

News Review of Current Events

SEVEN BILLION PLAN

President Proposes Huge Spending and Loans Program . . . Demands United Recovery Action



Because a federal statute prohibits taking of a foreign vote in the United States or its territorial waters, the crew of the German liner Hansa voted on the question of Austrian "anschluss" with Germany while the ship was in mid-ocean en route to New York. Here is the scene in the public room of the liner during the balloting. Seated is Purser Karl Zeppelin, who registered the voters. Of the crew, 330 voted "jah"; six voted "nein," and one vote was voided.

Edward W. Pickard
SUMMARIZES THE WORLD'S WEEK

Lend and Spend Plan

CONGRESS was asked by President Roosevelt to authorize the spending and lending of a grand total of seven billion dollars in a special message in which he set forth his new program for recovery and relief. Ignoring the expressions of various leaders in opposition to such vast expenditures, Mr. Roosevelt said: "Our capacity is limited only by our ability to work together. What is needed is the will. The time has come to bring that will into action with every driving force at our command. And I am determined to do my share."



President Roosevelt

The President declared that the will to co-operate places "on all of us the duty of self-restraint," and that "there can be no dictatorship by an individual, or by a group in this nation save through division fostered by hate. Such division there must never be."

Three groups of measures were proposed. The first involves mainly additional appropriations for the coming fiscal year, as follows:

One billion two hundred and fifty million dollars for the Works Progress Administration; \$175,000,000 for the Farm Security Administration; \$75,000,000 for the National Youth Administration; \$50,000,000 for the Civilian Conservation Corps, and the \$1,500,000,000 already made available to the Reconstruction Corporation for lending to business enterprises.

In a second group of measures Mr. Roosevelt asked:

Three hundred million dollars for immediate expansion of the housing and slum-clearance work of the United States Housing Authority; \$1,450,000,000 for public works loans and grants; an additional \$100,000,000 for public roads; an additional \$37,000,000 for flood control and reclamation projects already authorized and an additional \$25,000,000 for federal buildings.

A third group listed by the Chief Executive referred to private credit. It involved sterilization of \$1,400,000,000 of gold and a reduction by the Federal Reserve Board of member bank reserve requirements which would add another \$750,000,000 to the credit resources of the nation's banks. With these actions Mr. Roosevelt coupled a simplification of Security Commission regulations to expedite small-business financing.

Congressmen Vexed

WHILE committees of the senate and house were still trying to reconcile the widely differing versions of the tax bill passed by the two houses, President Roosevelt sent to the chairman a long letter urging retention of the tax on undistributed profits, which had been eliminated by the senate. Many members of congress thought the Chief Executive was intimating that he would veto the bill if this feature were omitted. That would leave in effect the present law carrying a severe tax which has been widely attacked as one of the causes of the prevailing business depression.



Sen. Harrison

The intervention by Mr. Roosevelt at this time and in this manner was considered unprecedented and aroused many expressions of amazement and indignation, especially among the senate conferees. Senator Pat Harrison, their leader and the chairman of the senate

finance committee, obviously displeased, said:

"The President is entitled to his views. Of course, he accords to every one else the same right to theirs."

"The views expressed in his letter do not coincide with the sentiment expressed by the overwhelming majority of the senate. My views are well known and need not be repeated again in detail."

"The senate conferees will insist in conference on the amendments adopted in the senate."

"I believe that the repealing of the undistributed profits tax and the modifications of the capital gains tax, as adopted by the senate, will help business."

At the close of his letter the President said:

"The repeal of the undistributed profits tax and the reduction of the tax on capital gains to a fraction of the tax on other forms of income strike at the root of fundamental principles of taxation."

"Business will be helped, not hurt, by these suggestions."

New French Government

FRANCE has a new government headed by Edouard Daladier who succeeded Leon Blum as premier after the fall of Blum's Popular Front. Daladier's cabinet is the first wholly non-revolutionist since the leftist landslide of 1936. Not one of his ministers is even pink, and there are several outright conservatives. Most significant of his selections is Georges Bonnet, former ambassador to the United States, as



Georges Bonnet

foreign minister. His choice for this key post means synchronization of French foreign policy with that of Great Britain, the opening of negotiations with Mussolini and complete abandonment of the Spanish republic in its war with Franco's insurgents.

Blum was thrown out because he asked broad powers to rule by decree, but the parliament acceded to a similar demand by Daladier, and then adjourned until May 1, leaving Daladier with practically dictatorial powers to deal with the nation's financial and economic problems.

The new premier started immediately on efforts to end the wave of strikes, which were really based on political motives. First he obtained a settlement of the strikes in the nationalized aviation factories, offering a pay increase in exchange for longer hours. He then promulgated by decree a law making a secret ballot obligatory in every factory where conflicts arise. If a majority of the workers decide for a strike, they must evacuate the factory, which then would be "neutralized" pending arbitration. If, however, the strike is rejected by a majority, the armed forces of the nation will be at the disposal of the employers to keep the plant operating.

