

News Review of Current Events the World Over

Senator Harrison Voices Demand for Monetary Inflation—Wallace Warns the Farmers—Japan's Demands for Bigger Navy.

By EDWARD W. PICKARD

BANKERS, business men and many other persons, especially southern politicians, believe inflation soon will be here in full force. The financiers are trying to guess when and in what form it will come, and the southern senators and congressmen are urging straight-out currency inflation, which latter President Roosevelt has seemed desirous of avoiding as long as possible. Of course, we already have a degree of inflation, shown by the declining price of the dollar on foreign exchanges—a few days ago it reached the lowest level in fifty years—but this is not enough for the downright inflationists. Great pressure was being brought on the President, the leaders in this being Senator Pat Harrison of Mississippi, chairman of the senate finance committee; Senator Fletcher of Florida, of the banking and currency committee; Senator Thomas of Oklahoma and Representative Byrns of Tennessee, house majority leader.



Senator Pat Harrison

Harrison predicted adoption of a new administration monetary policy in the near future, indicating it would be in full swing by mid-October when the movement of cotton from the farms reaches its peak. "If the administration does not act before congress meets," he said, "congress will compel adoption of an inflationary policy and not leave it to the discretion of the administration as was the case with the Thomas inflation amendment."

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Declaring that the dollar is too high and the price of gold too low, the Mississippiian proposed an inflation program that would include some or all of these methods:

1. Issue treasury notes.
2. Raise the price of gold in the domestic market.
3. Purchase silver and issue treasury notes against it, regardless whether French and British co-operation could be obtained.
4. Create a dollar stabilization fund to force the value of the dollar down and to keep it there.

Washington correspondents said the administration was planning to act in accord with a report from the President's secretly appointed committee of monetary experts, which is opposed to radical inflation. Its proposal is that about November 1 an agreement should be sought between the federal reserve board and the central banks of American, British, French and German currencies by a process of "pegging" them to one another. The dollar would be pegged at a point between 70 and 80 cents.

President Roosevelt maintained silence on the matter of inflation, but was especially concerned about the welfare of the farmer. By his direction the Reconstruction Finance corporation made available to the federal land banks another \$150,000,000 to assist in the immediate refinancing of farm mortgages held by banks whose operations have been restricted by heavy portfolios of such paper. This step, it was believed, would help toward boosting prices for farm produce.

ADMINISTRATOR JOHNSON and his co-laborers finally succeeded in producing a code for the bituminous coal industry that was accepted by all the operators except two small groups and by the miners' unions and was approved by President Roosevelt. The principal points in this code are:

- Provides for fixing of minimum prices; prescribes a maximum 40-hour work week.
- Sets basic minimum wages for underground workers ranging from \$3.75 to \$5.63 in 16 districts.
- Recognizes right of miners to organize.
- Creates regional and national boards to govern the industry and settle labor disputes.
- The sale of coal at less than "fair market prices" is forbidden, and these prices are to be determined by regional marketing agencies and subject to government review. The labor provisions prescribed by the NRA are contained intact in the code. Also the workers are given the right to elect their own check weighmen, and are not to be required by their employers to live in company rented houses or to trade in company stores.

SPEAKING to the convention of the Grain and Feed Dealers' National association in Chicago, Secretary of Agriculture Wallace uttered the warning that all plans for fixing prices of agricultural products must surely fail unless the law of supply and demand is complied with. Farmers, he declared, must control production, and, if they do not, even inflation will not save them. He said the production control measures already adopted by the government, such as the plowing under of cotton, the curtailment of wheat acreage, and the slaughter and

total destruction of 5,000,000 little pigs, will bring about a substantial rise in agricultural prices soon after January 1, if not before.

But this "certainty," the secretary added, had brought from the farmers a great cry for immediate price fixing to tide them over the ensuing three or four months. The general tenor of his remarks indicated that he was opposed to taking any such action, but that the government was standing at the crossroads of economic policy and might have to listen to political clamor. After conferring with the secretary of agriculture and the heads of the farm and relief administrations, President Roosevelt announced that the government would spend \$75,000,000 to buy surplus food products and cotton and give them to the needy who are out of employment.

