

News Review of Current Events the World Over

Business Men, Bankers and Others Assail President's Monetary Policy—Russia Recognized, Envoys Named—Welles to Leave Cuba Soon.

By EDWARD W. PICKARD

AMERICAN business, as represented by the Chamber of Commerce of the United States, is now out in open opposition to President Roosevelt's monetary policy.



President Roosevelt

The board of directors of that nationwide organization, which is headed by Henry L. Harriman of Boston, adopted a resolution declaring that the President's course was gravely retarding business recovery and re-employment, undermining the government's credit, preventing the expansion of normal credit and prolonging the demoralization of foreign trade—in other words, doing just the opposite of what Mr. Roosevelt hopes it will do.

The directors demanded of the administration "complete avoidance of monetary experimentation, greenbackism and fiat money."

Until this time the chamber has been supporting the President and Mr. Harriman has been active in promoting the aims of the administration. He attended the meeting of the board, as did P. W. Litchfield, president of the Goodyear Tire and Rubber Company; Redfield Proctor, president of the Vermont Marble Company; Paul Shoup, vice president of the Southern Pacific Railroad; Chester I. Barnard, president of the New Jersey Bell Telephone Company, and nearly all the rest of the 52 directors.

Besides attacking the President's monetary policy, the board adopted three other resolutions of similar tenor. One protested against the expenditure of large sums by the public works administration for financing projects in competition with private business enterprises which are now rendering adequate service at reasonable cost.

Another protested against the public works administration's plan to engage in the building of federal housing projects, and insisted that such financing should be through private housing corporations.

In a resolution on the NRA, the chamber urged that industrial codes should be administered through the trade associations of each industry.

AS HAD been expected, Prof. O. M. W. Sprague, special adviser to the treasury, resigned, and in doing so he told the President, once his pupil at Harvard, that the Roosevelt dollar depreciation policy not only will fail to raise prices substantially in the absence of trade recovery but will ruin the credit of the government and precipitate an inflation panic.

"I believe," Sprague said in his letter, "you are faced with the alternative either of giving up the present policy or of the meeting of government expenditures with additional money."

Having finally lost all hope that the President might be persuaded to change his course before it is too late, Professor Sprague said he was resigning to take the field against the Roosevelt policy, believing that the last chance of averting a currency inflation debacle lies in arousing public opinion.

Another of the President's financial advisers, though unofficial, James P. Warburg, New York banker, joins with Sprague in protest against the present monetary policies. Like the professor, he will undertake to arouse public opinion against them. This he announced at a meeting of the American Academy of Political Science in Philadelphia. At the same meeting Prof. Irving Fisher, Yale economist, said the President's monetary policy was "substantially right"; and Senator Thomas of Oklahoma asserted that he was opposed to inflation, which will cause general surprise.

Members of the advisory council of the federal reserve board, composed of prominent bankers in each federal reserve district, met in Washington and adopted a resolution favoring the re-establishment of the currency on a gold basis, together with safeguards to be agreed upon by international action. The resolution was circulated privately among all the member banks in the federal reserve system.

ACTING Secretary of the Treasury Morgenthau replied to criticisms by saying that "the credit of the United States is as good as the Rock of Gibraltar"; but at the same time he let it be known that, in order to bolster up the prices of government securities, which have been dropping, the Treasury department itself would buy federal bonds with some of its surplus funds.

PRESIDENT ROOSEVELT'S answer to these protests against his policies, as obtained by Washington officials who communicated with him at Warm Springs, was to direct that the program of depreciating the dollar for

the purpose of raising commodity prices be continued. The action of the chamber was coincident with the delivery of an address by Mr. Roosevelt at Savannah, Ga., in which he denounced the critics of his recovery program as "torches" and "doubting Thomases" and warmly defended the "experiments" he is making. He promised that "the principles and objectives of American self-government will remain the same."

Washington correspondents said that an ambitious second-stage reconstruction program was being formulated there for the President in his absence. Important features of this plan are sound money on a devalued gold standard; a balanced budget to come from proceeds of a devaluation, liquor monopoly and other "painless" revenues; a revived foreign trade on parity currency and real progress in resumption of foreign debt collections.

Seizing upon the appellation used by the President, critics of his course have organized the Association of American Tories and it is gathering many members. The originators of the association decided they should have a king for their President, so they selected for that post Rufus King, a well-known author.

