"Bankers ought to resume the financing of ordinary commercial operations," General Johnson said. "I have studied the figures on commercial credit trends recently, and I do not think they indicate much loosening up on the part of bankers.

"We are working on that now, but listen, the ordinary banker wants sound risks. Most of them got pretty badly burnt in past years, and we've got to establish some basis for assuring them safety.

"I don't believe you can force extension of credit by fiat. The whole trouble in this country has been lack of confidence by all classes of people, and we've got to do what we can to bring confidence in business, in loans, and in the future back again."

HAVING accomplished neatly and speedily the job for which he was sent to Cuba, Sumner Welles will soon return to Washington to take again his position of assistant secretary of state in charge of Latin-American affairs. He is to be succeeded as ambassador to the island republic by Jefferson Caffery who, from his post in the State department, so ably seconded the efforts of Mr. Welles. Caffery, like Welles, is a career diplomat and was minister to



Jefferson Caffery

Colombia before becoming assistant secretary of state last spring. In the last 22 years he has held many important diplomatic positions. Caffery is from Louisiana and the favor with which he is looked upon by the administration is one of the thorns in the flesh of Senator Huey Long. His first job in Havana will be to negotiate a new United States-Cuban commercial treaty. President De Cespedes of course hopes this will include lower duties on Cuban sugar. Settlement of the water front strike in Havana led the new president to believe industrial peace would soon be re-established.

Most of the Machado supporters and porristas having been killed or captured, except those who had escaped from the island, the Cuban mobs let up in their bloody work. Their last grim performance in Havana was to steal and try to burn the body of Antonio Alicart, former chief of police, who had committed suicide to avoid capture.

Former President Mario Menocal, Col. Carlos Mendieta, leader of the Nationalist party, and many others who had been driven to exile by Machado returned to Havana and were enthusiastically welcomed by the people.

GEORGE N. PEEK, administrator of the agricultural adjustment act, put into effect at six principal live stock markets what has been called the "birth control" program for pigs, the object being the elimination of about 5,000,000 animals and the consequent raising of prices. In Chicago, Omaha, Sioux City, St. Paul, Kansas City and St. Joseph, Mo., the emergency relief administration began the purchasing of 4,000,000 pigs between 25 and 100 pounds in weight each and 1,000,000 brood sows. Most of the meat accumulated was to be distributed to the poor. A price schedule was fixed and the farmers were to be paid the difference between this and what they actually received, from a fund of \$55,000,000 obtained from the processing tax on all pork. The buying operations were to be started soon at other leading markets besides those named above.

MEREDITH NICHOLSON of Indianapolis is one fortunate author. He has been appointed by President Roosevelt to be minister to Paraguay and he will have, in Asuncion, the capital, a most delightful place to live, among pleasant people. Mr. Meredith was summoned to Washington for preparatory conferences and is expected to leave for his post in the near future.

Leo R. Sack, a Washington newspaper man, was appointed minister to Costa Rica.

ROBERT H. GORE, governor of Puerto Rico, is not liked by the Liberal party of the island, which claims to represent 40 per cent of the electorate. It has sent to President Roosevelt a protest against Gore's administration, charging that he has utterly failed to live up to his declarations for efficiency and nonpolitical policies and has grated on the sensibilities of the people.

The message concluded that "as a man unfamiliar with our character and our problems, and as we believe with the practices of government and statesmanship in general, Governor Gore is very much on trial before the Puerto Rican people."

MAHATMA GANDHI has won another contest with the British government of India. Imprisoned because he had renewed his civil disobedience campaign, he started a new "fast unto death" and in a week was so near dissolution that the authorities released him unconditionally. His wife and Miss Madeleine Slade, one of his "three graces," were released from six months' sentences at Ahmedabad so they could attend him.



Mahatma Gandhi

Gandhi had been offered freedom if he would remain in Poona and refrain from conducting civil disobedience propaganda. He refused. He demanded that he be given unlimited facilities to conduct from prison his campaign in aid of the Hindu untouchables. He was told he could carry on the campaign only if he kept it free of politics.

"I might as well be dead if I can't work for them," he said and began his fast, vowing he would maintain it until death unless the government relented.

