

Review of the History-Making Events of the World

By EDWARD W. PICKARD
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Deadlock Continues in General Motors Strike

GOV. FRANK MURPHY of Michigan abandoned, at least for the present, his efforts to end the deadlock between the General Motors corporation and the striking members of the United Automobile Workers, but James F. Dewey, conciliator for the Department of Labor, remained in Detroit, still hopeful of bringing about a peace conference. William S. Knudsen, executive vice president of General Motors, thus stated the



William S. Knudsen

corporation's position: "General Motors corporation representatives immediately upon evacuation of its plants by employees engaged in sit down strikes will meet with representatives of the union, but to accept the union's conditions would have placed General Motors in the position of condoning their illegal actions. We cannot condone illegal occupation of our plants."

The union conditions, as set forth by President Homer Martin, were: "We are willing to agree to withdrawal if negotiations are opened immediately with an agreement that all plants remain closed, without movement of equipment or resumption of activities until a national settlement is effected, and with a further agreement that all activities such as circulation of petitions, organizing of vigilante activities, threatening or coercing of employees, be immediately stopped."

About a thousand men, engaged in the sit down strikes, were thus holding up negotiations for settlement of the controversy which already had thrown out of work nearly 100,000 employees of the corporation.

General Motors officials received telegrams from a number of American Federation of Labor units urging no recognition of the United Automobile Workers as sole bargaining agency for the motor car factory workers. They were assured the corporation would not back down on this point.

Making the situation more difficult, the strikers in Flint engaged in a wild, riotous battle with the guards and city police that lasted for hours and resulted in the injury of dozens of men. The local officers restrained themselves admirably though armed with machine guns, and the state police were hurried to the scene to aid them. Governor Murphy and other state officials also went to Flint.

Congress Receives Budget Message of President

STATING that he expects to balance the national budget and begin reducing the national debt in 1939, President Roosevelt submitted to congress a budget for the 1938 fiscal year. This, he said, balanced conditionally except for statutory debt retirement—meaning that if his conditions are met the gross deficit for the fiscal year beginning July 1 would not be more than \$401,515,000, compared with \$2,652,652,774 in the current fiscal year and \$4,763,841,642 in the 1936 fiscal year, which ended last June 30.

But the President warned the nation that conditional budget balance in the next fiscal year and complete balance in the following year depended on industry's co-operation in hiring more persons from relief rolls. All estimates were dependent upon continued economic improvement.

The President estimated that federal revenue in the next fiscal year will increase by \$1,475,466,378 because of better business and higher taxes. He did not propose new taxes but opposed the reduction of any taxes now in effect.

The message allotted 451 millions

to a general public works program, excluding the Florida ship canal and the Passamaquoddy tide harnessing project; 482 millions for agricultural relief and soil conservation; 835 millions for social security, and 316 millions for recovery and relief.

The message revealed that Mr. Roosevelt planned to curtail relief expenditures sharply from the 1936-37 levels. But he found available funds insufficient for the rest of the current fiscal year and asked congress to appropriate \$790,000,000 immediately, of which \$650,000,000 is to be expended for recovery and relief between February 1 and June 30 when the 1937 fiscal year ends.

France Ready to Occupy Spanish Morocco

FRANCE, according to reliable reports, is all set to occupy Spanish Morocco, and expects the full co-operation of Great Britain. The French had sent to

General Franco, head of the Spanish Fascists, one protest against the alleged admission to Morocco of German troops, and then sent another before taking drastic action. If they do move, it will be nominally in behalf of the sultan of Morocco and because of violation of the Franco-Spanish treaty of 1912. France has 100,000 men in her Moroccan army and could easily and speedily occupy most of the Spanish zone, which the Fascists control. Support by the British fleet in the Strait of Gibraltar and possibly from troops to replace French forces taken from the German border.

Franco sent a conciliatory reply to Paris.

At a reception to diplomats Chancellor Hitler talked with the French ambassador to Berlin and assured him that Germany had no intention of attempting to seize Spanish Morocco.

Berlin has indignantly denied the presence of German troops in Spanish Morocco, asserting they are mining men and properly are armed for self protection. High Commissioner Beigbeder of Spanish Morocco also avers there are no foreign troops in his territory. To a correspondent he said: "You can declare no soldier, German, Italian, or even Japanese—for they will soon invent news of Japanese landing — has crossed our frontiers."

