

Good Evening, Everybody:

The principal actor ~~on~~ today's drama was gold. The precious metal was calling the tune and all the markets of the world danced to it.

President Roosevelt early today took the <sup>step</sup> ~~measure~~ which was foreshadowed in this morning's papers: He slapped another embargo on gold. This, together with the prolific inflation talk that has been heard so much in Washington the last few days, sent the dollar down all over the world, and <sup>sent</sup> the prices of commodities up. Incidentally, also all stocks and bonds. <sup>went up.</sup>

The embargo on gold is described as the first step in the President's four point program to control prices. The word "inflation" is sparingly used around the White House, the Treasury, and other government buildings. It is admitted that in effect the administration's program amounts to what Walter Lippmann sometime ago called controlled inflation.

This new order withdraws support of the prices of ~~the~~ <sup>the</sup> dollar on foreign markets. The President's idea is to let the dollar take care of itself and seek its own natural level. As has been frequently pointed out, the <sup>recent</sup> ~~reason~~ high prices of the dollar as compared with the currency of other countries, has been a bad thing for <sup>U. S.</sup> ~~the United States~~ trade. It has enabled countries with depreciated currencies to flood Uncle Sam's <sup>with cheap goods</sup> markets <sup>in</sup> spite of our high tariffs. <sup>What is</sup> ~~termed~~ "Managed currency" is the policy of the administration. With this will go a control of credit.

The order forbidding the shipment of gold abroad was made effective at once. And its effect became immediately visible. For instance, on the New York Stock Exchange trading became so active that by noon more than two million shares had changed hands. But the most active transactions were in foreign exchange. <sup>The</sup> prices of metals went up. Wheat rose three cents a bushel. Cotton jumped a dollar a bale. And in the Middlewest an immediate increase

LEAD - 3

in carloads <sup>ings</sup> was observed.

Uncle Sam's dollar took a skid on all markets abroad. The British pound sterling rose to its highest point since John Bull went off the gold standard. This means American exporters can compete on a more even basis with other countries.

It is reported in Washington that the objective of all this is to raise commodity prices and thus make it to the advantage of foreign countries to return to the gold standard. When this is done, the way will be opened for tariff reduction which will lower the barriers and enable a freer general movement of goods in international trade.

The gist of all this is that the President has made another of those short, sharp, decisive moves looking towards a general improvement of conditions.

LEAD - 4

Later in the day it became evident that both stocks and commodities reached new high levels for this year. Perhaps the most spectacular rise was that of silver futures which went up to the limit on the exchanges.

It was learned this afternoon that the next step on President Roosevelt's program will be to ask Congress for complete authority to decree <sup>- to set</sup> the value of the dollar. This was not announced officially, but it is confidently believed to be a reliable report.

This measure has been under advisement at the White House several days. And it is believed that legislation to this effect is now being prepared by Mr. Roosevelt's consultants. As a matter of fact, they say it is almost identical with an amendment ~~offered~~ to the Farm Relief Bill which was offered by Senator Thomas of ~~Oklaha~~ Oklahoma but withdrawn for the time being at the President's request.

It is pointed out that one advantage of such a step would be that it would place the President in an exceptionally

LEAD - 5

strong position during the next few weeks when negotiating with foreign statesmen. It would also strengthen his <sup>hand</sup>~~arms~~ in the forthcoming world economic conference.

The bill as contemplated will create a board to regulate, stabilize, and maintain the purchasing power of the dollar. It would also fix the <sup>weight</sup>~~ratio~~ of the gold dollar, also the proportional <sup>content</sup>~~value~~ of silver to gold in all American coins. It would also empower the President to issue United States notes of the value of anywhere from one to ten thousand dollars. The bill, if enacted, will admittedly be an emergency measure and it will be so stated.

ROOSEVELT

After signing the embargo order, President Roosevelt decided to <sup>stay</sup> ~~remain~~ away from his executive offices and remain in the White House proper. It is announced that the President is suffering from a slight sore throat, and <sup>is</sup> ~~a~~ somewhat <sup>is</sup> ~~a~~ needed <sup>of</sup> ~~a~~ rest. His indisposition was not serious enough to prevent him from holding his usual press conference today.

Your papers are full of interesting & important economic news tonight. Don't miss reading them. News that affects all of us.