AS SUCCESSOR to Prof. Raymond Moley in the position of assistant secretary of state, President Roosevelt has turned to the ranks of the more practical politicians and selected Robert Walton Moore, a man of long experience. Mr. Moore is a native of Fairfax, Va., where he now resides, and is seventy-four years old. By profession he is a lawyer. He was elected to the Sixty-sixth congress to fill out a vacancy and was re-elected to each succeeding congress until the Seventy-second. He then retired to his home. During the World War he was assistant general counsel of the United States railroad administration. He is also a regent of the Smithsonian Institution in Washington.



R. W. Moore

Mr. Moore is an old friend of Secretary of State Hull, and presumably will be able to act in accord with the secretary's views better than did Professor Moley.

REPEALISTS captured two more states, New Mexico and Idaho, these being the thirtieth and thirty-first to turn thumbs down on prohibition. By November 7 eight other states will have voted, and there is no reason to believe that the wets will fall to win in at least five of them—all that is necessary to remove the Eighteenth amendment from the Constitution.

In New Mexico the vote was about three to one in favor of repeal, only two of the 27 counties showing a majority in favor of the prohibition law. Idaho, however, was much closer, the dries there making a showing of strength second only to that in Tennessee. The repealist majority in Senator Borah's domain was only approximately five to four.

Attorney General Homer Cummings handed down a decision in Washington that permits bankers to finance the wholesale manufacture of liquor, preparatory to repeal.

WHILE the statesmen of Europe and the United States are preparing for reopening the disarmament conference, there is great interest in the naval plans of Japan. Mineo Osumi, naval minister of the island empire, has announced that his country will seek a revision of ratios at the next international conference so that Japan will be permitted to build nearly up to parity with Great Britain and United States.

He holds that under present conditions the defense purpose of the Japanese navy is impaired and that more warships are required to protect the empire from outside attack.

Counteracting this somewhat are statements from Koki Hirota, the new foreign minister, and Capt. Gumpel Sekine, spokesman for the naval ministry. The former asserts that Japan is striving for the best possible relations with all foreign nations, especially the United States, China and Russia. Captain Sekine declares Japan has no intention of challenging America to a naval-building race, although it will ask permission to construct a larger navy.

"The Japanese navy is defensive, not aggressive," Sekine asserts. "The Japanese public does not want a war. We want honorable co-operation. We do not want to be oppressed or disgraced. No happiness comes out of war. But when pressed to the wall we will fight."

He deplores propaganda assertedly aimed at stirring up trouble between Japan and the United States. "There is no real reason for a war between America and Japan," says Sekine, "but there are many people who would like to see such a war. I have read many books and magazine articles, the aim of which seems to be to stir up bad relations between Japan and America. I hope the people of America will not be misled by propaganda."

JESSE H. JONES, chairman of the RFC, has told the bankers how the government through his corporation, plans to gain complete control of the national banks. This will be obtained by RFC ownership of the preferred stock of the banks, and the scheme envisages RFC agents directing bank policies, electing directors, hiring and firing officers, directors, and employees, setting their salaries, limiting their real estate investments and in general directing the operations of banks.

SOLDIERS and civilians opposed to Ramon Grau San Martin as President of Cuba were reported to be mobilizing to drive him from office and the new revolt was momentarily expected to break out in Havana. In other parts of the island the oppositionists were increasingly active, and altogether affairs in the republic were in a sad muddle. As the renewed conflict became more imminent the American warships drew in closer to the capital city, and established heliographic communication with the American embassy.

President Grau was concentrating his cavalry and artillery about the presidential palace, and his opponents were gathering arms and ammunition. At the National hotel, where 500 army officers were beleaguered, soldiers loyal to Grau were placing machine guns on adjacent buildings and training them on the hotel.

John G. Laylin, a United States treasury expert who went to Cuba with A. A. Berle of the RFC recently, reported to Washington with a report on the financial situation on the island. What he told has not been made public, but it is a certainty that he found conditions very bad and that his report will have much to do in determining the attitude of the American government. The State department insisted there was no present intention of landing marines or bluejackets, but the sudden sending of four destroyers from Guantanamo to troubled spots was indicative of the serious situation on the island. Mr. Hull said that Americans endangered in the interior should move toward the warships for protection.

