

P.T. Sunoco. Wed., Aug. 31, 1938.

EUROPE

The news from Europe today is just about what we might have expected. The war ^{is over} subsides again, tension is relaxed, there'll be no fighting just now. That represents the sum total of news from all the European capitals. Webb Miller, Manager of the London Bureau of United Press, spent several hours at the telephone, talking to all the main capitals on the continent. And he reports that the firmness exhibited by the governments of the democratic countries, has shoved the war bogeyman back into his closet. ~~and~~ Webb ~~Miller~~ reports that the determination of the democratic countries is mingled with a bit of wishful thinking that Uncle Sam may back them up.

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It was observed that ^{our own} Joe Kennedy, ~~our~~ ambassador in London, had a long talk with Foreign Secretary Lord Halifax this morning. But nothing was let loose about the subject of their conversation. That followed a visit ^{Ambassador} ~~Bill~~ Kennedy ~~had~~ received at the United States Embassy from ^{Ambassador} ~~Foreign Minister~~ Masaryk of Czechoslovakia.

Here's what ~~Webb Miller reports in detail.~~ In Paris the French evidently mean what they said about backing up

Czechoslovakia, though they took a long time to say it. The statesmen on the banks of the Seine are ^{now} filled with confidence that John Bull will back them up in a pinch, and that Hitler knows it.

And here's the word from Berlin:- top notch officials of the Nazi government are optimistic that there will be a peaceful but satisfactory solution of that Czechoslovakian puzzle.

In Rome one symptom is noticeable. Officials of Mussolini's government conspicuously refrain from saying anything to indicate that the Duce would back up his partner in the Rome-Berlin axis. The general belief among experienced European observers is that in case of war, Italy would play the same part she did in Nineteen Fourteen, that is, wait and see which way the cat jumps. In other words, the Rome-Berlin axis will hold just so long as it seems to be useful to Rome, in spite of the Duce's fervent declarations of loyalty to the German Fuehrer. Italian official's point to the fact that two of the Duce's latest and biggest cruisers were starting on a round-the-world cruise.

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Later in the day, however, it became known that the orders for

that cruise had been countermanded. And that becomes a source of considerable mystery.

One move that was quite sudden and unexpected added to the flood of conjecture. Sir Neville Henderson, John Bull's Ambassador to Berlin, had been on a visit to London. Without any explanation, he took a plane for Berlin today. And the word from Berlin is that ^{Ambassador Sir Neville} ~~Ambassador Henderson~~ is to see ~~Fuehrer~~ Hitler on Friday. Considerable stress is laid on the fact that he will see Hitler before the Nazi Congress opens at Nuremberg on Monday. The belief is that Sir Neville Henderson has been instructed to reiterate and emphasize a warning to Hitler that if war breaks out with Czechoslovakia, John Bull will be in it as he was over Belgium twenty-four years ago.

MARKETS FOLLOW EUROPE

has for the moment
Though the European war scare [^]subsided, it is apparent

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that the men of money have their fingers crossed. There's a prodigious immigration from Europe to America, an immigration of capital. The rich people of Europe ~~are~~ sending their funds to the U.S.A., buying American securities, American dollars. The gold supply in the United States is reaching ~~an~~ [^]even loftier total. Twenty-one million dollars' worth of the precious metal ~~was~~ *just* unloaded in New York harbor ~~yesterday~~ and there's more on the high seas.

This influx of foreign capital is a movement that big

American business men and government officials see with a sour face.

For it produces

~~It is~~ a condition fraught with ~~considerable~~ danger to our own welfare. ~~It would be~~ Disastrous in case of ~~an~~ European war.

Our neutrality law, as it now reads, would shut the door [^]~~to our~~ *war* export business, both in credits and raw materials. The

consequence of that would be that foreign governments would sell out the securities held by their citizens in America and use the money to buy war materials elsewhere. In other words, there would be a cataclysmic drain of capital out of the country, so sudden that it would upset our own economic system.

CHINA

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There's increasing woe in China, ~~not so much among the~~
~~Japanese as among the~~ ^{Especially among} ~~foreigners, especially the~~ business men who
have stuck it out there. The Japanese blockade of the Yangste
Valley has ~~them almost scratching the counterpane.~~ ^{helpless,} A dispatch from
Shanghai reports that they're afraid that the moment war breaks
out in Europe, the Mikado's troops will occupy the famous
International Settlement in Shanghai. What's more, they're now afraid
that in such an event the Europeans and Americans may be imprisoned
in concentration camps. That's what the Japanese did to German
civilians at Tsingtao after the World War broke out.

American business men in the Far East are said to be not so
gravely distressed as the Europeans. But they are shouting loudly
that Uncle Sam must take a hand or American interests ~~out there~~ will
be wrecked. ~~As a matter of fact,~~ ^{TP} ~~The~~ ^{in fact} Japanese blockade [^] goes much
further than the Yangste River. They have shut off all the other
railroads, even the highways, and every creek. ~~In fact, they have~~
~~the foreigners virtually paralyzed.~~

Actually, there's nothing ^{so} ~~awfully~~ [^] surprising in this.

