

GOOD EVENING EVERYBODY:-

( I am in Washington tonight. And my first direct news of the seizure of Austria by Germany came direct from Secretary of State Hull whom I was with at the time.) From the White House and Congress I had gone to the State Department. There I had a long talk with Secretary Hull. And you can imagine what was in every mind at our American Headquarters of Foreign Affairs. Yes, the day's dramatic events in Central Europe. All day sensational bulletins were flashing into our State Department. And Secretary Hull left no doubt in my mind that he regards the present international crisis as one of a most desperately dangerous type. It was direct from the Secretary that I learned of the fall of Schussnigg and Hitler's seizure of Austria.

And, now take these latest dispatches that have just come tumbling from the wires:- "German troops invade Austria." Nazi soldiers have pushed across the border and moved into the little

Austrian town that's the birthplace of Adolph Hitler. And more incredible still, (German troops have reached Vienna. A motorized Nazi unit dashed all the way to the Austrian capital today, came rolling into the city, and its commander is Goering, Hitler's right hand man.) They say that Rudolph Hess, Commander of the German Nazi Storm troops, has accompanied the motorized detachment, and will make a formal declaration in Vienna tonight. Will this mean a European war? Who knows tonight. At any rate the two things the Nazis demanded, have occurred. They stormed and rioted all over Austria, threatening an orgy of bloodshed and civil war. "Call off that plebiscite election," they shouted, "and make Schuschnigg resign." And this happened today.

(Austria making its last bid for independence -- calling an election, the people to vote whether or not they wanted to stay free from Nazi Germany, Schuschnigg declaring that Austria must be free. Today the first decisive word was "the independence plebiscite called off." And the second word -- Schuschnigg has resigned.) Why? What was the cause of the sudden collapse of the bold Austrian defiance? We need only quote a line or two from the

Chancellor's radio declaration.

"The Federal President," said he, "has instructed me to inform the Austrian people, that we yield to violence." He added that (Hitler had sent an ultimatum to President Miklas, insisting that a new Chancellor be appointed, a Chancellor who'd be Hitler's man.) "Otherwise," said Schuschnigg, "the invasion of German troops into Austria was threatened for this very hour."

A German invasion-theme was sounded and it re-echoed in another passage of Schuschnigg's proclamation. "We have instructed the army in case of invasion to retire without resistance," said he. "Because even in this serious hour we wish to avoid the spilling of Germanic blood.

( Yes invasion -- and we hear the idea clanging still more loudly in the next bit of news that follows a telegram to Hitler signed by Dr. Seyss-Inquart, Hitler's man in the Vienna cabinet, asking the Nazi Fuehrer to send German troops into Austria at once.) Speaking for the provisional government still holding authority this morning he wired the following, to Hitler: "The Provisional Government directs me urgently to request your

support in order to avoid bloodshed. To this end I ask the German government for a speedy dispatch of German troops to Austria."

( So the Nazis were requested to invade - by the the Austrian Nazi chief, and they quickly did. ) Now what will be the issue? War or Peace in the next few days may depend upon that answer.

Early today the British Government warned the German Ambassador against a German troop movement into Austria. His Majesty's government would regard that as a grave emergency. But it happened, anyhow. Paris reciprocated those sentiments with panicky alarm. France has no government, no cabinet. Socialist leader Blum is still trying to line up a set of politicians who will take part and be supported by the Chamber of Deputies.

And what about Rome? The Italians are shaking their heads -- they seem to be in a bad spot. They hailed Schuschnigg's independence stand with applause. And they regard German invasion of Austria as a menace to Italy. So Rome is worried tonight. And now that incredible report, a German militarized detachment,

commanded by Goering, Nazi Number Two Man, in Vienna tonight.

Late flash:- (The British have sent a strong protest to Hitler, saying today's events are "coercion backed by force, creating a situation incompatible with Austrian National independence.")

But what will the British do?

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Another flash:- Hitler's man becomes the New Chancellor of Austria.