Horner Is Winner

GOV. HENRY HORNER won his second great victory over the Chicago Kelly-Nash machine in the Illinois Democratic primaries. Almost all his candidates were nominated, and the governor appears to be now in complete control of the party in his state. His co-boss is State's Attorney Thomas J. Courtney of Chicago.

The triumph of Horner attracted nation-wide attention. It even led to a proposal that he be the Democratic party for President in 1940. This boomlet was launched in congress by Representative L. F. Arnold, Democrat, of Illinois.

Jones Ready to Loan

JESSE JONES, chairman of the RFC, now has \$1,500,000,000 to lend to business men, states and cities, and he asked the bankers of the nation to turn over to his corporation the loan applications they cannot meet.

"The security put up by borrowers must be reasonable," he declared, "but naturally we expect to make loans which the banks consider slow, frozen or unliquid."

Jones said he expected the loans would make capital investments more attractive and would also forestall sacrifice disposals of surplus stocks. In his insistence on "reasonable" security, however, he warned that "we're not going to lend all the money in the country."

No Peace for Labor

ANY lingering hopes that the American Federation of Labor and the Committee for Industrial Organization would end their civil war were dispelled by John L. Lewis' announcement that the C. I. O. was to be made a permanent organization, probably under another name. To bring this about a convention of the 39 Lewis unions will be held in the fall. The time and place were left to a committee consisting of Philip Murray and Sidney Hillman, newly elected vice chairman of C. I. O.

The heads of the C. I. O. unions, hearing congress might adjourn by May 14, adopted a resolution declaring "that our 4,000,000 members will necessarily have to consider it a dereliction of duty and betrayal of labor for congress to agree to adjourn prior to enactment of a complete legislative recovery program."

Wheat Allotments

THE agricultural adjustment administration announced it had allotted 62,500,000 acres to 42 wheat producing states under the 1938 farm program.

Individual acreage allotments will be based on planting and diversion during the past ten years.

Farmers who comply with acreage allotments will receive benefit payments of 12 cents a bushel for the average yield on the allotted acreage. A penalty tax of 90 cents a bushel on acreage in excess of allotments will be deducted from any benefit payments due farmers.

This year, the AAA said, no deductions will be made for exceeding wheat allotments if co-operating farmers reduce other soil depleting crops so as not to exceed the total soil-depleting allotment for his farm.

Acreage allotments for principal wheat producing states included: Iowa, 456,037; Kansas, 12,519,879; Minnesota, 1,609,218; Nebraska, 3,446,075; North Dakota, 9,431,355; South Dakota, 3,345,403.

Will Defend Peace

PAN-AMERICAN day was marked by an address by President Roosevelt, broadcast throughout the world, in which he warned all nations that the peoples of the American republics will not permit aggressor nations to threaten the peace of this hemisphere. All of them, he asserted, are firmly resolved to maintain peace, though this might entail sacrifices—even the sacrifice of life.

He reiterated this country's "good neighbor" policy in its relations with Central and South American countries and cited this hemisphere's successful "demonstration that the rule of justice and law can be substituted for the rule of force."

Hitler's Big Victory

FEWER than 465,000 Germans and Austrians had the courage to vote "no" in the plebiscite on Germany's annexation of Austria. Nearly 49,000,000 qualified voters went to the polls and gave their approval of the "anschluss," and thus Adolf Hitler scored a tremendous victory, greater than even his lieutenants had expected.



Adolf Hitler

"This is the proudest hour of my life," said the Fuehrer when told of the vote, and the Nazi leaders all were jubilant, and with reason. They said the demonstration of German unity showed it was time to liberate "our Sudeten German friends in Czechoslovakia," and that they were ready to obey Hitler's orders blindly.

It was forecast in Berlin that Hitler would proceed at once to expand and modernize the Austrian army and strengthen Austria's frontier defenses. And Vienna believed the anti-Jewish program would be intensified.

Orville Wright Honored

MORE than 200 of America's leading figures in aeronautics gathered in Detroit on the invitation of Henry and Edsel Ford to pay tribute to Orville Wright, first man ever to fly an airplane.

The celebration, dedicating the newly restored group of Wright buildings at Ford's Greenwich Village, was in honor of Orville Wright and in memory of his brother Wilbur, who died in 1912.

Dedication of the Wright home and bicycle shop in which the first successful man-carrying airplane was built was the chief event of the day.