NORMAN DAVIS, "ambassador at large," called on President Roosevelt in Hyde Park and departed with fairly complete instructions for his course in the disarmament conference which reassembles in Geneva on October 10. In general Mr. Davis will support the British plan for limitation of offensive weapons; but both Mr. Roosevelt and he believe the French proposal for supervision and control of world armaments would be a big step toward an agreement. This plan calls for a permanent disarmament commission that would act as the official body in complaints against one signatory power by another. It also would provide the manner and shipment of arms from one nation to another, make inspections of world armaments and carry out a systematic check on the manufacture of offensive and defensive weapons.

ENGELBERT DOLFUSS, the diminutive but nervy chancellor of Austria, assured of allied support, took steps to check the German Nazis along the Bavarian border, where, he was informed, the latter were fomenting trouble and planning invasions of Austrian territory for next month. Dolfuss ordered the mobilization of more than a thousand picked marksmen in the home guards and prepared to rush them to the frontier to reinforce the troops patrolling there. The Vienna campaign continues. The Vienna home guard includes only two battalions, but thousands of volunteers are being recruited in eastern and southern Austria, and all of them are dead shots.

GEN. OWEN O'DUFFY'S blue-shirted National Guard of Ireland paraded in defiance of President De Valera's prohibition, and the Free State government declared it an illegal organization. A military tribunal was set up under the public safety act and all blue shirts who do not resign from the guard are to be arraigned before it and will be liable to death sentence. De Valera's government charges the National Guard was organized for the purpose of setting up a dictatorship. Minister of Justice Rutledge said he had evidence that the guard was heavily armed and was importing arms.

SOCIALISTS are not happy these days, and when the Second Internationale opened its world congress in Paris there were a lot of gloomy faces among the delegates. However, the executive committee firmly opposed the defeatists and pessimists in the party. The bright spots on the Socialist map were said to be Spain, where the tide of Socialism is steadily rising; and the United States, where in the opinion of American members, the "new deal" is leading to Socialism.

COMING up from the Caribbean, a tremendous storm swept the Atlantic coast of the United States from Virginia northward. About a dozen lives were lost and immense damage was done to property. Yachts were wrecked and several liners were in peril.

The storm played havoc in scores of communities in southern New Jersey as well as surrounding states. From Atlantic City to Cape May every seashore resort had flooded streets and homes. Beach front hotels were virtually marooned. Ocean City, N. J., was cut off from rail communication with the mainland.

BY A vote of about 3 to 1, Missouri decided that prohibition should be repealed and thus became the twenty-second state to line up in the wet column. Ratification by only fourteen more states is needed to repeal the Eighteenth amendment.

# Washington Digest

National Topics Interpreted  
by William Bruckart

Washington, D. C.—Inflationists are becoming noisy again. Rather, they have increased the amount of their noise in recent weeks. The volume has become ominous to Washington observers who, it seems, are quite unable to make up their minds as to the amount of pressure the inflationist element in the country can wield. There is propaganda, there are inquiries about it, and there are statements from those who think they carry some water on their shoulders, all to the end that there ought to be inflation.

It is well to recall at this point that President Roosevelt is the sole arbiter on the inflation question. It was he to whom congress delegated the supreme authority to use any one or all of the several inflationary plans that were included in the now famous Thomas amendment. Thus far President Roosevelt has kept his own counsel; he has kept an eye on the economic structure and on the price levels, and has not used the powers he has. Nor will he say whether he will or will not use them. The result of his maneuvers has been to make the inflationists feel he is just about ready—but not quite—to use some of the inflationary proposals and to make the sound money folks feel he is holding off from using those same powers by exerting every effort. It is a situation after all that is not without humor, for the uncertainty has kept all of them on their toes, so to speak.

Is the President going to resort to inflation? Ask the inflationist and he will say "Yes." Ask the sound money group and they will say "No." Ask the unbiased observer and he will say, "I don't know." So, there you are! As one of those observers here who try to see which way the wind is blowing and what the reasons are behind trends and developments, I have been impressed by only one sign on the question of inflation in recent weeks, and that, strangely enough, was a statement from one who has been an inflationist but whose statement was adverse to the idea. I refer to the recent remark of Secretary Wallace of the Department of Agriculture. He declared to newspaper correspondents on the occasion in question that a good many farmers felt improvement was not coming rapidly enough. He thought there was some merit in their claim, but he added that things had been pretty sick and some time had to elapse in order to straighten them out. Some one inquired whether inflation could not be used to boost prices faster, to which the secretary replied: "Inflation would provide only temporary relief. That does not seem to be the answer."