OPPOSITION TO ROOSEVELT

Just to give you an idea of the problems now confronting <sup>the</sup> President, ~~Roosevelt~~, here's a telegram I have received from Mr. Charles Brand, Executive Secretary of the National Fertilizer Association. It reads:

9  
Every American business man <sup>is</sup> vitally interested in any additional intrusions <sup>of</sup> government into private business fields STOP Today four score fertilizer manufacturers from Maine to Florida, Wisconsin to Texas, joined in protest against Muscle Shoals legislation which frankly purposes putting <sup>the</sup> government in <sup>the</sup> business of making and selling nitrogen and all kinds of chemical fertilizers STOP With low agricultural purchasing power <sup>at</sup> present, firms are operating only about one-third capacity STOP They feel government should not destroy their businesses through competition and before it inaugurates manufacture <sup>it</sup> should acquire existing industry instead of making its assets valueless."

And we can safely assume that the President is being bombarded with telegrams like that on many, many subjects.

3.2

When Congress made legal the foamy stuff that comes in  
seidels, you may recall that there was a great argument as to  
what strength it should have. And it/~~is~~<sup>was</sup> believed that the principal  
vigilance of the authorities, both federal and state, would be  
exerted to see that it was made no stronger than the 3.2 by weight,  
as allowed by Congress.

The stories in the newspapers today indicate that in  
some states the authorities will go farther than that. They will ~~not~~<sup>not</sup>  
<sup>only</sup> see to it ~~not only~~ that the drink is not too strong; They will  
~~also~~ crack the whip over the brewers to prevent them from making  
it too weak.

It ~~is~~ seems that in many instances the brewers have been  
so careful to keep within the law that they have leaned over backwards.  
Analyses of various brews have shown that in ~~most~~<sup>many</sup> cases they are  
exceedingly weak, some ~~of them~~ actually less than two per cent.

A dispatch from Chicago indicates that the consumers there have been  
kicking. In response to these complaints Mayor Kelly, who succeeded  
the ~~murdered~~<sup>assassinated</sup> Tony Cermak, made an announcement today. In his address



3.2 -2

to the voters, said Mayor Kelly: "People of Chicago are entitled to an alcoholic content as high as the law allows." And he added: "I intend to see that they have what the law says they can have."

This declaration was greeted with cheers especially when the Mayor backed it up with a promise to put inspectors on the job at the breweries to check up on the beverages and make sure that they are strong enough.

A similar statement came from Edward P. Mulrooney, former Commissioner of Police of New York City, now Chairman of the Beverage Commission of New York State. Says Mr. Mulrooney: ~~"Beer must be beer."~~ He says the sale of phantom stuff will have to stop after June 1st. He explained further: "If a person pays for 3.2 per cent ~~stuff~~ he should be sold <sup>it</sup> ~~stuff~~ of that ~~alcoholic~~ content." And he indicated that the Commission will see to it. He admitted ~~that~~ he had received numerous complaints that some <sup>is</sup> ~~of the stuff~~ now being sold ~~is~~ far below three point two per cent. in strength.

One of the problems that is concerning the New York Beverage

6686

3.2 - 3

Commission as well as those in other states, is: "Shall there be bars?" As our old friend Shakespeare might have put it: To stand or not to stand while you are having your drink. That is the question. A great many reformers are finding a <sup>wide</sup> ~~great deal~~ <sup>^</sup> of difference in the morality of consuming ~~3.2 stuff~~ at a bar or at a table. The tendency among the wiser ~~folk~~ of the authorities seems to be to call the bar a counter and let it go at that. As Chairman Mulrooney observed: "I do not see why a person who stands at a counter to eat a sandwich or drink a cup of coffee should be compelled to go to a table and sit down to drink the other stuff." Some of the reformers, <sup>however</sup> ~~on the other hand,~~ <sup>^</sup> express the opinion that if a place has a bar it <sup>s</sup> ~~is~~ a saloon. If it has no bar, it <sup>s</sup> ~~is~~ not a saloon.

## MUSSOLINI

Premier Mussolini made a statement today on the subject of international debts. The occasion was the opening meeting of the inter-parliamentary conference on Commerce at Rome. The Duce declared that international debts can be paid only through a steady exchange of merchandise between the various nations. He also said that many of the economic problems of the world cannot be solved until the international political situation is cleared up. Captain Goering, one of the principal lieutenants of Chancellor Adolf Hitler of Germany, echoed the Duce's opinion.

CHINA

American property in China has been bombed by Japanese ~~xx~~ airplanes. The missiles from on high fell on a Methodist Mission which was flying the Stars and Stripes.

The Secretary of the North China Conference of the Methodist Episcopal Church announced that numerous buildings in the Mission property were struck by a succession of bombs and completely destroyed.

According to a communication from the Chinese Minister of War an American Missionary or mission worker has been killed. This report is discredited at the American Legation in Peiping.

We learn from Tokyo that two American soldiers in China have been arrested by Japanese military authorities. Japanese communications claim that these soldiers were photographing troop movements of the Mikado's forces. Their Commander is trying to get them released.