NOTABLE among recent deaths is that of Dr. Annie Besant, leader of the Theosophists of the world. She passed away in Madras, India, at the age of eighty-six years, death being due to the infirmities of old age. She claimed to have been reincarnated many times since beginning life 12,000 years ago. Leadership of the world Theosophists was attained following upon a stormy life which began after she was divorced from an English clergyman. Deprived of her children, she became the champion of London's poor, a leader in political and social reforms and a strike organizer. Her attention then was directed to the religious movement.

BERLIN was full of reports that there had been a split between Chancellor Hitler and his right-hand man, Capt. Herman Wilhelm Goering, premier of Prussia. These rumors were given body by the fact that Hitler did not attend the ceremony at which Goering installed in office the new Prussian state council in the Berlin university.

The 71 counselors who took the oath in unison included leaders of the Nazi storm troops, the army, navy, church, art, commerce, industry, and also the former ruling houses—Prince August Wilhelm Hohenzollern and Prince Philipp of Hesse. The impressive ceremony was witnessed by the crown prince and crown princess of Italy, the papal nuncio, Msgr. Orsenigo; Ambassador William E. Dodd of the United States, and other members of the diplomatic corps; but both President Von Hindenberg and Chancellor Hitler were absent.

The new council is merely a consultative body, having no voting powers, because, as Goering explained, "that is a relic of parliamentarism," which he declared had been destroyed by Nazism, together with pacifism.

The same day Foreign Minister Von Neurath expressed Germany's determination to obtain security and equality in weapons of defense or withdraw from the arms conference.

In Paris the representatives of the United States, Great Britain and France held conversations preliminary to the resumption of the disarmament conference, the main topic being France's proposal for rigid and permanent control of arms which must be tried over a period of years before she will consent to disarm.

CHANCELLOR ENGELBERT DOLLFUSS of Austria, physically small but mentally something of a giant, seeks to straighten out the troubled affairs of his country by following in the footsteps of Premier Mussolini of Italy. He has espoused Fascism and formed a new cabinet of personalities in which he and Capt. Emil Fey of the Fascist helmsman are at the top. Vice Chancellor Franz Winkler, leader of the Democratic agrarians, and Karl Vaugin, who was war minister in six past cabinets, are excluded. Dollfuss himself holds five portfolios, being chancellor, and minister of foreign affairs, agriculture, defense and public security.

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Washington Digest

National Topics Interpreted
by William Bruckart

Washington.—With the coming of fall and the usual spurt in commerce and industry accompanying cooler weather, two facts about the government's general recovery plans have become apparent: the NRA and agricultural adjustment programs have been yielding some benefit, but weaknesses of each program are becoming painfully evident. Full advantage is being taken of the gains registered. Whether the vulnerable spots in the programs can be fully corrected, however, remains a matter of conjecture.

There has been undisputed progress made toward recovery in a great many lines of business; there have been at least two million workers restored to jobs, and there has been an increase in income to farmers, to industry and to workers. But there has been a fly in the ointment at the same time. Despite the enthusiasm with which the recovery program has been supported, there have been some very sore spots created by mistakes on the part of government leaders as well as some rancor on the part of a limited number of industrial leaders that has come from selfishness. From all of the information available here at the seat of affairs, my conviction is there has been some bull-headedness on each side, and this condition has disclosed where the weak spots of the several programs obtain.

To make the going tougher, labor leaders have swooped down to nail fast every possible advantage they can find that they may be in a better position whenever normal economic conditions prevail again. There can be no more mistaking this bit of selfishness than there can be by closing one's eyes to the attempts of some industrialists to line their own nest. The difference is that under present circumstances, and with the terms of the national recovery act to back them up, labor leaders are considerably more powerful now than are the employers.

The greatest weakness thus far evident in any of the several recovery efforts, according to the consensus I have gathered, is the attempt to make the rules of codes hidebound and inflexible. This course has resulted in handicaps being placed on some businesses that actually prohibit expansion of operation where the desired end obviously is more volume. Observers here are contending that the NRA authorities, particularly, have employed too much haste in some instances, and again haste has made waste. I am told that there are a good many codes that will have to be amended or revised or worked over in some respects in the light of experience, but the pity of this is that able men were not given the chance to have the changes included in the codes in the first instance.