SECRETARY of the Interior Ickes, as public works administrator, announced that he had turned \$100,000,000 over to the new federal housing corporation that is undertaking slum clearance work in cities throughout the country. The undertaking, he said, would be started in Detroit with a model housing project.

RESUMPTION of diplomatic relations with Russia and the recognition of the Soviet government came, as was expected, on the eve of the President's departure

for Warm Springs. He and Commissar Litvinov issued a joint announcement of the happy ending of their negotiations, and Mr. Roosevelt immediately designated William C. Bullitt as American ambassador to Moscow, which greatly pleased the Russians. Within a day or so the Soviet government announced that its ambassador to Washington would be Alexander Antonovich Troianovsky, formerly diplomatic representative at Tokyo and now vice chairman of the Russian state planning commission. This gentleman was born in Russia in 1882, studied in the University of Kiev, was exiled to Siberia in 1900, escaped and lived in France until 1917, and served in the Russian revolutionary army.

With recognition by our government, Russia agrees not to allow its agents to propagandize against the government of the United States; guarantees religious freedom and legal protection for American nationals in Russia, and waives all claims against the United States growing out of the American expedition into Siberia in 1918-21. No promise whatever was made by Mr. Litvinov concerning the attitude of his government toward the payment of \$768,583,000 in debts owed by Russia to the United States government and to private American citizens.

FOLLOWING his conference with Ambassador Welles in Warm Springs, President Roosevelt issued a formal statement concerning the Cuban situation which was designed to let President Grau know that the United States is not ready to recognize his government and will not do so unless he can persuade the island factions to cease their warring and agree among themselves. The statement reiterated the administration's policy of recognizing any government, regardless of its partisan or factional color, which proved itself representative of its people and able to secure their support. But it was made clear that the present Cuban government, assailed as it has been by one revolutionary attempt after another, did not at present meet these conditions.

Mr. Roosevelt supplemented his statement by the announcement that, though Ambassador Welles would return to his post in Havana after visiting Washington, he would soon be replaced by Jefferson Caffery and would resume his former position as assistant secretary of state for Latin American affairs. This is in full accord with Mr. Welles' desire though he has been unwilling to retire from Havana under the heavy fire directed against him by the supporters of the Grau government. The latter had been organizing a great protest demonstration designed to keep the ambassador from landing at the Havana docks and serious trouble was feared. Mr. Roosevelt's announcement it was hoped would ease this tense situation.

CHINA seems to be headed for another civil war of major proportions. The famous Nineteenth route army, which defended Shanghai against the Japanese early last year, has revolted against the Nanking government and issued a declaration of independence of Fukien province. It is rumored the army has reached an understanding with the communists in Kiangsi province.

The fact that Fukien's chief political principle is continued opposition to Japan has caused apprehension that it is likely to provoke Japanese intervention. The province contains an extensive Japanese interest and is regarded as a Japanese sphere due to its location opposite the Japanese island colony on Formosa.

ON DECEMBER 5 the fascist grand council will be convoked to discuss the question of Italy's membership in the League of Nations, and informed opinion in Rome is that Italy will withdraw from the League unless France consents to the holding of a disarmament conference in Rome under the four-power pact that was engineered by Mussolini. So far the French have refused to participate in any such conference outside of Geneva and the auspices of the League. Three Italian newspapers already have hinted at the possibility of the withdrawal of Italy. One of them is the premier's Popolo d'Italia.

PREMIER ALBERT SARRAUT'S government was upset by the French chamber of deputies by a vote of 321 to 247 due to its insistence on retention of the gold standard and balancing the budget. Its defeat was really brought about by the determination of the unions of civil servants not to submit to any financial sacrifices in the interests of the state. There was a belief in Paris that Edouard Herriot might again be called on to form a new ministry.

SECRETARY OF STATE HULL, who doesn't seem to cut much of a figure in the administration, is to have a new assistant secretary. President Roosevelt appointed

to this post Francis B. Sayre, son-in-law of the late President Wilson, and he will succeed Harry F. Payer who has been transferred to the position of special foreign trade adviser to the RFC. Mr. Sayre is a professor in the Harvard law school and will remove from Cambridge to Washington as soon as arrangements can be made with the university.

As adviser on foreign affairs to the government of Spain, Mr. Sayre has had wide experience in the negotiation of political and commercial treaties. Since 1925 he has negotiated treaties between the Siamese government and the governments of France, Great Britain, the Netherlands, Spain, Portugal, Denmark, Sweden, Norway, and Italy. He holds decorations from all of the principal nations of Europe.

