

Good Evening Everybody:

(The best news I know today is that it ~~is~~ looks as though your little old pay envelope will be safe for next Saturday. The probability is that Uncle Sam will see to it that you get it. The Secretary of the Treasury said today: "The first consideration is to meet payrolls.")

Meanwhile Treasury officials are hard at work evolving a medium of exchange which will enable business to be carried on between now and Friday, ^{That's} when the bank holiday proclaimed this morning by President Roosevelt, will come to an end.

In the various financial centers of the United

States such as New York, Boston, Philadelphia, Chicago, St. Louis, ~~San~~

Francisco and so on,

the clearing house associations have started the printing presses

going, turning out scrip which will, in those various communities,

take the place for the time being of money. ^{That was the understanding late this afternoon.} ~~This scrip, in other~~

This scrip, which must be differentiated from Clearing House
Clearing House certificates, will be issued in denominations

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of from one to twenty *dollars*, Secretary Woodin said that if any hitch develops in the case of payrolls falling due before Friday and if the scrip system does not work ^{*entirely*} satisfactorily ^{*at the start,*} sufficient cash will be released at any part of the United States to meet those payrolls.

The most fortunate bank depositors today were those who banked with Uncle Sam. The Postal Savings Bank branches were operating as usual, both accepting deposits and permitting withdrawals.

In New York City an issue of two hundred and fifty million dollars in ~~the~~ Clearing House ^{*scrip*} ~~certificates~~ will be put in circulation as soon as Mr. Woodin gives permission.

~~Clearing house certificates have not been issued since the celebrated panic of 1907. In that case, they were merely used as between the different banks and other financial houses. They did not get into general circulation. The present issue will be used in all small business transactions.~~

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A dispatch from Washington indicates that it is considered possible that some, if not all, of the banks in New York City may reopen in a day or two. This can be done if the Secretary of the Treasury consents.

No national scrip will be used as there is not time to improvise a system on a national scale. ^{The Clearing House} ~~the~~ scrip that is about to be issued will be strictly local.

With Congress called ^{for} a Special Session next Thursday, Democratic leaders of both ~~the~~ House and the Senate got

^{today} busy [^] formulating plans to do their job. Of course, the first ^{thing} ~~is~~ is to pass emergency legislation to meet the present crisis. ^{It will}

~~sanction scrip but no Federal Reserve of it will be voted. This done,~~
The Congress will consider new banking laws, so says Sen. Joe Representative Rainey of Illinois, Democratic floor leader and the

^{has} next speaker, [^] called a party caucus for Wednesday. The Democrats

of the Senate held one this afternoon. Thus it is insured that

the Democrats in Congress will act in unison in response to the

plans of their leaders. ^P President Roosevelt held conferences with

leaders of both houses of Congress this afternoon.

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etc.

Meanwhile it is being observed right and left that the people at large are meeting the situation with amazing cheer and good humor. The feeling seems to be general that we are all pretty much in the same boat so there's nothing to be alarmed *about.*

~~is~~ ~~is~~ The promptitude and ~~the~~ forcefulness with which President Roosevelt met the situation struck all observers as being workmanlike, in fact, masterly. The way he has taken hold has contributed

The N.Y. World-Telegram observes: "You—the people—asked for
immeasurably to the general confidence. *AT* Former President Hoover

who is still standing by at the Waldorf in New York, issued the following statement. "The President's proclamation", said Mr. Hoover, should receive the wholehearted support and cooperation

of every citizen. *AT* The ex-president has postponed ~~the~~ fishing

trip he had planned *in tropical waters* ~~off~~ the Cocos Islands because he wants to

remain at the disposal of the new administration ~~for~~ conferences

whenever
~~in case~~ he is needed.

At the same time the crisis has brought forth some

amusing sidelights. (In many of the luxurious and fashionable

action. You got it."

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hotels throughout the country solid and powerful millionaires could be observed running around with practically empty ~~in~~ pockets.) Some of them combing their resources to try and raise a dime for carfare. As cash began to run short in some of the hotels they were obliged to ration even their richest and best known customers and hold them down to ten dollars for pocket money. This ten dollars had to last many a Croesus for an indefinite period. At some of the theatres the treasurers took I.O.U.'s for tickets. Elsewhere some shrewd ~~lad~~ lads made hay while the sun shone by giving change for dollar bills at ninety-five cents to the dollar.