Probably, the answer to these statements will be that hearings were held and each industry was given an opportunity to state its case, which is true. Yet, in all of the terrific hustle and bustle that has gone on in NRA headquarters, there were influences wielded that appear to some persons here as having been tinged with selfishness. I do not seek to defend either side in such controversies as occurred over the coal code or the automobile code or some of the others, for each side rather messed up the program, but, speaking generally, the staff which General Johnson has around him was capable of doing better work than was done on most of the codes.

As to the gains resulting from the united effort, figures tell the plainest story. Official statistics show that in the majority of lines of trade, there has been a greater volume of business done since NRA and the agricultural program got going than there had been in months before. This brought new jobs and new jobs carry additional pay rolls and obviously that means greater comfort for those theretofore out of jobs. Then, there were figures on advertising. Detailed reports from twenty-five of the principal cities showed there had been 16 per cent more advertising printed by their newspapers in August than in August, 1932.

Concerning the efforts to correct weaknesses in the recovery plans, perhaps the most notable is the move by the Reconstruction Finance corporation to push money out where it will be used. The corporation is prepared to make loans to banks if those banks will make loans to private businesses, and to supply the money to the banks at 3 per cent interest if the banks will not charge more than 5 per cent when it is reallocated. In other words, the Reconstruction Finance corporation has gone almost the whole way into the banking business, for that which it is now doing is nothing more or less than rediscounting commercial obligations.

As was stated above, whether such moves as this will serve the purpose of correcting weaknesses in the recovery plans, no one can say accurately. It is to be remembered that the prime purpose of the NRA was to boost prices, raise wages and make more jobs. Undoubtedly, some of that general objective has been achieved, else there would have been no need for the proposition advanced by the Recon-

struction Finance corporation. Its move was designed to provide commerce and industry with money to meet the added costs entailed under the NRA scheme. Hundreds of instances were reported where firms and individuals simply did not have the resources, after three years of struggle, with which to meet the new drain. They had to be helped over the hump between the time when they assumed the new obligation of the blue eagle insignia and the day when it would produce returns to the business.

Banking authorities are not certain that the plan will work. From banking authorities, I learn that there is a better chance of some benefit accruing under the Reconstruction Finance corporation plan in the West and South, agricultural areas, than in the East, where manufacturing predominates. Money rates seem to be higher in the West and South than in the districts where a larger volume of money is handled. It may be, then, that a maximum rate of 5 per cent will cause borrowings to take place that have been held back by banks which seek to hike the interest charges too high.

From our own war on the depression, it seems to me we ought to turn our eyes a moment to conditions abroad that depict to many observers a state of "war-mindedness" that has not been evident since the end of the world conflict in 1918. One can gain little satisfaction from interviews among our own government officials, respecting the potentialities of the foreign situation, because remarks from officials of the Washington government at this time would simply add fuel to the flame. Nevertheless, it does no good to ape an ostrich and hide one's head in the sand. The most untrained observer can see the potential dangers once the facts are made known.

The Foreign Situation

In France, in Italy, in Germany, and even in Switzerland, that little republic that always has been a barometer of international relationships, there is evidence of war planning. Even in our country, attention can be called to the program for building up the navy. Our government says it wants a navy of the strength allowed by the London and Washington treaties, and by building it now, work is made available for the unemployed. England alone, of all of the major powers, seems to be making few steps toward arming.

Interest has centered in a gigantic fortification along its frontier that the French government has constructed. No one knows what it has cost, or will cost when ultimately paid for; it is known only that there has been constructed a veritable concrete and steel system of subterranean fortresses, passageways, munitions depots and supply bases along the frontier for about one hundred miles, and that these one hundred miles roughly constitute the boundary between Germany and Italy on the one hand and the French on the other.

But the operations of the other powers should not be overlooked. The Italian government lately has put 100,000 men through maneuvers in a territory that might naturally be the locale from which a "putsch" into France would be attempted, and little Switzerland doubled the size of the army it annually calls out for maneuvers. This action was explained as "training in the defensive" for the army, but at least it was a bit unusual.

War Clouds Over Europe

The Germans, under Adolph Hitler's direction, lately have completed and opened for business what is said to be one of the largest of airports on the European continent. It is located almost on the border between Germany and Austria, and some qualified observers maintain it was placed there because of the growing pro-German sentiment in Austria. Their thought is that Hitler expects some time to have control of Austria, and he assured the pro-Germans of Austria that he is looking after their interests by providing an air fortification where it will be of assistance to them in event of trouble from outside of the two nations. In other words, the implication is that Germany is gradually coaxing Austria back into an alliance such as existed under Kaiser Wilhelm.

