

Review of the History-Making Events of the World

By EDWARD W. PICKARD

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France Devalues Franc; Gold Standard Dropped

FRANCE at last came to the conclusion that it could no longer support the franc and Premier Leon Blum's government decided to abandon the gold standard and devalue the franc to between 4½ and 5 cents. The Netherlands, Latvia and Switzerland immediately determined to follow suit. To save the world from a currency war, the United States, Great Britain and France entered into a "gentlemen's agreement." The exact nature of this agreement was not revealed, but the United States promised to employ its \$2,000,000,000 stabilization fund to head off the feared struggle. Certain it is that each of the three nations reserves the right to depart from the pact if and when its own interests require such a course. An expected outcome of the now general dropping of the gold standard may be an international conference for stabilization of world currencies. This probably would be held in Washington.



Leon Blum

Blum called a special session of the French parliament to pass the necessary legislation, and his plan was given grudging approval by the chamber of deputies. Its adoption by the chamber, where the "popular front" has a big majority, was taken for granted, but a fight was expected in the senate. The general project was divided into five sections, as follows:

1. Fixes the new gold content of the franc at a point between 43 and 49 milligrams of gold, prohibits the export or import of gold, and creates an equalization fund.
2. Permits the requisition of gold by the government, obliges individual citizens to declare their gold holdings, creates a tax on profits made from devaluation of the franc, and obliges market traders to reveal their operations in foreign exchange since September 20.
3. Creates a movable salary scale and makes various readjustments in the civil service, pension rates, etc.
4. Provides for readjustment of certain specific taxes such as those on oil, coffee, pepper, tea and sugar.
5. Makes certain changes in the debt structure of such public institutions as cities and communes necessitated by devaluation.

From the Chicago Journal of Commerce is taken this plain statement as to what France's action means to the ordinary American citizen:

"Reducing the amount of gold represented by one franc will mean that the average American will be able to travel cheaper in France than for the last two years. French wines should be cheaper in this country and women should be able to buy French perfume for less. That should be true of nearly everything else that France exports to the United States—unless this country hikes the tariff on French exports or French prices boom out of proportion to devaluation. Indirectly, franc devaluation may keep Americans from war as the act may be a wedge for currency stabilization the world over and more brotherly relations between all nations. But don't lose any sleep over it unless you are getting an income from someone in France. In that case, since it will take more francs to buy dollars, your income will be cut. Everyone should have an interest in developing sound foreign trade and if franc devaluation starts the ball rolling in the right direction the eventual hope for development is free foreign exchange movements. It's necessary for one country's money to be negotiable in all capitals of the world if trade is to flow freely. That's the big goal."

Russia Hotly Denies Morgenthau's Charge

SECRETARY OF THE TREASURY MORGENTHAU excitedly told the correspondents that soviet Russia attempted to upset the "gentlemen's agreement" between the United States, Great Britain and France. The state bank of Russia, he said, moved to drive down the price of the pound sterling by ordering the sale in New York of 1,000,000 pounds sterling "at any price." He said he frustrated this scheme by buying the pounds offered with money from the Treasury's stabilization fund.

The Soviet State bank declared Morgenthau's assertion as to the bank's purpose was without foundation and a nonsensical invention; that the transaction was an ordinary banking operation. The secretary's statement, the bank continued, "appears to be an undignified anti-soviet attack which is not based on defense of international currency equilibrium and the value of sterling, but had some other aims."

Considering the repeated charge that President Roosevelt is being supported for re-election by the Communists, the "other aims" seemed clearly discernible to opponents of the administration.

Harry Woodring Named Secretary of War

HARRY H. WOODRING was named by President Roosevelt to be secretary of war, filling the vacancy caused by the death of George H. Dern. This is a recess appointment, for the place had to be filled within thirty days. It may be the President will submit the name of another man to be permanent secretary early in the next session of congress. Those most often mentioned for the place are Gov. Paul V. McNutt of Indiana and Frank Murphy, commissioner to the Philippines, who is running for governor of Michigan. Should Murphy win in the election, McNutt is expected to get the cabinet post.

Woodring, who was Gov. Alf M. Landon's predecessor in office in Kansas, has been acting as head of the War department since Dern died.