THE LONDON

( John Bull made a quick retort today to the conviction of those five British engineers in Moscow. He plastered an embargo ~~which~~ means barring eighty per cent of all imports from Russia. This is tantamount to a declaration of economic war. )

It prohibits entirely the importation from any of the lands of the Soviet Union of timber, petroleum, grain, raw cotton, butter, and a long list of other products. ~~He~~ The order was instantly signed by King George.

( At the same time it was announced that if the present sentences imposed on two of those five British engineers are commuted, the embargo might be withdrawn. Gossip in Moscow hints <sup>the sentences on</sup> freely that William McDonald, the man who confessed, and L. C. Thornton, the other man <sup>given</sup> ~~sentenced to~~ three years in jail, might be modified, and that the two men, like their three colleagues, may be just banished from Russia. )

So if this is done, there will be economic peace once more between England and her inveterate enemy, Russia.

McDonald and Thornton were taken to prison today.

LONDON - 2

Their four colleagues, the one who was acquitted, and the other three who were sentenced to banishment, made hasty arrangements to leave Russia at once. They have three days in which to do it.

The two men in jail announced that they will appeal, ~~their~~ **sentence.** But it is believed that the matter will be settled by their being simply banished. *All of which leaves this entire baffling drama more of a mystery than ever.*

## LINDBERGH

The names of Colonel and Mrs. Lindbergh appeared again in the news today, the first time in many months. The Colonel and his wife started on a airplane trip of the country, an inspection tour of the Transcontinental and Western Airlines. They started from Newark at noon today in their new red and silver Lockheed-Vega high wing monoplane. Colonel Lindbergh in his capacity of technical advisor to the Transcontinental and Western will inspect the equipment at the company's numerous fields. His plane is equipped with a radio receiving set and instruments for blind flying.

## FLOODS

New England is having its annual flood jamboree. All the rivers are rising, principally in Vermont and New Hampshire. Three people have been killed and hundreds have had to leave their homes in a hurry. Cellars are flooded and homes are undermined. Some of them were even swept away from their foundations. Bridges have been <sup>carried off</sup> ~~swept away~~ and both railway roadbeds and highways ~~are~~ washed out <sup>for</sup> ~~in~~ considerable stretches.

In Vermont and New Hampshire trains are <sup>stalled</sup> ~~still~~ telephone and telegraph wires are down. Several villages are isolated and motor travelers are stranded in remote places.



## SAFETY

Now that warm weather is coming, and we'll all be out on the road, buzzing up and down the pike, in the old bus or the new bus, perhaps we ought to give a little extra thought to the subject of safety.

I am reminded of this by a telegram that has just arrived from Judge Robert P. Williams of Knoxville, Tennessee. The Judge telegraphs me that the Tennessee Legislature has just passed a law that safety shall be taught in all public schools in Tennessee.

The gentlemen who make ~~his~~ a study of safety say that most accidents are caused by high speed. So whoa, there, brothers. Take your foot off the accelerator once in a while. Enjoy the scenery, enjoy the ride, instead of ending up in Kingdom Come.

SCOTCHMAN

A correspondent, who I am sorry to say is anonymous, sends me a postcard from Cincinnati with several anecdotes. At the foot of it he has written: "I like your stuff, try some of mine."

Well, here's one of them:

A Scotchman ~~had fallen~~<sup>fell</sup> into a well. While swimming desperately around, he called to his wife. She came running, ~~back~~ peeked into the well and asked: "Shall I call the men from the fields and get them to pull you out?" The Scotchman in reply inquired: ~~what time? What time is it?~~ "What time is it?" "11:30" said the wife. So the Scotchman said: "Dinna mind, dinna mind, I'll swim around till dinner time."

ENDING

H. A. Warren, one of the executives of the  
~~the~~ Crosley Radio Corporation, also associated with that  
great radio station WLW, writes me that he wants to take  
exception to Jimmy Wallington's nightly advice to motorists.  
Says Mr. Warren:

"To advise any one to use Blue Sunoco in their  
car is doing them a favor. But it is not necessary to tell  
them to hurry home each evening in order to tune in to the  
Sunoco program, <sup>even if there is a thunder-storm!</sup> Jimmy,  
"Just fill your car with Blue Sunoco" ~~and~~  
<sup>says Mr. Warren,</sup> and  
equip it with a "Crosley Roamio."

Well, that <sup>'s</sup> quite an idea, ~~and~~ I'll tell Jimmy  
about it, <sup>And now I think I'll do a little Roameo myself-</sup>  
and So Long Until Tomorrow.

how about a little thunder?