In addition to these things, one cannot overlook the Hitler assertions that are strongly anti-French, nor the Mussolini declarations indicating he will have more territory, nor the fact that the French have 680,000 men under arms this year. Likewise, it cannot be passed as insignificant that Britishers are reported to be steadily disposing of French real estate holdings, investments that have been heavy in years past. It may be only hot-headedness on the part of the statesmen, so-called, now in power in these several nations, or it may be that there are grievances that are real instead of fancied. Whatever the underground condition may be, or in, it is apparent there are potentialities of war obtaining in Europe now that have not been visible in a decade, and in, thinking of a European war, it is well to remember the course of that conflict which raged from 1914 to 1918.

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How I Broke Into The Movies

Copyright by Hal C. Herman

BY WILLIAM BOYD

POSSIBLY I would never have faced a motion picture camera if I hadn't arrived in Orange, Calif., with only 35 cents to my name. My destination was San Diego, 100 miles away, but one can't travel even 100 miles on 35 cents.

My parents had died in my early teens, so I was obliged to shift for myself. For some undefinable reason I always had wanted to go to San Diego, and I left high school in Tulsa, Okla., with that idea.

My first job in Orange was quite a natural one for a hungry kid. It was as a grocery clerk. I was standing in front of a window filled with edibles, thinking how good any portion of the display would taste. The proprietor placed a card in the window. It announced the need of a clerk. I supplied the need.

While I was saving money to journey on to San Diego, I met some fellows working with a motion picture company on location near Orange. We struck up a friendship of sorts and they insisted I would screen well and should come to Hollywood. I was young and my ambitions easily diverted. Hollywood became my mecca instead of San Diego.

However, it was more than a year before I tried to make the grade in motion pictures. I had sense enough to know I probably would not set the world on fire overnight, so I determined to save enough money to keep



Bill Boyd.

me going for awhile if I could not find work.

I left the grocery store to become an automobile salesman. Then I found I could make more money and amass my reserve fund in less time if I discarded the white collar and put my muscles into action. I got a job as an oil driller. There followed a period of extra work until the war broke out. I enlisted in June, 1917, but alas for any dreams I cherished of eventually wearing gold stars on my shoulders, I was discharged three months later for athletic feat, a souvenir of football I used to play in my high school days.

I then ran the post exchange at Marsh field, Riverside, Calif., for some time. I was a little older now, and upon returning to Hollywood renewed the trips to the studios. I had begun to regard the possibility of motion picture work very seriously, so I was delighted when, in 1919, I was lucky enough to catch the attention of Cecil B. De Mille, who gave me a bit in "Why Change Your Wife." Other minor roles in various pictures followed, and Mr. De Mille gave me small parts in several of his productions.

I was placed under contract with a featured role in "The Road to Yesterday." Then came my big chance in "The Volga Boatman." This picture was a milestone in my life in more ways than one, for it was during its making that I met and married Elinor Fair.

I like working in motion pictures, particularly when I play such roles as I had in "The Volga Boatman," "Jim, the Conqueror," "The Yankee Clipper" and "Dress Parade." Since becoming a Pathe star I have appeared in such screen hits as "Skyscraper," "The Leatherneck," "Two Arabian Knights," "Lady of the Pavements," "High Voltage" and "The Flying Fool." My father was a civil engineer, and if my parents had lived and I had been able to attend college, I would more than likely have adopted the same profession. But things didn't work out that way. However, I always enjoy the up-and-coming characterizations which remind me of my father and the plans for my own future which he and I so often discussed.

WNU Service

Spencer Tracy Starred in Many Broadway Successes

Spencer Tracy made his debut on Broadway in "Bread," which was followed by engagements in "Nigger Rich" and "The Last Mile." His excellent performance in the last production resulted in his receiving a contract from Fox films. He made his first picture appearance in "Up the River" in 1930. His more recent productions are: "She Wanted a Millionaire," "Sky Devils," "Disorderly Conduct," "Young America," "Society Girl," "Painted Woman," and "Me and My Gal."