Spanish Fascists Capture City of Toledo

GEN. FRANCISCO FRANCO'S furious Spanish Fascists reached the ancient city of Toledo and drove out the government troops with shell and bayonet. The rebels fought their way through strong defense and as they reached the center of the city there was a great shout from the Alcazar. Out of that battered citadel rushed the ragged, battered and half-starved cadets who had withstood a terrific siege for almost ten weeks. This heroic garrison joined the insurgents in charging the defenders and finally the Socialist troops scattered and fled southward over the Tagus river. Their way to Madrid was blocked by Franco's columns.

Fascist bombing planes made several destructive raids on Bilbao, killing a large number of the citizens, smashing innumerable buildings and damaging two warships in the harbor. The enraged government sympathizers demanded that Fascist hostages held in the city be executed in reprisal, and finally a mob of anarchist amazons swarmed aboard a vessel on which many hostages were kept and brutally slaughtered 210 of them after putting them to the torture. The savage women were on their way to a prison to kill 60 woman hostages



Gen. Franco

when they were dispersed by civil guards.

That the Spanish government realizes its precarious situation is evidenced by its proclamation ordering Madrid to prepare for a siege, followed by a manifesto calling on everyone, women as well as men, to rally to the defense of the capital.

Spain Warns Nations Not to Interfere

SPAIN'S representative in the League of Nations, Foreign Minister Julio Alvarez del Vayo, solemnly warned other nations members of that body that they must not interfere with the Spanish civil war, which he said forbode a future war, not between states but between political concepts.

"The bloodstained soil of Spain already is the battlefield of world war," he contended in what other delegates construed as an attack on Germany, Italy and Portugal for allegedly arming the Spanish Fascist insurgents. He assailed the European nonintervention agreement as "direct and positive intervention in behalf of the rebels" and as a "blockade of the lawful Spanish government."

British Foreign Minister Anthony Eden, in a rather pessimistic address, said his government stood for an amendment to the league covenant to enable the league to intervene in the early stages of a dispute. He also proposed: Negotiation of regional pacts, separation of the league covenant from post-war treaties, measures to restore international trade; inquiry, under league auspices, into the question of access to raw materials, and reduction and limitation of armaments and publicity for armament expenditures.

Minneapolis Strike of Mill Workers Ends

ABOUT 1,800 mill workers of Minneapolis returned to their jobs, their strike having been settled. It had lasted for a month and had paralyzed the great milling industry of the city. The mill owners agreed to recognize the right of collective bargaining and to permit employees to choose their own representatives. Four hundred national guardsmen who had been mobilized by Governor Petersen for strike duty in event of an emergency were sent to their homes.

Japan Lands Marines in Shanghai

FOUR Chinese gunmen in Shanghai killed one Japanese marine and wounded two others, and within a few minutes a Japanese landing party more than 2,000 strong had occupied much of the Hongkew section of the international settlement. The Japanese naval commander declared martial law in that area and troops stopped buses and street cars in the search for the slayers. Tanks, armored cars, light artillery and machine gun squads poured through the streets and on into Chapel, the Chinese district that was the scene of furious fighting between the Japanese and the Chinese Nineteenth route army in 1932.

Stirling Fessenden, American chairman of the international settlement, was warned by Japanese officials to protect their nationals, and the White Russian volunteer regiment and special police in the French quarter were hurriedly mobilized.

Shigry Kawagoe, Japanese ambassador to China, who was in Nanking conferring with Chang Chun, Chinese foreign minister, on the other recent anti-Japanese incidents at Chengtu, Hankow and Pakhoi, threatened to break off the discussion and return to Shanghai.

"A dark shadow has been cast on future Chinese-Japanese negotiations," he said. "The sole responsibility rests with the national government. The new outrage makes the Nipponese more determined to eradicate anti-Japanese sentiment and thoughts in China, which is en-

tirely lacking in good faith and is face to face with a grave situation. The killings render relations very critical."

Because of killings in Hankow and Pakhoi, Japanese marines already had been landed in those cities. Transports bearing reinforcements arrived from Japan.

Ethiopian Delegates Seated by League

HAILE SELASSIE couldn't whip the Italians in the Ethiopian war, but the fugitive emperor won the battle of Geneva and put Benito Mussolini's nose out of joint. After an exciting debate, the League of Nations assembly voted, 39 to 4, to seat the Ethiopian delegation, now headed by the emperor's American adviser. The negative votes were cast by Hungary, Austria and Albania, all under the thumb of Italy, and Ecuador. Ethiopia, Portugal and four other countries refrained from voting. Rather surprisingly Great Britain and France espoused the cause of Ethiopia, though it had been thought they considered the co-operation of Italy in the league of more importance than justice to the African realm. The heated debate was closed when Capt. Anthony Eden, British foreign minister, said:

"Enough of this nonsense! There never has been any sufficient ground to unseat the Ethiopian delegation." Sir Samuel Hoare, first lord of the British admiralty, added to Italian resentment against Great Britain by declaring in London that the British intended to maintain their supremacy in the Mediterranean and would modernize and consolidate their naval, military and air defenses between Gibraltar and the Suez canal "in the light of recent experience."

