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GOOD EVENING EVERYBODY:

The story of the day is about taxes. That is, the story that most vitally touches a lot of Americans. The House of Representatives said its final word. It's quite a large word, it means eight hundred and three million dollars. Such is the little sum Uncle Sam is expected to collect through the bill passed by the House this afternoon.

To us ordinary mortals, that would sound like much mazumma. But, it ~~still~~ isn't as much as President Roosevelt asked for. It falls short of providing the funds needed by the government since the Supreme Court outlawed the Triple A, and it makes no provision for paying the bill incurred when Congress voted the soldiers' bonus over the presidential veto.

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The bill had hardly passed, before the tycoons of business lifted up their voices on the subject. The United States Chamber of Commerce made itself heard through ~~the voices of~~ Roy Osgood of Chicago, ~~'s First National Bank,~~ and Fred Clausen

of Horicon, Wisconsin. Mr. Clausen is Chairman of the Chamber's Committee on Federal Finance. <sup>Both today and</sup> ~~They~~ object to the tax bill as passed, ~~they~~ <sup>ad</sup> object violently. What they particularly don't like is the clause which changes the structure of corporate taxes. "Unworkable, destructive," such were a few of the criticisms ~~made~~ ~~by Mr. Osgood and Mr. Clausen.~~ The last named waxed positively lyrical with the words: "We cry out in despair, Oh, Lord, how long and how much?"

A steam roller majority passed the bill through the House, two hundred and sixty-seven to ninety-two. Of course the bill is quite a distance from being law yet. For the Senate Finance Committee still has to have its inning. Public hearings are going to begin in Washington tomorrow.

## PRIMARIES

For several weeks now, the managers and supporters of Governor Landon, have been crying aloud: "The story at Cleveland will be "Kansas Alf" Landon on the second ballot!" Now, the Massachusetts primaries lend some color to this optimism. The results show the Bay State Republicans favor the gentleman from the Jayhawker state by a huge majority. He ran ten to one over his nearest competitor. Landon left not only Ex-President Hoover, but Senator Vandenburg of Michigan, Borah of Idaho, and Colonel Frank Knox of Chicago, left them all way back in the distance. The significant thing about the Landon victory is that it was a "write in" vote. His name was not on the ballot. He was deliberately chosen, spontaneously, by a huge majority of G.O.P. followers in Massachusetts.

These figures come on the heels of the ~~prxx~~ primary returns from Pennsylvania. Senator Borah's majority in that state is admitted even by his friends to be of no vast account. It was a complimentary vote, and won't bind the delegates at Cleveland.

But ~~wxx~~ what of the Democrats? President Roosevelt

the interpretation of the returns is that the people who voted for Colonel Breckenridge, known as Colonel Lindbergh's lawyer, were protest voters. Democrats who don't like the New Deal and will vote Republican in November.

## RUSSIA

Recently we've been hearing nothing but American news -- or largely so. So tonight let's hear from the rest of the world:-

There's big news from the Far East today, two main stories, and they're conflicting. One points to peace, peace between Russia and Japan, the other sounds tocsin of war.

First the peaceful item. The Son of Heaven and the Red Dictator have taken a real forward step towards settling that long drawn out dispute over the western and northern border line of Manchukuo. They have agreed to appoint two commissions to settle that explosive problem. The hops is, as Tokyo has frequently urged in the past, to survey and locate definitely the line separating Japanese-governed Manchukuo from the land of the Soviets.

The obstacle hitherto has been that Russia has never recognized Manchukuo; therefore there can be no such thing as Manchukuo. To Russia it's still the old Chinese Province of Manchuria, occupied by Japanese troops in defiance of the

Nine-Power Treaty. Now the announcement that these commissions have been appointed, implies that this obstacle no longer exists. In other words, the Soviet rulers tacitly accept the accomplished fact that the state of Manchukuo has been erected.