PRESIDENT

Here in Washington I have been making the rounds of the national capital all day. And that doesn't mean neglecting the news, not today! On the contrary, every way I turned, every place I went, from a chat with the President at the White House, to Capitol Hill and then for a talk with Secretary Hull, everywhere I ran into tidings of the hour. First, early this morning, I encountered the subject of -- human needs. And that might be the logical beginning for the events of any day:- the necessary wants of mankind.

With Arthur De Titta of Movietone I went over to the White House, and there in the East Room joined a crowd of four hundred Community Chest people -- delegates of the Community Mobilization for Human Needs, from all over the country. We listened to an address by the President, a talk full of presidential philosophy that could be ~~summarized~~ summarized in one word:- jobs. Such is the great ~~big~~ human need in this modern era.

**Jobs!**

The President had intended to address the crowd from the South Portico. But when I arrived in Washington this morning

I found the city blanketed with snow. So the President invited the four hundred delegates into the White House.

"I'm definately committed to the giving of jobs instead of relief," he declared. And then he referred to his Public Works policy as not only providing jobs for the unemployed, but also as insuring the jobs of those who are employed. He defined the whole theme of human needs with a slogan -- "more jobs at good pay."

Then I remained and went to the President's office with two of my publisher friends, George Slocum and Mason ~~Six~~ Britton, for a private chat with the Chief Executive. But those four hundred Community Chest delegates, they went on to a luncheon where their chairman Charles P. Taft, spoke some criticisms of the President's address: "We model our program from life," said he, "not from theory." Mr. Taft called for the problem of relief to be handled jointly by the Federal government and local agencies -- "an integrated program," said he.

It's all a conflict of Federal versus Local. But, it was all most polite.

"We don't like to disclose the existence of such a

conflict," declared Chairman Taft, "especially after enjoying such gracious hospitality, and such kindly words."

I too can testify that the hospitality at the White House was gracious, and the words were kindly.



## TAXES

From the East Room and Human Needs, before seeing the President alone, I went to the White House Press Conference where were foregathered the Washington Correspondents. The feature at this meeting was a declaration about taxes. The President spoke about Mr. A. and B. Suppose Messrs. A. and B. are both in the upper income brackets -- Lucky A and B, say you. Suppose they make the same amount of profits, same earnings, same incomes. Suppose the government should find that Mr. and Mr. B. are not paying the same amount of taxes. What should be done? Even things off, said the President, and make them both pay the same.

With this parable President Roosevelt explained the tax ~~plan~~ program the Administration had tried to put across -- end special privileges that exist under the present tax law, equalize, ~~and~~ make people with the same income pay the same tax. As the Press Conference ended, I knew quite well that the President was about to plunge into the most important White House business for the day -- and it turned out to be for all the rest of the day:- The T.V.A.mix-up, the row among the three T.V.A. chiefs which has blossomed forth to the point where the President is having to take

a hand in settling it. But before the First Magistrate of the United States got around to that big issue, he had a leisure moment to discuss some other matters not quite so politically perplexing. After the Press Conference broke up, the President first asked me about plans for our annual summer ball game up at Quaker Hill in Dutchess County -- the game between his White House Correspondents and my Nine Old Men. Tomorrow night he will see the pictures of our last game, the one last summer. We have just edited them, Lew Lehr describing the game play by play on the film. Pictures that are only shown privately to the White House Correspondents and to the President and his Cabinet. Lew Lehr has put a lot of crazy sounds on the film. For instance when John Roosevelt wallops the ball you hear not the crack of the bat. You hear the roar of a cannon. And Lew says:- "Guess the Du Ponts are making baseballs now! And, so on.

T.V.A.

Those important baseball matters out of the way, -- and some other things we discussed -- it was time for the President to plunge into the T.V.A. affair -- that quarrel between three members of the Board, Messrs. Morgan, Morgan and Lillienthal. They were waiting in an adjoining room as I left. So I had a chance to shake hands and exchange a few words with them as they passed on into the President's office. The three T.V.A. members did not arrive together -- not with the amount of vendetta that has been flaring amongst them. Members Harcourt Morgan and David Lillienthal walked into the White House together, while the Chairman Dr. Arthur Morgan, came along a few minutes later.

