

News Review of Current Events the World Over

Davis Warns Japan Against Scrapping Naval Treaty—Peaceful Agreement for Saar Plebiscite—Moley and Richberg to Industrialists.

By EDWARD W. PICKARD

NORMAN H. DAVIS, American ambassador-at-large and our chief representative in the naval limitation conversations that have been going on in London, has given plain warning to Japan that if that nation insists on scrapping the Washington naval treaty, security will be endangered...



N. H. Davis

DISPATCHES from Warsaw said the Poles were amazed and alarmed by the Franco-German agreement because they feared the understanding between those two nations would be extended to include Great Britain and Italy.

PRESIDENT ROOSEVELT returned from Warm Springs to his recon- ditioned executive offices in Washington with the greater part of his winter program completed.

MEMBERS of the Mid-Continent Reclamation association, representing 19 states, met in Chicago and perfected plans for a soil erosion and flood control program, to cost \$900,000, which the association will recommend to the federal government with a request for a survey to determine its practicability.

INTERESTING statements were made to the American Congress of Industry in New York by two of the President's closest advisers, Raymond Moley and Donald Richberg, director of the national emergency council.

Mr. Richberg admitted the NRA had not achieved all its aims in its effort to bring about industrial self-government, but insisted that its fundamental principles must be preserved in permanent legislation for codes of fair competition.

He warned the manufacturers that the permanent law must be written in cooperation with labor and consumers, as well as private business and government, so that there should be neither work-consumer regimentation by business nor business regimentation by government.

Then Capt. Anthony Eden, British lord privy seal, told the council that Great Britain would contribute troops to the proposed international force, provided Chancellor Hitler of Germany were willing that such an army should be sent into the territory.

LORD RIDDELL, who during the World war was Lloyd George's chief liaison officer with the press of the world, is dead in London. He gained fame and great wealth as a newspaper publisher.

CENTRAL, western and northern sections of Honduras were devastated by a series of earthquake shocks continuing through two days.

PRESIDENT MUSTAPHA KEMAL of Turkey has become the idol of all the women of his nation, for, after giving them such social rights as emancipation from the harem, he has given them political rights.

SERGEI KIROV, one of the most prominent members of the Russian Communist party's political bureau, was assassinated in Leningrad, and as he was a close associate of Stalin his death was the occasion of public mourning.

A dispatch from Warsaw said ten Red army officers had been executed as the result of a plot to assassinate all Soviet leaders at the same time.

The Moscow government denied this story, but at the same time it was putting under arrest scores of White Guards, enemies of the Soviet regime, accusing them of "terroristic action."

The names of those executed were officially announced. Among them apparently were none of the leaders who had figured prominently with the White armies during the civil warfare following the Bolshevik revolution.

PRESIDENT ROOSEVELT'S aviation commission, having concluded its hearings on national defense began drafting its report, and it was authoritatively said in Washington that, if congress approves of its recommendations, government airships will surely be operating in a new transoceanic service.

The commission also will ask congress in its February report to create a permanent federal agency with supervisory control over all civil aviation.

BUSINESS leaders of the country who are members of the Chamber of Commerce of the United States demand a reform of the government's budgetary methods.

IN LINE with this budget "revolt" is the opposition the business men are demonstrating to the ten billion dollar work relief program proposed to the President by his brain trust advisers.

Washington Digest National Topics Interpreted by William Bruckart

Washington.—Administration leaders in congress are prepared to oppose any addition to the tax burden of the country through the action of the next session.

Although the White House has made no public pronouncement, it is the understanding that the leaders in the senate and the house who have taken unequivocal positions against a tax increase in 1935 were reflecting the view they had obtained from President Roosevelt in addition to their own conviction that this is a bad time to increase the levies which individuals and business interests must pay for the upkeep of the government.

During the current weeks there has developed some indication, if, indeed, it is not an assurance, that there will be curtailment of federal expenditures. Just how this is going to be accomplished is not yet clear but it can be stated on highest authority that a curtailment of the outgo from the treasury is expected to be accomplished.

The question of taxation always is of an explosive character. Hence, the urge on the part of some of the new dealers for an increase in taxation so that emergency spending might be made to appear more in line with government income has precipitated an issue very quickly.