The other bit of information we have from the Far East is emphatically warlike. The Russian Bear is girding his loins to strengthening still further his forces in the east.

All over the Soviet Union, recruits are being enrolled in the numerous military schools, recruits who will be trained as regular officers for the future Red Army. The Department of Propaganda is painting in glowing colors the joys and glories of an officer's life.

Five million members of the Young Communist League, men and women, have signed pledges to be ready for a call to arms.

"Victory in the forthcoming war will be with the nation possessing the strongest air force." That's the Russian viewpoint as expressed by Comrade Kosareff, Secretary of the Young Communist League. Last year three thousand, five hundred of the League's members were trained as military pilots. Fifty-two thousand received preliminary training with gliders.

## JAPAN FOLLOW RUSSIA

The news of peaceful negotiations with Russia comes at an appropriate time for Japan. For today was the thirty-fifth birthday of His Imperial Majesty, the Son of Heaven, the Emperor Hirohito. Naturally, it's a national holiday in the land of the cherry blossom. But one thing was missing in the imperial capital. The people of Tokyo were not entertained with the usual brilliant military parade. Japan has not forgotten that bloody revolt of the army two months ago. Technically, the country is still considered as being in a state of emergency.

The Emperor Hirohito is the hundred and twenty-fourth Mikado of the oldest dynasty in the world. A hundred and twenty-four sovereigns in unbroken succession, that's a record unique in history.

When the Emperor, as Crown Prince, made a tour of the world, the first Japanese heir-apparent ever to leave his dominions, he made no particular impression. Apparently, it was not his idea to make any impression. He was traveling to see things for himself. So the countries he visited saw a

modest, but dignified, unassuming young man, who had little to say, said it quietly, and so far as possible avoided the limelight.

He plays a fair game of both golf and tennis. He is also a swimmer and has a good seat and a strong pair of hands on a horse. His hobbies are botany, the natural sciences and photography. Such is the illustrious Son of Heaven, who is just thirty-five years old today.

## ETHIOPIA

Over in Ethiopia it seems to be all over but the shooting. To be sure, there'll still be a bit of shooting. But the Roman Eagles are nearing Addis Ababa. Marshal Badoglio's legions tonight are less than sixty miles from the capital of the Lion of Judah. They've occupied a place called Makfud. And the Duce's Marshal reports that another Ethiopian leader has come into camp; Burra Amedi, ~~he~~ heap big chief of the Wallo-Galla tribes. Burra Amedi has surrendered, bringing ten thousand fighters with him.

That sounds as though the last serious obstacle between Addis and Mussolini's northern armies has been dissolved. This forced march, executed ~~by~~ by Badoglio, is really quite an extraordinary one in military history. The column started from Dessye last Saturday. Not only troops but caissons, artillery, truckloads of supplies, rolled south over the Emperor's highway. There's an ironic touch to that. For that highway was Haile Selassie's pride. He built it to symbolize his own glory, the march of civilization in Ethiopia, ~~and~~ and so he could have some fun with those slick American

cars of his. Instead of that, it has served to make easy the march of his enemies.

It's significant that the foreign correspondents attached to the general headquarters of Marshal Badoglio have joined in the Italian advance on Addis Ababa. This can have only one meaning. The fall of the capital is expected any day now.

General Graziani, commanding the armies of the south, is not having such easy going. He has been stymied in his attack on Sasa Baneh. Partly because he's got a Turkish general against him. And mostly because torrential rains bogged him and his army in the thick gumbo mire for which Ethiopia is ~~not~~ notorious in the rainy season.