And that statement came, as I said before, from one who all along has been an inflationist. It was the first, and only, frank statement that has come from administration sources. It may not have significance, but I am inclined to regard it as having a meaning. Inasmuch as Mr. Wallace naturally is in close touch with the President every day, and sometimes several times a day, would it not seem logical to suppose that there was just a little reflection of the President's views in his agricultural secretary's observation?

Mr. Roosevelt has repeatedly declared himself to be in favor of sound money. He emphasized it in his inaugural address; he repeated it to congress and he has stated it in varying form and in various places. But, nevertheless, Mr. Roosevelt took an inflationary step when he withdrew government support for the dollar in international exchange by declining to permit export of gold.

Likewise, the President announced his purpose of boosting commodity prices to the 1924-25 level. That was the purpose of the embargo on gold exports. Prices have gone up only to about the 1900-10 level, or still considerably short of the spot which Mr. Roosevelt would like them to reach. The inflationists have been figuratively pounding on the White House door and shouting to Mr. Roosevelt to use his inflation powers. Some of them have been granted interviews. They come out smiling. Such was the case of Senator Smith, South Carolina Democrat and chairman of the senate committee on agriculture. He went to the White House and was received by the President. He came out, smiling broadly, and talked long and loudly for a dozen or so newspaper correspondents of the need for inflation. But somehow Senator Smith neglected to say that the Chief Executive was going to use the Thomas amendment. I guess he forgot about it!

Senator Thomas of Oklahoma, who led the fight for the amendment, has issued a lot of statements about the necessity for using inflation. He attacks every one who disagrees with him about it. But, as near as I can ascertain, Senator Thomas has not been let in on the President's secret.

So, again, there you are! But there is another angle to this inflation propaganda, and it has nasty aspects. There have been and are now some folks who are using inflation talk to make profits out of their own speculation. Rumors start in New York, or in Boston, or in

Chicago, or in some other large city, that the President is ready to inflate the currency. The quotations on shares of stock zoom up, if the rumor seems to come from any source near the President. The promoters of the rumor take their profit, and the market sags. A few dull days pass, and again the same stunt is staged.

William H. Moran, chief of the United States secret service, told me the other day that counterfeiting of coin and currency had been exceedingly active in the last several years. Roughly, he said, the expansion of their operations had been found to be in inverse ratio to the advance in business and employment. Thus, again, the operations of counterfeiting seem to fully reflect economic conditions. When there is good business, there is little counterfeiting; but when we have hard times, we also have much counterfeiting, according to Chief Moran's records.

The chief of the United States secret service, which actually is a secret service in fact, as well as in name, maintained to me, however, that there is no need for the country to worry about the circulation of spurious coins and bills. He said his operatives have done a wonderful job and that in no instance of record has a counterfeiter or his gang been able to carry on their business very long until their plant is captured. The bulk of the money they made has been confiscated in most cases before any large sums have been placed in circulation.

But using the activities of counterfeiting as a yardstick of business conditions, the present depression has been the worst in American history. Chief Moran's records show that more counterfeits have been seized since 1929 than in any other period of the nation's history. Of course, it is impossible to know exactly how much American people have been swindled by counterfeiting, but the amount of seizures has been so large that Chief Moran holds there actually has been only a minimum of loss to the people.

As proof of the work being done in checking the production and distribution of bogus bills and coins, Mr. Moran submitted figures showing that, in 1931, arrests on counterfeiting charges numbered 1,524. In 1932, the last full year for which figures are available, arrests totaled 2,139. But it was in the total of counterfeit coins and bills seized that the chief took much pride. The record showed seizures of coins and bills which, if they were genuine, would have been worth \$80,650 during 1931 and \$300,311 in 1932.

In the figures for 1932, again, Chief Moran said, the activities of counterfeiting directly reflected hard times and lack of jobs.

"It is not at all strange," the chief said, "that there should be more attempts at counterfeiting in hard times than when the country is prosperous. Hundreds of men have been arrested on counterfeiting charges who we found had never engaged in criminal affairs of any kind before. They were out of jobs, however, and while they were loafing around in cities they came into contact with underworld characters. The professional counterfeiter has to have help and he builds up his gang out of such individuals. They were not the type to do such things if they had not been desperate for money."