LEUTENANT COMMANDER SETTLE of the navy and Major Fordney of the marines finally found a day of favorable atmospheric conditions and made their long-delayed flight into the stratosphere. Their big balloon ascended from Akron, Ohio, and reached an altitude of 61,237 feet. This beat the existing record by about 8,000 feet, though Russia's stratosphere explorers claimed to have risen above 62,000 feet.

Settle's balloon and aluminum ball came down in a southern New Jersey swamp and the two daring explorers extricated themselves safely and were taken by airplane to Washington where they were received by the secretary of the navy and other officials.

NEWFOUNDLAND is about to lose its status as a British dominion and be demoted to that of a crown colony. This course has been recommended by a royal commission that has been investigating the dominion's tangled financial affairs. The report of this body charges that Newfoundland's debt, which has reached the point where the interest consumes 60 per cent of the state's income, is "largely due to reckless waste and extravagance and to the absence of constructive and efficient administration."

Newfoundland was the first of Great Britain's overseas colonies. Labrador is included in its government, and one of the suggested solutions for the island's difficulties has been to sell Labrador to Canada, paying the public debt with the proceeds.

SEISMOGRAPHS all over the world showed the other day what scientists declared was the greatest earthquake ever recorded. But fortunately it occurred way up toward the North pole, between Greenland and Baffin Island where there was nothing to destroy except land formation and no lives to be taken.

ERNEST W. GIBSON, who formerly was a congressman from Vermont, will go back to Washington to represent that state in the senate. He was appointed by Governor Wilson to fill the vacancy caused by the death of Senator Porter H. Dale.

WISCONSIN'S farm strike fizzled out, so it was called off by the heads of the Farm Holiday Association and the milk pool. The pickets were all withdrawn and shipments of milk and other farm produce to the markets were resumed. The milk pool leader said another "holiday" probably would be ordered in February.

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Washington Digest

National Topics Interpreted
by William Bruckart

Washington.—I believe the question most frequently heard in Washington these days is: "Now that we have this new deal, how is it going to be untangled?" And it occurs to me that it is about the most important question before this government today. A chemist can mix constituent parts of a formula or a prescription, but he never can undo what he has done. Thus, while the new deal has not changed the physical characteristics of things, as a chemist would do in mixing a formula, the job of getting this country settled down is one of such magnitude that the untangling of the skein is going to require something more than patience.

Consider the farm adjustment program. Or the NRA. Or look into the uprooting of commerce and industry by the various banking changes and currency and gold maneuvers that have taken place. And last, but by no means least, examine the rapidly growing pile of obligations that constitute what we know as our public debt.

With reference to the public debt, it should be stated that this country, after the World War and its devastation and animosities had been shaken off, proceeded to pay off its public debt at an amazing rate. After the end of the war when the debt was at its peak, the government owed a total of \$25,550,000,000. It stands today roughly at \$23,400,000,000. In between those two dates, when the country was prosperous and income taxes and other taxes were yielding their fullest, the debt once was whittled down to about \$10,500,000,000. So those who watch over the public debt say they entertain no fears; that when conditions are prosperous again there will be taxes to pay off the debt and that no one will complain about the vast sums now being spent if the result is prosperity.

This payment of the public debt, however, is to my mind considerably less of a tangle, a problem, with which to deal, than the farm adjustment scheme on which Secretary Wallace and his Agricultural department folks are laboring. It seems likely, from Mr. Wallace's calculations, that the country's acreage of harvested crops next year will be at least 20,000,000, and may be 35,000,000, acres below the average acreage of crops planted and harvested annually in recent years. Emergency adjustment plans are responsible. They are predicated upon a basis of contemplating control of production, a restriction against a surplus that would force prices down.

Mr. Wallace is profoundly convinced that this course will be extremely helpful to the farmers. He sees better returns to them and he sees greater peace of mind, which after all is not to be dismissed lightly, among the farm folks of the country. But that is the immediate picture. What of the future? Or to quote again the oft-repeated question: "how is it going to be untangled?" My own conviction is that in the urge to get some relief out to the farm belt, too little attention has been paid to the future status of the entire commodity production areas of the nation that can be called farm land.

To show how far-reaching the farm adjustment program is, it is only necessary to state that every crop thus far considered is one constituting a "key" in the commodity structure. These key crops—cotton, wheat, corn, etc.—occupy more than 1,900,000,000 acres. To change that layout, Secretary Wallace admits, is just like a game of chess. When you make one move, you are immediately faced with another, and so on.