By LEMUEL F. PARTON

WHO'S NEWS THIS WEEK

NEW YORK.—This summer's session of the Institute of Pacific Relations will have many new factors and policies to consider, as

new power formulas and equations are being drawn. The Philippines have changed their mind about cutting their United States towline. Japan and Germany make a joint survey of a 50-mile, low-lying canal route across the upper neck of Siam, which will bring Japan four days nearer Australia and perhaps five days nearer India. England's Singapore naval base isn't what it used to be. Australia announces a big new rearmament program.

Ian Mackenzie, Canada's handsome and versatile defense minister, breaks the news that Canada will rely on the United States fleet, voicing "reasonable assumption," rather than definite "commitments."

And Paul V. McNutt, commissioner of the Philippines, says we should carry "liberty and peace" to the Far East.

Mr. Mackenzie, a Vancouver lawyer, is one of Canada's most famous

Gaelic Ace Is Canada's Top Scholar

scholars who writes fluently and publishes articles in Gaelic. In his native Scotland, he was the most illustrious prize scholar of his generation, virtually monopolizing all the medals and garlands of the University of Edinburgh, for attainment in the classics.

He later won a Carnegie research fellowship, gathering more honors in his work on old Irish manuscripts. He later attended the Royal academy at Dublin, wrote songs and stories in the ancient Celtic language and picked up a law degree as a sort of afterthought.

He went to Vancouver in 1914, returned for the war, and romped through grades to the rank of captain, fighting in all the major engagements.

He kept his stride in his later success in law and politics in Vancouver, becoming national defense minister in 1935. He is regarded as Canada's most eligible bachelor. He says his favorite recreation is study.

Rearmament Fever Hits Australia

He rose to power in the labor movement and, in 1931, like the late Ramsay MacDonald, broke with his party and entered a coalition government. His shift to the right brought him under vigorous assault, but he was re-elected by a large majority last October.

He is sixty years old, gray and tousle-haired, the father of 11 children, and walks with a limp as the result of a railroad accident 13 years ago.

He began his working career as a country school teacher in Tasmania. Insularity and "home rule" marked his attitude a few years ago. Now he recommends as a commonwealth slogan, "Keep in tune with England."

Everywhere, the little nations are calling, "Wait for baby."

TAKING arms against this sea of troubles is the Countess Alain Dedons de Pierrefeu, formerly Elsa Tudor of the Boston social register.

World Tour of Youth Is Peace Move

Under impressive patronage, which includes faculty members of leading universities, scholars, diplomats and sociologists, she organizes a "world youth tour," with a fervor comparable to that of Peter the Hermit leading the children's crusade.

She is recruiting young persons from all nations, including Germany, Italy and Russia, on a world tour to flux animosities and foster good will and understanding. "World peace through world trade" is their slogan.

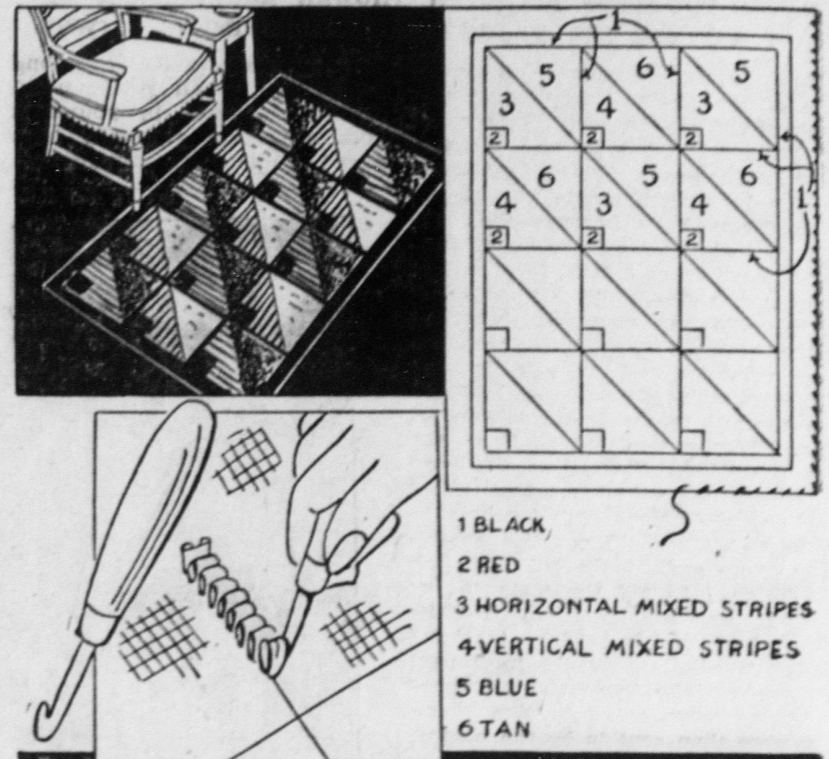
Rear Admiral Richard E. Byrd is among those who give warm endorsement to the plan. Headquarters for the tour are in New York.