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More than a year ago, it became apparent that whichever side won out
in China, the foreigners would be sure to lose.

TYPHOON

Japan seems to be having more than her share of ~~national~~ calamities this year. I don't mean ~~the~~ set-backs in the China War, *I mean from* ~~but socks in the face from old~~ Mother Nature.

A few weeks ago floods ~~XXXX~~ raised havoc in the *Hondo.* Mikado's main island. Today, a typhoon, ~~blowing at the terrific~~ ~~rate of sixty-five miles an hour~~ *some seventy* swooped down upon the heart of Nippon, ~~The fierce wind~~ snapped the electric wires at Yokohama, uprooted trees, and completely stopped traffic on many of the principal streets. In the harbor, the gale lashed the waves until they swept over the waterfront. Ships at anchor were in distress, the storm was so fierce that no launches or lifeboats could be sent ~~to~~ to the rescue. Within a few minutes transportation throughout ~~almost all of~~ *in* Yokohama was at a standstill. ~~In a short~~ *The* time, ~~that~~ typhoon swept on to Tokyo, and the Sumida River, ~~that~~ flows *ing* through the capital, ~~flooded~~ *raged* over its banks. Houses ~~were~~ *folded up.* ~~broken down in the Mikado's capital,~~ *and* People living on the riverbanks had to leave their homes. ~~The naval base at Yokosuka was damaged.~~

MEXICO

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All eyes in the Western Hemisphere will be focused on Mexico City tomorrow. The Mexican Congress will enter upon its regular session. It has been sitting all this while in special session, having been called by President Cardenas on account of the international situation over those oil expropriations. The important thing about tomorrow's proceedings will be the annual message of President Cardenas. ~~Like our own presidents, he reads it in person to both houses of the Congress.~~

It was announced in Mexico City today that what **General** Cardenas says tomorrow "will be the most important message delivered since he was inaugurated." He will speak of course about that oil business, and everybody will be vastly surprised and disappointed if he doesn't make some reply to the latest note from Secretary Hull about the seizure of farmlands owned by citizens in the United States. Only last week, the Secretary of State warned Cardenas that his refusal to arbitrate that was a breach of international law.

POLITICS

so ~~The New Deal has had to take another~~ ^{takes a} licking in two places: Both in the California and the South Carolina primaries it's obvious tonight that the men favored by the President have been rejected by the Democratic voters.

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Of course in California, it ^{may not} ~~must~~ be considered as exactly a New Deal defeat. Sheridan Downey, the man who beat Senator McAdoo for the nomination, is the thirty-dollar-a-week man. His campaign had little to do with the question ^{of} to New Deal or not to New Deal. He was running on the victorious ham and eggs platform, the proposal to ~~gi~~ hand thirty dollars every Thursday to everybody over fifty years old.

~~Incidentally, there was a fight over that proposal in the California courts, and the advocates of this pension plan won out. Its opponents had tried to keep it off the ballot. But the California Supreme Court declared the proposal perfectly legal. At the same time, the judges declined to pass any opinion as to whether it was constitutional or not.~~

In South Carolina, however, the result is an unmistakable New Deal defeat, a refusal of South Carolina

voters to follow President Roosevelt's wishes. Senator Cotton Ed Smith beats his opponent, Governor Johnston, by some thirty thousand votes. In Washington the interpretation is that while President Roosevelt has not lost his personal popularity to any important extent, the voters will not accept all of his followers without question or ~~in~~ turn thumbs down on his enemies.

Mr. Roosevelt had just one remark to make about the returns from South Carolina. He wrote out his statement in these words:- "It is often true that it takes a long, long time to bring the past up to the present."

H.O.L.C.

The other night I heard a group of real estate men discussing the big shots in their own line. One name after another was mentioned and debated. A visitor from Washington remarked: "None of you fellows seems to know who is really the biggest realtor in the world." The others said: "All right, we'll bite, who is he?" Said the man from Washington: "He's the gentleman with the whiskers, your Uncle Samuel. There's not an operator on the face of the earth, let alone these United States, who approaches him. He owns more than a hundred thousand homes and into the bargain sixty thousand farms. If he were to throw them on the market, he'd break you all."

I find that the visitor from Washington was talking the literal truth. The figures he quoted are those of the Home Owners Loan Corporation. All this was prophecied when Congress passed the Act that created the H.O.L.C. Nevertheless, government experts claim that the H.O.L.C., for all the huge volume of property it is obliged to own, has a pretty good record. ~~(The Home Owners~~

~~Loan Corporation issued eight hundred and sixty thousand loans, and a hundred and eleven thousand people are behind in their~~

payments to the government. Considering that those loans were made to the people who were hard up, that's considered a pretty good record. The amount of money that H.O.L.C. has invested in real property is about three billions. In addition to that, the Farm Credit Administration issued a million loans and two hundred and fifty thousand of those millions are in arrears. So altogether Uncle Sam has five billions of your shekels invested in real property.