And it was a good joke on some of the people who, through their hoarding of currency, created this condition, that they couldn't get change. The hoarders received their money they withdrew from the banks in bills of large denominations. And in many places it's practically a day's work to obtain change for a hundred dollar bill. *And that's good news.*

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Later in the day advices from the Wall Street Journal brought the information that the use of clearing house scrip may not be necessary. As we learned yesterday from Mr. Casey Hogate, publisher of the Wall Street Journal, it must be remembered that there is a sharp distinction between Clearing House scrip and Clearing House certificates. The certificates are for use only between banks.

As the result of intensive work on this problem, it is believed possible that with the use of Clearing House certificates for large transactions, it may not be necessary to issue the scrip and there may be plenty of cash to hand out to the public in general for small transactions.

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Getting back to the newly made panhandlers, the cashless millionaires, stories are rife of money kings who have had to go to their butlers hat in hand and sing: "Butler Can You Spare A Dime". One anecdote has it that in a sumptuous establishment on Park Avenue, New York, a canvass of the entire staff of servants, some twelve or fifteen people, raised only two dollars and eighty-eight cents in cash.

At a swagger New York hotel a rich man who had been a

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resident guest for a year, found himself obliged to ask for an introduction to the credit manager, an official whose acquaintance he had never been obliged to make before. When the millionaire met the credit manager, he said grimly: "I find I haven't enough money to tip the waiter." And then he asked: ~~hi~~ "May I charge the tip on my bill?"

Another anecdote has it that the cashier of one hotel who found himself running short of currency, sent his assistant armed with checks around to the various churches in the city and bought the contents of the collection plates in order to have enough change to meet the necessities of the guests of the hotel.

BANKS

The Secretary of the Treasury has just issued a formal statement of regulations governing the conduct of banks in the present emergency. For the full text of this statement I refer you to the late editions of this evening's papers or tomorrow morning's papers.

ABROAD

Naturally, this state of affairs in the U. S. A. has had strong repercussions abroad. Raymond Gram ~~Swing~~ cables ~~that~~ there's a distinct possibility that the crisis in America may force Great Britain back on the gold standard. At present sterling is rising on the foreign exchanges. Unless a fixed price is set for the purchase of gold, the pound may go up

so in price that it would ^{actually} be an ~~embarrassment~~ to John Bull. *Can you imagine that?*

In Canada they are watching the American situation closely. The Cabinet at Ottawa is ready to take immediate action to protect the interest^s of the Dominion. All the post offices in the province of Ontario have been instructed to quit paying premiums on United States currency. *TP* Incidentally, there is still no quotation at all on the American dollar ~~on~~ the foreign markets.

TP In Tokio all foreign exchanges and all markets except the rice market are closed on account of the situation here. *TP* In Manila banks refused checks and drafts drawn *in American dollars.*

President Machado of Cuba ^{has} declared a three day banking holiday.

Tourists and travelers abroad have been considerably embarrassed, although the travel agencies are cashing travelers checks. At the same time foreign branches of American banks are accepting checks only for collection.

A pathetic note from Cairo says that Americans wintering there suffered through the fall in the value of the dollar. But somehow it is difficult to squeeze out a tear for people who can afford to spend the winter in dear old Cairo on the banks of the jolly old Nile, what?

SENATE

Now to get away from money for a moment.

There was a special session of the Senate today. Its purpose was to confirm six appointments of the new president.

One of these was that of William Phillips of Massachusetts, as

He's a swell fellow,
under-secretary of State. Then too, Wilbur J. Carr of Ohio and

Professor Raymond Moley of Columbia University, were approved as

assistant secretaries of state. Also Mr. Roosevelt's nomination of

my Dutchess County farmer neighbor
of Henry Morgenthau, Jr. of New York, as Chairman of the Farm Board

was approved. After acting on these ^{nominations} ~~appointments~~ the Senate

adjourned without ~~any~~ day, "sine die" as they say.

JAPAN

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News about the war in the Far East has to ~~ix~~ take a back seat today in the face of what Uncle Sam is going through at home. On an ordinary day it would be exciting enough. The cables inform us that a fierce battle is raging over the Great Wall of China. No less than three divisions of the Mikado's Army ^{are} ~~ix~~ battling the forces of John Chinaman to seize the entire eastern section of the Great Wall.

And, if they succeed as they probably will, it will indeed make history. For more than two thousand years the Great Wall of China ~~has~~ been not only a legendary protection but an actual and formidable fact ~~ix~~ the great protection between the Chinamen and their enemies. If the Japanese get hold of it, they will turn it into a fortification for the State of Manchukuo, into which they ^{we} transformed what used to be Manchuria.