By removing wheat as a production from one square mile or one portion of a county, attention must immediately be given to the question of what use that land can be put. It is obvious that it cannot be allowed to grow only weeds. So there must be a stop-gap crop of some kind, some crop that will not compete with wheat, or with corn or with cotton or the other crops on which production control is being attempted.

As an example, out in western Kansas, they have developed after years of trial and experiment, a new kind of sorghum cane. It is no longer the tall, slender stalk of yore but a short stalk not unlike wheat that has a heavy head of grain, or seed, as you choose to describe it. It can be produced for about 14 cents a bushel, and farmers are flocking to its use. It takes care of the land made vacant by withdrawal of wheat, but it presents a competitor for both wheat and corn.

Or, if the vacant land is turned to grass, you at once start live stock industry to expanding there and the government is trying to hold down live stock production so that those who devote their land to live stock will get a fair return. Such is the story all through the list. It is not easy, and I think any fair-minded person will admit it. No professor, however learned, is going to solve that problem without careful thought and exceedingly cautious moves.

Admitting my own inability to forecast the result and an equal lack of capacity to find anyone who has suggested the answer, I cannot refrain from calling attention to one possibility: the new deal has set out upon a policy that cannot avoid revision of our entire economic structure and, it now appears, it may lead even to a re-settlement of the United States. That means, of course, that folks who devote their lives to live stock raising will have to move to the areas where they can do that, and the corn growers will have to get into that ballwick, or some such new alignment. I confess I do not know what drastic changes can be accomplished without dislocating the lives and the hopes of farmers, but to me it is a decidedly interesting question over which to ponder as the long winter nights wear on.

The country still seems to be trying to figure out what was the cause of the recent drastic treasury reorganization. The changes came so quickly and without any warning note that it was a move amounting to lightning from a clear sky. And now the observers here are trying to figure out its meaning in the fullest sense.

I watched the country's leading newspapers closely for several days after the President announced that Secretary Woodin was going on a long leave of absence in search of health, that Dean Acheson was resigning as undersecretary, and that Henry Morgenthau, Jr., was being moved over as undersecretary of the treasury, from the post of governor of the farm credit administration. Being undersecretary, he immediately became acting secretary when Mr. Woodin left for Arizona in his search for health. The newspapers were at wide variance on their views. Some of them held, editorially and in their news columns, that inflationists had taken the treasury under their wing and that we were headed straight into the grievous mistake that Germany made on her currency. Others took the position that Mr. Woodin was not a "yes" man and that Mr. Acheson was not in sympathy with the various maneuvers to which Mr. Roosevelt was lending his support, and that the President simply cleaned house.

Whatever the reason was, it remains as much of a secret as ever. The one thing upon which Washington observers seem to agree and the feeling was reflected in many large newspapers, was that Mr. Acheson was the "goat." Mr. Roosevelt wanted Mr. Morgenthau in the treasury and wanted him to run the place while Mr. Woodin was away, and the only way to accomplish it was to get rid of Mr. Acheson. That certainly happened.

The President, in announcing the changes, said it was necessary to have a man of more experience in the treasury than Mr. Acheson since Mr. Woodin was going to be absent.

The President is seeking to develop the government's work relief program so that it will be operating on its most extensive scale coincident with what is logically expected to be the peak of unemployment this winter. His program to add \$400,000,000 to the public works funds and take idle persons off the relief rolls for those jobs is well under way. It no doubt will make several million jobs available for a short time at least.

It is the President's thought that where persons have been on relief rolls, they will gladly take a job and work regularly if they are paid a little more than the relief does they were receiving. He contends that people prefer work generally to being fed on a charity basis. And as far as I can learn, no one disputes the idea. Certainly, the person who is working and is being paid for it regains self-respect which so many times is lost when charitable organizations have to care for him and his family.

There is one aspect of the program for making work, however, that seems to have been generally overlooked. The proposition contemplates wide development of roads and highways in all parts of the nation. State road supervisors are going to make and, indeed, are now making, plans and listing projects in the numerous counties where work of a worthwhile nature can be done. This plan places the jobs close to the source of need, right in the locality where men are out of jobs.

While we are discussing the problems of the new deal, it seems pertinent to call attention to how advancement of science in commerce and industry add problems with which the professors must cope. For example, the bureau of fisheries of the Department of Commerce has just discovered a way to make oysters shuck themselves. There are thousands of men, and women, too, who annually add to their incomes by shucking oysters along the rivers and at the ports where the oyster boats come in. The discovery of a method for self-shucking of oysters will throw a good many of them out of jobs this winter, if the plan works as the bureau says it will work.