At Gibraltar there was a report that 3,000 Japanese volunteers were expected to land at Cadiz and Jerez de la Frontera to join Franco's troops in a final assault on Madrid. Tokio said the story was fantastic.

Great Britain, angered by the air bombing of her embassy in Madrid, filed protest. Some of her most powerful warships were added to the fleet at Gibraltar. The British government forbade citizens to enlist in Spain, and continued its efforts to persuade other nations to stop the sending of volunteers to that country. France agreed to introduce legislation to that effect, but Germany and Italy were still clinging to their conditions and allegedly continuing to give aid to the Franco forces.

Program for Recovery of Brookings Institute

IN ONE of its periodic analyses of the economic situation the Brookings institute, non-partisan research foundation, summarizes proposals for "a consistent program of further recovery," the seven points of which are, briefly:

Re-establishment of a balanced federal budget.

Continuance of the present policy of maintaining a fixed price of gold and the establishment through in-

ternational co-operation of a system of stable foreign exchange.

Extension of the reciprocal trade agreements "as the most practical means of reducing artificial barriers to commerce and reopening the channels of international trade."

Preservation of the "generally favorable ratio of prices and wage rates."

Maintenance of prevailing hours of labor "as the only means of meeting the production requirements involved in restoring during the next few years the standards of living of the laboring masses and promoting the economic advancement of the nation as a whole."

Elimination of private and public industrial practices "which tend to restrict output or to prevent the increase of productive efficiency."

"Shifting of the emphasis in agricultural policy from restricted output and rising prices to the abundant furnishings of the supplies of raw materials and foodstuffs required by gradually expanding markets."

Crown Princess Juliana Married in The Hague

CROWN PRINCESS JULIANA of the Netherlands and Prince Bernhard zu Lippe-Biesterfeld were made man and wife at The Hague, and all the Dutch people rejoiced exceedingly. There were two ceremonies, a civil one conducted by the burgomaster in the town hall and a religious one in St. James church. The tall, plump bride wore a silver robe over her wedding dress and Bernhard was in the full dress uniform of the Blue Hussars.

Before the wedding there had been a series of disturbing incidents, including "insults" to the Nazi flag of Germany and protests by Reichsfuehrer Hitler. But apologies and explanations cleared everything up and Hitler sent to Queen Wilhelmina a cordial telegram of congratulations on the marriage of her only daughter.

The only other wedding permitted in Holland on that day was that of "the other Juliana," a peasant girl who was born at the same hour on the same day as the crown princess.

Kidnaped Boy Found Slain Near Everett, Wash.

TEN-year-old Charles Mattson, kidnaped from his home in Tacoma, Wash., Dec. 27 and held for ransom, was found beaten to death in snow covered woods near Everett. The body was nude and cruelly battered. State and city police and department of justice agents, who had been held back to give the lad's father a chance to pay the ransom and save his son, immediately began an intensive manhunt, but their clues were few and poor.

Death of Admiral Gleaves, World War Hero

ADMIRAL ALBERT GLEAVES, U. S. N., retired, died at his home near Philadelphia at the age of seventy-nine years, thus ending a career that carried him through two wars and won for him honors from five nations. During the World war Admiral Gleaves was commander of the American cruiser and transport force and thereafter was known as "the man who took them over and brought them back."

Maritime Commission to Dispose of Ships

ANNOUNCEMENT is made by the United States Maritime commission that it will dispose of four shipping lines by June 29 next. They now operate 36 vessels in direct competition with private American shipping.

The lines and the routes they serve are: Cosmopolitan Shipping Company, Inc., operating the American France line serving French ports; the Southgate-Nelson Corporation operating the American Hampton Roads—Yankee and Oriole lines serving Germany and the

United Kingdom; the Roosevelt Steamship Company, Inc., operating the American pioneer line serving Australia, India and the far east, and C. H. Sprague & Son, Inc., operating the American Republics line serving the east coast of South America.

New Minnesota Governor Gives Supreme Court Slap

MINNESOTA'S new governor, Elmer A. Benson, in his inaugural address took a hard slap at the Supreme court. Said he:

"I recommend that you petition congress to submit a constitutional amendment which would remove from the Supreme court its assumed power to declare unconstitutional laws passed by congress pertaining to child labor, regulating working conditions in industry and agricultural and industrial production, providing security against old age, unemployment and sickness and social legislation generally.

"Progressive America stands helpless to enact needed social and economic reforms while a reactionary Supreme court has usurped autocratic powers never intended by the framers of the Constitution."