While on this subject let's not overlook the F.H.A. -- the Federal Housing Administration. Of all the alphabet agencies, it is said to be the most successful -- doing a superb job.

MELLON

After Andrew Mellon became Secretary of the Treasury -
(his friends described him as the greatest since Alexander Hamilton -)
there was much rumor about his wealth. A book written ^{on} ~~about~~ the
Mellon family intimated that its riches approached the billions.
Other estimates figured him out as being worth at least a hundred
millions. ^{Now} An inventory of his estate ^{is} ~~was~~ made public today.
The figure, ^{only} ~~is~~ thirty-seven million dollars. However, it is admitted
that he gave away more than thirty-five millions before he died. He
also presented the nation with his ~~art~~ extraordinary collection of
paintings which the experts value at about fifty millions.

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Neither of his children received any legacy in his
will. ^{For he had given} ~~He gave~~ them large sums of money sometime before his death.
Most of the thirty-seven millions left in his estate goes to the
A.W.Mellon Educational and Charitable Trust.

HINES

(On the witness stand in the Jimmey Hines trial today, there sat a dapper, sharp-faced young man, with hair slicked down, knife-edge creases in his clothes. He spoke in a high-pitched voice and gave his testimony somewhat nervously. ~~It was a scene that he had been forced to await for a long while. And his entrance was one for which the spectators had been impatient, It was~~ one of the high spots in that complicated trial. ~~The weasel faced young man was~~ Dixie Davis, the country boy who came to New York and made good in a big bad way. ~~He~~ Started from nothing and, on his own admission, ended up in the top ranks of one of the underworld's big rackets.

today for the state
He was there, ~~as states evidence~~, to testify against the big, ruddy, popular ~~Jimmey~~ Jimmy Hines.)

What he had to say is no longer new. It has been told before and several times. (He told in detail of having met Hines as lawyer for the dead racketeer, Dutch Schultz; he told of having given Hines large sums of money;) he talked of having ~~intubated~~ dined with him and wined with him, ~~went~~ *going* with him to races, ~~prizefights~~ prizefights, night clubs. On one occasion alone, he said, he had given Hines two thousand dollars. At many other times he had given

him sums from two hundred and fifty to a thousand.

In particular he went into detail about instances of Hines's interference with the New York courts. Davis had instructed Hines whenever he particularly wanted some cases against members of the Schultz mob dismissed by a magistrate. On such occasions, he said, "I saw Jimmy and the case was dismissed." And once Jimmy remarked that Magistrate Capshaw had more *gumption* ~~guts~~ than any other judge he knew."

District Attorney Dewey took particular pains to make Dixie Davis admit what sort of a person he was. *And* Defense counsel Lloyd Stryker didn't like this. *For* It stole the thunder that he might use in cross-examination. Nevertheless, Dewey exacted from Davis the admission that he had been disbarred as a lawyer, that he had committed perjury many times, *and* that he was legal advisor to the Dutch Schultz policy racket. He also admitted that he had been present when one of Dutch Schultz's gang was killed in a hotel room at Troy, New York.

Dixie Davis was no anti-climax to ~~the test~~ former Tammany Leader John Cwoy, who told how Hines had procured the transfer of policemen.

NAVY PLANES

Uncle Sam's Navy will not be represented at the National Air Races in Cleveland this year. Its crack ^{air} squadron had been entered, eighteen fast small fighting airships. They had been expected to make a sensational showing. But now they've been scratched. The reason is that the propellers of some of them have been found defective. ^{and} The Navy Department was ~~quite~~ frank in announcing it today. The entire squadron of eighteen planes has been withdrawn to avoid the least possible chance of ~~an~~ accident. However, there will be other ~~air~~planes from our military establishment at the Cleveland races. The marines will have a squadron of eighteen, ^{and} ~~planes,~~ likewise the army, ~~air corps.~~

RAILROADS

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In Chicago, clouds were gathering today, clouds over the American railroad world. They may be the forerunners of a storm that will affect, and most uncomfortably affect, the lives of everybody. As you will remember, American railroad officials and labor chiefs have been arguing for months over wages, over the insistence of the company executives that wages must be cut. They've had conference after conference without effect. Today, the representatives of the companies and the unions met with the United States National Mediation Board. And there's a sinister note in the report. They may be meeting for the last time. A

is a possibility and it
General railroad strike would be a ~~real~~ calamity. The latest

— formal announcement today's
58½ attempt to mediate definitely failed.

LOCOMOTIVE

One of the most unusual thieves in the world is roaming the woods somewhere in the Province of New Brunswick. There was mystery today in the yards of the Canadian Pacific Railroad at St., John, New Brunswick. Something was missing. And the missing article was a locomotive.

An engine weighing seventy-five tons. Some rare kind of shoplifter had been at work. The railroad officials called upon ~~their~~ the police radio patrol, but the cops couldn't catch up with the thief. He had boarded the locomotive while it was parked on a siding, and steamed down the tracks at top speed. Miles down the line he stopped the engine and took to his heels through the forest. and said SO LONG ~~XXX~~ UNTIL TOMORROW.