At present the vanguard of the Japanese shock troops ~~is~~ ^{is} only fifty miles from Peiping, once the capital of China and now the headquarters of ~~the~~ Marshall Chang ~~of~~ the Chinese generalissimo.

GERMANY

(Later reports from Germany today show that the victory of ~~xx~~ Chancellor Hitler and the Nazi^s was even more sweeping than this morning's news indicated. The remarkable thing is that the Nazi^s even carried Bavaria. According to late figures today the total of the Nazi vote approached twenty millions.)

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One ^{climax of election} ~~victory~~ of the day was ~~that taking over by~~ the brown shirted ^{storm} troops of the Nazi^s, and the police ^{took over} of the city hall ~~in~~ ^{of free} the city of Hamburg. The chief burgomaster resigned. The seizure was ordered by telegraph from Berlin.

A drastic censorship of foreign correspondants started today. H.R. Knickerbocker cabled his paper The New York Evening Post that ~~the~~ ^{the} first act of the Hitler government after its victory was the censor^{ship} of cables. One-third of the ~~dis~~patch sent to the Evening Post by Knickerbocker was refused transmission by the German postoffice.

It is reported that Chancellor Hitler has been increasingly annoyed by what he considered "insulting dispatches."

to American newspapers." It is rumored that one or two American correspondants will be expelled from Germany as a warning to the others. Rumor has it further that either Knickerbocker, who serves the Philadelphia ~~Evening~~ Ledger and the New York Evening Post or ^{that other very able man} Fred Kuh of the United Press, or both, will be selected as the scapegoat.

I am sorry to have to convey the information that Mayor Tony Cermak passed away early this morning in the Jacksonville Memorial Hospital in Miami. He died as a result of a bullet which was intended for President Roosevelt. This means a new trial for Giuseppe Zangara, the assassin who fired the bullet and is now under sentence of eighty years in prison. Zangara will be tried for murder and the prosecutor of Dade County, Florida, has announced that he will ask for the death penalty.

Several members of Mayor Tony's personal and political families were present at the bedside. A daughter held one of his hands and a grand daughter the other.

Considerable dismay is felt in Chicago. Under the leadership of this former Czech, who rose from a mule skinner to be Mayor and one of the well-to-do men of Chicago, the city had made considerable progress in freeing itself from the curse of the racketeer - the racketeers who had almost acquired complete control of the city under the mayoralty of Big Bill, the builder, Thompson. This is not the first time that a mayor of Chicago has been ~~assassinated~~ assassinated. In 1893 Mayor Carter Harrison, Sr., was murdered. The shock of

Mayor Tony's passing has left the political leaders of the city somewhat at a loss to choose a successor. When Carter Harrison was assassinated, the man who followed him was selected by the city council. At present they seem to be having considerable difficulty thinking of a man who can fill the late Mayor Tony's shoes.

JOKE

I ought to congratulate my old friend, Stanley Gibson, on a good laugh I had today. Stanley has recently become publisher of College Humor. I happened to pick up a copy of the current issue of the magazine, and in the section devoted to College Jokes I found one culled from the Annapolis Log. I always enjoy one of those wheezes, the point of which is -- how an Englishman can't see the point of a ~~joke~~ joke. Here's the one in College Humor:

An American was telling an Englishman a story.

"A friend of mine," he said, "was out fishing and he found a good spot. So he cut a notch in the side of the boat so he could tell where the fish were. Not a laugh from the Englishman. The next day the American met the Englishman who started to laugh heartily. 'I say,' said the Britisher, 'wouldn't it be funny if your friend didn't take out the same boat the next time he went fishing?'"

If there are any of our English friends who can't see the point of that one, I'll gladly send them an explanation.

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NAVAL ENDING

Ray Myers, the radio man who handled the wireless end of Sir Hubert Wilkins' submarine jaunt under the polar ice, writes me from the League Isle Naval Hospital near Philadelphia. He tells me that most of the fellows in the beds around him have earphones and listen in to the Sunoco hour. So in signing off tonight I am going to salute all the boys in Veterans' hospitals, wherever they may be, and for the special benefit of those who are wireless operators like Ray Myers, here's a little private ~~radio~~ salute. Are you listening? Here it comes:- (telegraph key)

And So Long Until Tomorrow.