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Fifty Famous Frontiersmen

By ELMO SCOTT WATSON

"Father of the Texas Panhandle"

IT IS difficult to say which of the many feats in the career of Col. Charles Goodnight made him most famous. Is he best remembered as the man who blazed three important trails in the old Texas cattle driving days? Or as the head of the great J. A. ranch which once comprised more than 1,300,000 acres and had more than 100,000 cattle? Or as the founder of the widely-known "Goodnight buffalo herd" and the preserver of the last remnants of the countless millions that once roamed the plains of the West? Whichever it is, his fame as the "Father of the Texas Panhandle," a title which includes in it some elements of all three, seems secure.

Goodnight was born in Illinois on March 5, 1836—just three days after Texas, where he was to win his future renown, had declared its independence from Mexico. His parents moved to Texas in 1845, the year the Lone Star state entered the Union. So if there was ever a man who "grew up with a state," that man was Charles Goodnight.

During the Civil war Goodnight, the young ranchman, served with the Texas Rangers, fighting Indians, Mexicans and cattle and horse thieves and winning valuable experience for the stirring days that were to come. At the close of the war the Texas plains swarmed with cattle and the Texans had to find a market for them. Some of the ranchers had already begun to trail their cattle up to Abilene, Kan., for shipment East, but Goodnight saw a greater opportunity in New Mexico, Colorado and Wyoming, where there were Indian agencies looking for beef.

But between the Panhandle of Texas and these markets was a vast expanse of desert country inhabited by fierce Comanches, ready to pounce on white invaders, kill them and seize their cattle. Undaunted by these dangers Goodnight looked around until he found a kindred spirit in Oliver Loving and they, with 18 daring cowboys, gathered up a herd of several thousand cattle and started out. Two months later they arrived in Fort Sumner, N. M., with a 600-mile journey safely behind them.

This trail which they blazed immediately became known as the Goodnight Trail, and later it was extended through the Flaton mountains into Colorado and Wyoming.

The second of the trails which Goodnight branched from Alamo, N. M., to Granada, Colo., and this one soon became famous as the New Goodnight Trail. His third trail, laid out when he was head of the J. A. ranch, was the Palo Duro-Dodge City Trail, 250 miles in length, from his ranch to Dodge City, Kan.

Famous for an Act Not His

COLONEL CRESAP, the last spring, in cold blood and unprovoked, murdered all the relations of Logan, not even sparing my women and children. There runs not a drop of my blood in the veins of any living creature. . . . Who is there to mourn for Logan? Not one!"

Do you remember it—"The Speech of Logan" in the old McGuffey's reader? Thousands of American school-boys have recited that matchless oration and thereby perpetuated a grave injustice to a brave frontiersman. For Capt. Michael Cresap was not the leader of the party of whites who massacred the family of Logan, the Mingo chief, during Lord Dunmore's war of 1774, even though the immortal words of the heart-broken red man sent the accusation thundering down the years.

Born in 1742, the son of Col. Thomas Cresap, a well-known Maryland pioneer, young Michael early set up as a trader. But he did not come into prominence until the year 1773 when he went across the Ohio, became a "squatter" on lands owned by no less a person than George Washington, and was the subject of several indignant letters by that future-great Virginian.

In the spring of 1774 it was apparent that another Indian war was imminent. Dunmore sent word to the frontiersmen along the Ohio to hold themselves in readiness to repel an Indian attack. Placing a liberal interpretation on these orders, a party led by Cresap ambushed some Shawnees and killed and scalped them. This was the first blood shed by the whites, and it is a blot on the record of Cresap, even though he was innocent of the murder of Logan's family, an affair which followed soon afterwards and for which Logan, confusing the two attacks, blamed Cresap.

In June, 1774, Cresap was commissioned a captain of frontier militia by Lord Dunmore and served with him throughout the campaign.

The next year when colonial resentment against the Mother Country at last broke out into open rebellion, Cresap led a company of Maryland riflemen, with "Liberty or Death" emblazoned across their hunting shirts, to join the Continental forces of His Excellency, Gen. George Washington, at Cambridge. But before he had a chance to distinguish himself, death cut short his career. He died in New York city in October, 1775, and was buried in the churchyard of historic Old Trinity. The headstone marking his grave has long since disappeared, and his only memorial is a famous oration with its unjust accusation of a crime which he did not commit.