Most of the bogus bills and coins are so crudely done that anyone familiar with money can detect them, but every so often some real expert gets into the counterfeiting game and develops a bill that is most difficult to distinguish from the genuine. These, of course, are the dangerous ones from the secret service standpoint. It has happened also that those making the best reproductions of real currency usually have developed the most carefully laid plans for getting the money into circulation. The ordinary practice is for the counterfeiter to sell the bills wholesale to underworld characters at a price so low that big profits tempt men to take the chance. One instance was found in which the counterfeiter had sold \$100 worth of bills for \$2.25. The better the grade of work on the bills, the higher the price demanded by the counterfeiter.

Chief Moran told me that several of the counterfeit gangs which his men had uncovered in the last several years had been organized on a scale comparable to a big business house. They were found to have several units. For instance, one gang had a plant where its plates were made; it had a plant in another city where the printing of the bogus bills was done, and then it had a "sales" agency which was spread out in several cities.

It took exceptional work on the part of the secret service operatives to run this one down. Chief Moran admitted that much, but few details of the secret service operatives' work ever become known. I imagine those details would make a tale much more interesting than any fiction ever written, but it is a tradition of the secret service to keep its mouth shut.

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# How I Broke Into The Movies

Copyright by Hal C. Herman

DOUGLAS FAIRBANKS

STRANGE as it may seem to his friends in fandom, "Doug" didn't jump into the movies with one of those hair-raising hurdles over a ten-foot wall.

And stranger still, he actually entered the picture game as a stage star and not as an athlete.

His athletic proclivities came to the surface somewhat later and only after causing the picture producers some sleepless nights. They had plenty of visions of thousands of feet of film going to waste because he "moved" too rapidly for the "movies"—and expected to see nothing but streaks and blurs on the screen.

However, an earlier career—which ran the gamut of law, stocks and bonds, hardware and other adventures including a job as valet to several hundred cows on a cattle boat bound for Europe—kept being interrupted every so often by stage appearances.

Some were good and some not so good. All, however, were diligent, and this diligence brought experience and eventually "Broadway Stardom" through association with William A. Brady, George M. Cohan and Cohan and Harris.

About this time D. W. Griffith was standing the theatrical world on its head with his picture, "The Birth of a Nation." Previously the theater looked down on the movies as rather pesky poor relations.

Then came a rush of legitimate



Douglas Fairbanks.

actors to the screen but "Doug" decided that he who leaps, like he who laughs, must leap last to leap best.

So he did.

In the summer of 1914 he went to work for D. W. Griffith at \$2,000 a week for ten weeks and he made a picture called "The Lamb" which was an immediate success. Triangle, of which Griffith was the head, came forward with a three-year contract and from then on Fairbanks was "in" the movies for keeps.

He also had a habit of going to a given point by the shortest route and in his earlier pictures he would sometimes leap over a fence or hedge—and once negotiated the other side of a house by going over it.

Here the producers and technical experts gave vent to grave misgivings as to the camera's ability to record such rapid movement. Everything heretofore had been done very slowly in pictures and all gestures were deliberate—like the old melodramatic poses. However, in spite of all the howls of protest, Griffith waved them aside and waited to see what would show up on the film.

The result brought forth an avalanche from the press about the acrobatic ability of "Doug" Fairbanks and before long all his stories were being written with new and more difficult leaps.

The astonished public viewed a long series of pictures including "Double Trouble," "Manhattan Madness," "The Good Bad Man," "The Half Breed," "In Again Out Again," "Wild and Woolly," "Man From Painted Post" and among others, a screen version of his old stage play, "He Comes Up Smiling."

"By this time," Doug said, "A long nourished desire to do other things beside leap and smile started the urge to produce my own pictures. Whatever success I may have gained in this direction is most apparent in such production as 'The Mark of Zorro,' 'The Three Musketeers,' 'The Black Pirate,' 'Robin Hood,' 'The Thief of Bagdad,' 'Don Q,' 'The Gaucho,' and 'The Iron Mask.'"

"What is the secret of screen success? Well now, I refuse to play the part of preacher or one of those 'follow-me-and-get-there' men, but my own observation is that the way to screen success is the same as in any other line of endeavor.

"It takes enthusiasm, intelligence and courage. Enthusiasm to give your best to anything you attempt; intelligence to direct the enthusiasm and courage to carry through in the face of all obstacles."

WNU Service

From Stage to Screen

Following a noted Broadway stage career during which she appeared in many play hits, Marjorie Gatensohn made her screen debut in 1931 in "Beloved Bachelor." Then followed in rapid succession important roles in "Husband's Holiday," "False Madonna," "Street of Women," "Society Girl" and "Okay America."