Typical Criminal, 1936, Is Lazy, Vain Youth

CHIEFS of police of the United States and Canada, attending the convention of their international association in Kansas City, drew this picture of the typical American criminal of 1936:

A lazy, vain, moderately educated city youth whose parents have separated; shielding his laziness and an inferiority complex behind a false bravado that leads him into crime; motivated by a desire to impress "the girl friend" with a flashy appearance of wealth.

Chief William J. Quinn of San Francisco said the large majority of the 6,000 inmates of San Quentin prison are under twenty-four years of age and that 98 per cent of them come from broken homes.

Canada, according to Chief Constable George Smith of Winnipeg, does not differ from the United States in respect to its young thief problem. He said: "Kids start in at seventeen or eighteen stealing cars for joy rides."

These criminologists believe the time to "rehabilitate" the youthful criminal is immediately after his first offense.

Strike Breakers Probed by Senate Committee

SENATOR LA FOLLETTE'S senate committee on civil liberties, investigating the activities of strike breakers, was told that a preacher was hired as a spy, girls did undercover work, picketers were scalded by live steam and strikers were electrocuted by secretly strung wires on company property. Witnesses testified, also, that men who direct crews of ex-convicts, panhandlers and sluggers take a small fortune annually from industry to combat labor unrest.

The inquiry is designed to aid in the preparation of legislation demanded by organized labor leaders to eliminate agencies which specialize in strike-breaking. It is not in-

dicated that evidence will be heard on the other side of the question, the violent practices often adopted by strikers and their sympathizers.

Oregon Towns Destroyed by Forest Fires

FOREST fires in southwestern Oregon worked terrible havoc and at this writing were still uncontrolled. The towns of Banks and Prosper were entirely destroyed, eight persons losing their lives and 2,000 being left homeless. Thousands of refugees were sheltered in a tent city, and that went up in flames. Armies of locusts and volunteers were working desperately to check the conflagrations and rescue those in peril. Property damage, including destroyed timber, may run as high as \$2,000,000.

Maritime Commissioners Named by President

THREE members of the maritime commission authorized by the closing days of the last congress were appointed by President Roosevelt. They are: Rear Admiral Harry A. Wiley, U.S.N. retired; Rear Admiral Harry G. Hamlet, navy guard; George Landick, Jr., chief of the planning section of the procurement division of the Treasury department.

The commission will administer the ship subsidy measure, act as a regulatory body in conduct of merchant marine affairs, and operate generally in the nature of the state commerce commission.

American Legion Names Colmery Its Commander

VETERANS of two great wars, the World war and the Civil war, held their annual conventions, the American Legion meeting in Cleveland and the Grand Army of the Republic in Washington. The legion elected Harry W. Colmery, a lawyer of Topeka, Kan., as its national commander and awarded next year's convention to New York city Mayor La Guardia personally led the Gotham delegation in the big parade. This delegation included an impressive display of police and fire department bands, motorcycle squads and mounted officers.

In its business sessions the legion adopted a resolution asking the United States government to withdraw its recognition of soviet Russia. Other resolutions approved called for a 90 per cent reduction in immigration quotas and deportation of all aliens who are anarchists, communists, or affiliated with the Third Internationale; the removal from public relief rolls of aliens who have not applied for citizenship; universal application of fingerprinting system in this country, and an investigation of methods used in disseminating "subversive doctrines."

C. H. Williams Rube of Pittsburgh, who ran away from home years ago to join the Union army when he was only a lad of fifteen, was unanimously elected commander-in-chief of the G. A. R. at Madison, Wis., was named as encampment city for 1937.

New Wage and Hour Law Formally in Effect

THE Walsh-Healey act setting wage and hour standards for certain concerns doing business with the federal government, is now formally in effect. The law was passed just before the last congress adjourned. Its chief provisions require that holders of government contracts which amount to more than \$10,000 must pay prevailing wage rates and pay overtime wages if their employees work more than forty hours a week.



Harry W. Colmery