Newspaper men were expressing considerable amusement today over the announcement from Rome, I mean the proposed appointment of Vinci, former Italian emissary to Ethiopia, as High Commissioner of Addis Ababa. Bill Courtney, who went to Africa for COLLIER'S, brought back ~~some~~ some interesting anecdotes about Signor Vinci. When Mussolini was first

considering his African adventure, says Courtney, he asked his minister to Addis for a report. What Vinci replied was in effect: "This abundant land will fall into Your Excellency's lap like a ripe plum coated with gold and silver." As the world now knows, that report was slightly over-enthusiastic. Ethiopia did not fall like a ripe plum, it didn't even fall like a dried up lemon. The consequence was that when Mussolini ordered Vinci home, he didn't want to go. In fact, they say he even clung to the door jams when the black Ethiopian soldiers came to remove him. At any rate, that's the legend. After Vinci reached the coast, he still was reluctant to obey orders and face his chief. He went instead to Somaliland, asking to die gloriously on the battlefield.

That prompts the question: "Why should the Duce now appoint his disobedient Minister to be Governor of Addis Ababa? His critics have always said that Mussolini had no sense of humor. But this sounds like humor of the sardonic variety<sup>e</sup>. As High Commissioner, Vinci will take precedence of all the diplomats including those of His Britannic Majesty and of Uncle Sam.

## AUSTRIA

Some more interesting facts are coming to light about that Phoenix Insurance Company case in Austria. Let me hasten to add that the Company has no relation, no connection whatsoever, with the Phoenix Insurance Company of America. But that case is turning out <sup>to do</sup> in Austria what the Stavisky case did to the French government. A reshuffling of the cabinet - that's the word from Vienna, as an aftermath of the Phoenix scandal.

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It was the second largest insurance company in Europe. So no wonder a bombshell exploded in Austria's financial and political life when the Company closed its doors with a shortage of almost eighty million dollars. It had a long, honorable record and was considered safer than any bank.

The man who played in Austria the role enacted by Stavisky in France, was Director Wilhelm Berliner. When he died in March, mysterious rumors began to circulate. Officially, he died of heart failure. But the rumors had it otherwise. Especially when, a few days after his death, the financial world of Europe learned that the Company he directed owed more than fifty million dollars. The situation grew more tense, when a certain government

official committed suicide. For that official was Superintendent of Private Insurance Companies in the Finance Ministry. Then it leaked out the police were on their way to arrest him when he killed himself.

Tonight the rumor crop from Vienna is again heavy. The staff of Austria's Phoenix Company was almost entirely Jewish. So it's being whispered that the Nazis are preparing to make use of this fact to stage an uprising. The method will be to prepare for it by putting on a sham outbreak of Communists in Vienna.

This will afford the Nazis, waiting on the German border, <sup>an excuse to</sup> ~~to~~ rush in and save the country from the Reds. — <sup>maybe that</sup> chance Hitler has been waiting for — to take Austria.

EUSTACE

There's a flavor of aristocracy and pathos in the resignation of Lord Eustace Percy from the British Cabinet.

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The Laborites mockingly dubbed him with the title - Lord "Useless" Percy. Not so inappropriate either - for His Lordship has resigned, because he couldn't find any way to make himself useful. When the present Baldwin Cabinet was formed, Lord Eustace was made a Minister without Portfolio, which means - Minister of nothing in particular. Stanley Baldwin told the House of Commons that the new Minister was, as he expressed it, "to concentrate his whole attention on public questions of policy." So Lord Eustace was promptly called - "Minister of Thought", ~~the one-man brain-truster~~ Maybe thought is a useless commodity in the British government - Lord Eustace Percy must think so.

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He is <sup>^</sup> the creme de la creme of aristocracy, - seventh son of the seventh Duke of Northumberland. That's one of the most lordly of British titles; the Percys are one of the most lordly of British families - going back to Shakespeare's Hotspur, and back beyond that.

~~Lord Eustace has held the post of Parliamentary~~

The Laborite jeer about Lord "Useless" Percy was much too correct. He hoped to become Minister of Co-ordination of Defense, to run Britain's giant armament program. But Sir Thomas Inskip got that job. So Sir Eustace was more ~~xxx~~ useless than ever. It was useless for him to do anything but resign.

And it's useless for me to do anything but say:-

SO LONG UNTIL TOMORROW.