The T.V.A. battle was regarded as such hot stuff that a series of bulletins were issued to the Washington Correspondents. They were kept informed about the proceedings as the President tried to settle matters between the wrangling directors. Things evidently went along at a lively gait in that White House conference room. First the President made a statement to the quarreling three. And it isn't an exaggeration to say that he read them the Riot Act. He told them that the President was responsible

for the T.V.A. and had the power to act in settling the trouble; the power to remove anyone of them or all three. The President came to a touchy point when he remarked that certain people didn't believe the T.V.A. could ever work. And he added that the quarrels of the three men in charge were merely encouraging that notion -- T.V.A. unworkable. They'd have to stop that quarrel -- or else.

He said, he wanted facts, facts concerning the charge made by Chairman Morgan -- that the other two members had acted dishonestly in what they call the Berry case. This concerns a five million dollar claim made by Senator George Berry of Tennessee against the T.V.A. What was the bad faith? The President wanted to know? And the thing went into a long and involved argument, which never did seem to get cleared up. The conference adjourned in the middle of thorny argumentation.

All Washington was talking about the meeting, wondering if the President would fire all three.

The trail from the White House leads to Capitol Hill, and a well worn trail it is. So I pushed along that way, and at the stately building with the great dome, I wandered into the Senate Chamber, where debate was going on. I got there just in time to hear Senator Burke, Democrat of Nebraska, denouncing the government Reorganization Bill: The White House measure to give the President the power to reorganize government bureaus in wholesale fashion, change them around, shuffle and transform. The President wants it for Federal efficiency. But Democratic Senator Burke declared the bill would give the President sweeping power to abolish bureaus. Abolish the Civil Service Commission and also the Comptroller General. It would give the White House the right to abolish almost anything. "This act," shouted the gentleman from Nebraska, "Might well be described as the 'Abolition Act of Nineteen Thirty-Eight.'" Too much power -- was the Nebraskan's theme.

In the cloak room I discussed this briefly with various Senators, and, Democrat, Champ Clark of Missouri, summarized the views of all when he said the Reorganization Bill will not get in its present form.

## LOWER HOUSE

From the Senate we crossed the Rotunda to the Lower House. There the Congressmen put in a big day. Naturally -- because they were taking the vote on the Tax Bill, that much debated measure designed to take the pressure off business.

Remember all that controversy about the Undistributed Profits Tax, and the way it was slowing up business? The Administration promised to do something about it, and introduced the bill that was voted on today. It does away with the Undistributed Profits Tax, changes the system whereby there were two kinds of impost -- normal corporation tax and the levy on undistributed profits. The House today passed the Tax Bill, voted it O.K. sent it along to the Senate. They expect it will help business and at the same time not reduce government income. It is expected to bring five and a half billion dillars a year.

Between votes in the House Arthur De Titta and I lunched with a crowd of Congressmen including Bruce Barton and Robert Low Bacon of New York, and Congressman Dondero of Michigan.

## NATIONAL USED CAR WEEK

Only fragmentary reports on National Used Car Week are in. But, the Automotive Daily News, trade paper of the industry, estimates that close to 175,000 used cars valued roughly at \$50,000,000 will have been exchanged during this week.

One interesting point concerns the heavy percentage of used cars bought during the week, that is bought outright. Approximately twenty percent of all sales so far are what is termed in the industry "clean deals." A surprising number of cars bought outright, for cash.

At the Beginning of the week it was estimated there were some 800,000 used cars in the hands of dealers. Idle. Stagnant. Cleaning up this situation will open the way for increased new car sales. "And that," says George Slocum, of the Automotive Daily News, "will help lick the recession."

Here's hoping -- and SO LONG UNTIL TOMORROW.