Simultaneously Representative Hill, Democrat, of Washington, chairman of a subcommittee of the house ways and means committee, made known his opposition to a tax boost. Mr. Hill's committee has devoted its attention to a survey of tax rates and revenue requirements and has reached the conclusion that to increase the levies now would be to retard recovery as a result of additional imposts on business.

In this connection it seems advisable to recall that Secretary Morgenthau of the Treasury sent a freshman team of brain trusters to England last summer to study the British tax system. While this committee's findings and recommendations to the secretary have not been made public, insiders tell me that the results of that investigation added very little to the sum total of knowledge concerning our own problem.

Mr. Hill, in discussing the government's financial condition, gave it as his opinion that "we are not in such bad shape now." His statement referred to an approximate balance between receipts and what the administration calls ordinary expenditures.

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There will be tax legislation in the forthcoming session. That is necessary. Its character, however, will be limited under present plans to considerations made necessary by expiration of certain present statutes.

been producing something like four hundred and twenty million dollars annually, a good sized chunk of revenue in anybody's language. It is planned, therefore, to renew these. There may be some revision and some change in the bases but the principles involved in those levies seem certain to be continued.

Re-enactment of these statutes is not expected to have a material effect on business because business has become adjusted to them. I am informed by business experts that undoubtedly business would move forward more rapidly if these taxes could be eliminated.

President Roosevelt and his emergency administrators believe they have hit upon a new and productive plan to give money out to those who need it.

It is viewed as exceedingly interesting that a national government, or any other governmental agency for that matter, should embark on such a policy because there are those who hold it to be a dangerous precedent.

Announcement of the scheme was made by James A. Moffet, federal housing administrator, who described it as marking "a new era in American business." It is true that there are certain types of banking institutions that have made individual, or so-called character, loans where no collateral security was offered by the borrower and where only the good name and the record of the individual warranted extension of this credit.

Mr. Moffet said that this character loan idea would prove to be "the very foundation" of the home modernization program which he is administering. He described the action as one predicated upon the government's "absolute confidence that the average American will keep his promise to repay what he borrows."

It is not the fact that the government found the average American to be honest, however, that is exciting comment among Washington observers. It is that the government is encouraging loans to individuals, some of whom obviously will suffer the ordinary fate and be unable to repay them.

It is now believed that the world court issue will be settled definitely early in the next session of congress.

The foreign relations committee of the senate, which must pass on such treaties, has an agreement to send the resolution of United States adherence to the world court to the senate early in January and, according to present indications, the administration can easily muster enough votes to adopt that resolution.

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Observers here take the position that American adherence to the world court would have far greater significance throughout the world now than it would have had earlier because of the revival of discussion as to whether the United States should enter the League of Nations. It will be recalled that President Wilson's proposal to join the League of Nations precipitated one of the most bitter controversies in which the senate has ever been engaged.



Father's Ingenuity A Christmas Story

By Alice B. Palmer

"T WAS just two weeks before Christmas and there did not appear to be any material means of attaining the necessary funds for the great celebration. "Oh dear, if John would only sell that old heirloom," thought Marty Armstrong.

"Mother says there's to be no Santa Claus this year," ventured Jerry. The next few days John Armstrong was trying to figure it all out. Perhaps he had been a little negligent in the past few years concerning his family.

The sleigh stopped with a jerk, right in front of a stucco bungalow all brilliantly lighted up with Christmas decorations. "Why, I never knew the Thompson home was for rent. It has stood vacant so long," said Mother, with great concern.

"A friend of mine from the office just purchased it," said Father, with a convincing smile. "We were invited over to see it in its new regalia. But you were all so out of sorts that I called up Uncle Joe and ordered the Santa Claus ruse."

"Merry Christmas!" shouted Father. Too surprised to speak, they looked at one another and back again at father and then—"Don't you understand? Oh, hang it all, anyway! This is your Christmas present," said Father, sinking into the closest easy chair and gasping for breath.

"What?" they all exclaimed. Then father explained it all to them—how he had sold the old heirloom, purchased the home and furnished it. They marveled! "How could you? When did you? How did you know just what we liked?" All these questions were fired at father at once.

Father had done a perfect job. But that wasn't all. He led them proudly into the living room where stood the real host of the evening—the gorgeous Christmas tree. Needless to say Jerry received his "tux," Betty her gown and slippers and mother a set of silverware, a long-desired luxury. Then descended such a shower of Christmas hugs and kisses, gratitude and joy that dear old father was practically snowed under.