The French husband of the countess was killed in the World War. Since then she has been vigorously active in social movements in Europe, Chicago, Boston and New York. For nearly four years she has been traveling around the world, recruiting support for her youth organization among diplomats, economists and business men.

Consolidated News Features, WNU Service.

HOW TO SEW

by Ruth Wyeth Spears



- 1 BLACK
- 2 RED
- 3 HORIZONTAL MIXED STRIPES
- 4 VERTICAL MIXED STRIPES
- 5 BLUE
- 6 TAN

Hook an Old Fashioned Rag Rug

OF ALL rag rugs the hooked type is the most fascinating and economical. A rug hook, such as may be purchased in notion and fancywork departments, and burlap a little larger than your finished rug are the essentials. Most rug hookers also use a frame of slats bolted together at the corners. They stretch the burlap over the frame and tack it. Some like a rather large stationary frame. Others use a small one and many hooked rugs are made without any frame at all.

Here is a quaint old rug pattern that you may mark off on your burlap with a yardstick and pencil. The numbers indicate the colors used for the original rug—now more than a hundred years old. The finished rug measures 26 by 34 inches. Allow two inches at all edges for hems. Overcast the edges, then mark the solid one-inch border just inside the hem allowance; then the large eight-inch squares; then the small

two-inch squares; then draw the diagonal lines across the large squares as shown. Use wool rags if possible and cut the strips not wider than one-half inch. Hold the strip against the wrong side of the burlap and pull loops of it through to the right side with the hook as shown. Short strips are as useful as long. Just pull the ends through and clip them.

If you are planning slip covers, curtains, or doing other Spring sewing for the home, you will want a copy of Mrs. Spears' book, SEWING, for the Home Decorator. Forty-eight pages of practical working directions, with complete illustrations. A dollar saving book for every homemaker. Send name and address, enclosing 25 cents (coins preferred) to Mrs. Spears, 210 S. Desplaines St., Chicago, Ill.

MEN LOVE GIRLS WITH PEP

If you are peppy and full of fun, men will invite you to dances and parties. BUT, if you are cross, listless and tired, men won't be interested. Men don't like "quiet" girls. For three generations one woman has told another how to go "smiling through" with Lydia E. Pinkham's Vegetable Compound. It helps Nature tone up the system, thus lessening the discomforts from the functional disorders which women must endure. Make a note NOW to get a bottle of world-famous Pinkham's Compound today WITH-GUT FAIL from your druggist—more than a million women have written in letters reporting benefit. Why not try LYDIA E. PINKHAM'S VEGETABLE COMPOUND?

Elements of Friendship

There are two elements that go to the composition of friendship. One is Truth, the other is Tenderness.—Emerson.

BACKACHES

are quickly relieved with Yager's Liniment. A Doctor writes that he uses it for backaches, sprains and rheumatic pains. Buy Yager's Liniment today. Let it help you rub aches and pains away. In use over 50 years. 25c and 50c bottles.

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GET RID OF PIMPLES

New Remedy Uses Magnesia to Clear Skin. Firms and Smooths Complexion—Makes Skin Look Years Younger.

Get rid of ugly, pimply skin with this extraordinary new remedy. Denton's Facial Magnesia works miracles in clearing up a spotty, roughened complexion. Even the first few treatments make a noticeable difference. The ugly spots gradually wipe away, big pores grow smaller, the texture of the skin itself becomes firmer. Before you know it friends are complimenting you on your complexion.

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Here is your chance to try out Denton's Facial Magnesia at a liberal saving. We will send you a full 6 oz. bottle of Denton's, plus a regular size box of famous Milnesia Waters (the original Milk of Magnesia tablets) . . . both for only 60c! Cash in on this remarkable offer. Send 60c in cash or stamps today.

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How the "Well-Dressed" Furniture Should Appear

This season—and every season—furniture should be kept fresh and gleaming! The home-maker owes it to her furniture—and the appearance of her home. Before it leaves the shop of the furniture dealer, before it is sold—good furniture is kept polished! The dealer continually gives it a "polish service," to maintain its rich appearance—keep the wood "alive!" He, who is an authority, regularly uses a good oil polish (the best is non-greasy, because it has a fine, light-oil base). He knows the importance of this—for selling furniture is his business—and on his shop floor, every piece of fine wood must be kept at its lustrous best! He knows, too, how vital it is to the finish, the very pores of the wood, to frequently apply a quality oil polish on the various suites and fine pieces! The effect of its frequent use on furniture is two-fold: It prevents drying-out and cracking—and it brings to the furniture a deep, lasting high-tone—that suffuses the wood, brings out all the natural beauty of the grain. All woodwork and furniture will remain "well-dressed," decorative, sparkling—if cared for periodically with a reputable light-oil polish!