Red Revolt Reported in Two Chinese Provinces

SUBMISSION, conviction and pardon of Marshal Shang Hsueh-Chiang Kai-shek of China, apparently hasn't ended the trouble started by him. Dispatches from Sianfu said a majority of Chang's former Manchurian army, numbering 250,000 troops, has joined red troops of Shensi and Kansu provinces in open revolt against the central government to establish a vast communist empire in northwest China.

Reliable sources said that between 5,000 and 10,000 persons were killed during the Shensi rebellion while Chiang was held captive, and the Sianfu authorities feared a renewal of the slaughter there. Sandbag barricades and trench fortifications were constructed around the city.

Landon to Build Country Home Near Topeka

ALF M. LANDON retired from a public office, turning over the governorship of Kansas to Walter A. Huxman, a Democrat. He let it be known that he had purchased two suburban tracts totaling 160 acres west of Topeka and will build there a house of colonial type where he and Mrs. Landon and their children will reside. Until the place is completed they will make their home with Mrs. Landon's mother, Mrs. S. E. Cobb, in Topeka.

Supreme Court Rebuked by the President

THINLY veiled but unmistakable was President Roosevelt's rebuke to the Supreme court in his annual message on the state of the Union. Standing triumphant before the lopsidedly Democratic senate and house in joint session, the chief executive said:

"The United States of America, within itself, must continue the task of making democracy succeed."

"In that task the legislative branch of our government will, I am confident, continue to meet the demands of democracy whether they relate to the curbing of abuses, the extension of help to those who need help, or the better balancing of our interdependent economies.

"So, too, the executive branch of the government must move forward in this task and, at the same time, provide better management for administrative action of all kinds.

"The judicial branch also is asked by the people to do its part in making democracy successful. We do

not ask the courts to call non-existent powers into being, but we have a right to expect that conceded powers or those legitimately implied shall be made effective instruments for the common good.

"The process of our democracy must not be imperiled by the denial of essential powers of free government."

Sketching the program for his second term, the President said legislation he desired at this time included extension of the RFC, of his power to devalue the dollar and of other New Deal authorizations about to expire, deficiency appropriations, and extension of the neutrality law to apply to the Spanish civil war. Conceding that NRA had "tried to do too much," he continued: "The statute of NRA has been outlawed. The problems have not. They are still with us."

James Roosevelt Will Be White House Secretary

IT WAS announced at the White House that President Roosevelt's eldest son, James, will become a full fledged White House secretary and draw a salary of \$10,000 a year after June 1. Until the beginning of the new fiscal year, James will act as secretary but will be on the public pay roll as administrative officer drawing \$7,500.

At the elevation of James to the secretaryship, Assistant White House Secretaries Stephen T. Early and Marvin M. McIntyre will also become full secretaries.

Neutrality Resolution Applied to Spain's War

THE senate and house met the day before the President addressed them and organized, with Mr. Garner of course as president of the former, and Speaker Bankhead again ruling over the lower chamber. The one matter of interest in this proceeding was the selection of Sam Rayburn of Texas as majority leader of the house. He had beaten John J. O'Connor of New York in the caucus, having the potent backing of Vice President Garner and presumably of Mr. Roosevelt. Of the total of 16 new senators only two were absent, Clyde L. Herring of Iowa and William H. Smathers of New Jersey, both Democrats. Two new Republican senators were sworn in, H. Styles Bridges of New Hampshire and Henry Cabot Lodge of Massachusetts.

Immediately after the President's address had been delivered on Wednesday, both house and senate hurried with the neutrality resolution applying specifically to the civil war in Spain. The senate adopted it quickly by unanimous vote, but there were parliamentary delays in the house, and meanwhile the freighter Mar Cantabrico managed to get away from New York with Robert Cuse's cargo of airplanes.

Leon Trotzky Arrives in Mexico City

LEON TROTZKY, the exiled Russian Communist who is such a thorn in the flesh of Dictator Stalin, has reached his new haven in Mexico City. Arriving at Tampico from Norway he and his wife were put aboard a heavily guarded train in a special car and carried to the capital.

To newspaper men Trotzky expressed the belief that there was a "75 per cent chance" that war would break out soon in Europe. He also said Mexico could be assured he would not violate conditions under which he was granted asylum there. The conditions were "absolute nonintervention in Mexican politics and abstention from anything which might endanger friendly relations between this government and any other country."



Gen. Franco



Sam Rayburn



President Roosevelt