

Good Evening, Everybody:

(The outstanding feature of the second day of the national bank holiday proclaimed by the new president was the feeling of cheerfulness, even of levity, that prevailed almost everywhere.) Everybody seems to feel that the crisis, as Walter Lippmann said this morning, is a good crisis, *- a healthy one.* It will loosen things up. It will bring movement into the world of business which seemed to be stagnating on dead center.

The confusion which prevailed this afternoon in some banking circles, as for instance, ~~in~~ New York, did not make any difference in the general feeling of good cheer. This confusion was due, as the Wall Street Journal put it, to the fact that the attitude of the New York Clearing House was not clear cut. In the morning several banks, not only in New York but elsewhere throughout the country, opened for limited business with the

permission of the Secretary of the Treasury. Mr. Woodin had relaxed the rules so that people could withdraw from their banks money for payroll^s, food, medicines, relief and any other necessities of life. The Treasury's regulations were clear enough. But the bankers got confused. So around noon the Clearing House Association advised its members to stop accepting new deposits although the Treasury regulations specifically allowed it. The reason for this action by the Clearing House Association was that it interpreted the ^{New York} state bank holiday ~~as~~ ordered by Governor Lehman as mandatory. At any rate, the ^{N.Y.} banking ~~country~~ ^{was} were in a considerable state of confusion.

(The situation as it stands now, so far as the Treasury is concerned, is, banks may cash checks for payrolls and necessities of life.) The Treasury has also approved the issuance of Clearing House scrip throughout the nation on Friday, and perhaps sooner in some cities. In Washington it is reported that the Treasury will allow depositors to withdraw up to one-third of their

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deposits. ^T President Roosevelt and his advisers have been hard at work all day drawing up a definite plan of action to submit to the special session of Congress which the President has called for Thursday. This plan will comprise a reconstruction of the entire banking system of the nation. The purpose will be, not only to put the country's banking system on a sounder basis but to make ~~xxx~~ a recurrence of the present situation impossible.

Other hopeful news is that the prices of ^{this country's} ~~the United~~ ~~States~~ ^{also American} stocks and cotton went up on foreign exchanges. ~~And~~ Then to, there was a considerable up-turn in the price of hogs.

One banker in New York expressed the opinion that the use of Clearing House scrip may be unnecessary as there is sufficient cash to handle checks for ^{such} limited purposes ^{as} the Treasury has allowed.

ROOSEVELT

(Perhaps the most striking outcome of the banking crisis is the amazing prestige that President Roosevelt has won for himself.

In all circles there seems to be a confidence in the new president, a

confidence
almost without parallel.) Ray Tucker, the ~~vet~~ ^{vet}era~~n~~ correspondent,

wires that in Washington they are saying: "Perhaps a leader

has come." ^{D.C.} Usually Washington is a pretty cynical place. But

the way in which Franklin D. Roosevelt is carrying this ^{herculean} strain has

got the most hard-boiled observers amazed. "The ~~EX-PRESIDENT~~

President acts", says Ray Tucker, as if the temporary breakdown of

a creditor nation's banking system were all part of a day's work."

Not once during all these long and sleepless hours has he lost his

head or his temper or showed any signs of weariness. His confidence

has affected everybody surrounding him, even such volunteers of

the Hoover regime as ~~SECRETARY~~ ex-Secretary of the Treasury, Ogden

Mills. Mr. Roosevelt's entire cabinet seems to have caught the

infection of cheer from him. And next to ~~the~~ ^{Roosevelt} President, the most

serene individual in Washington, says Tucker, is William H. Woodin,

the new Secretary of the Treasury, *who's just naturally serene.*

~~The ~~unpleasant~~ attitude of these two men has become~~
~~infectious.~~ Twenty-four hours ago the capital was full of solemnity
and gloom. Today a spirit of good cheer, even of buoyancy pervades
the place. This has struck all observers, ^{including} senators, visiting
bankers, secret service men, even the most experienced and hard-
boiled newspaper correspondents.

They say it's all the more ^{striking} ~~surprising~~ because for the
last ten years the atmosphere of the White House has been somber.
There ^{has} been little laughter or light-heartedness in the national
executive mansion. Today the air of the place is cheerful, even to
the point of gaiety.

Now laugh that one off.

ECONOMY

In many quarters you can observe a tendency to look upon the present crisis as a blessing in disguise. For one thing, it ~~has~~ given President Roosevelt so much prestige that Washington observers believe he'll be able to get Congress to do anything he wants. *He'll have the boys on Capital Hill in the hollow of his hand.* ~~The confidence that the President has created has put him in a position in which Congressmen who might otherwise incline to the usual policy of suspecting, thwarting and balking the President, wouldn't dare to do so at present.~~

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And they believe that one result of this sentiment will be that the President will be able to make the reductions he has planned in Uncle Sam's budget without any hindrance in Congress. He hopes to be able to cut no less than one billion dollars off the government's expenses. *And what an* ~~that's a tremendous~~ *undertaking that is!* Normally it would be quite impossible, considering the number of lobbies in Washington, each concentrating its influence on Congress so that its own interests may not be the subject of these economies. In other words, everybody is always talking economy but the minute any particular interest is affected, the howl goes up: "Oh, ~~xxx~~ but

you can't do without that."

Well, considering the nation's mood now, it looks as though Mr. Roosevelt will have the power that he needs to push economy through in spite of all the lobbies.

Lewis Douglas of Arizona, the youthful new director of the budget, has his report practically ready to hand in to the President. It is said that the budget really is going to be balanced, and-not-merely-on-paper.

HOARDING

One result of the crisis already visible is that hoarding has declined. From all over the country come reports that quantities of gold and currency have been deposited in banks for safe keeping under the ruling from the Secretary of the Treasury permitting this to be done. Many banks throughout the U. S. A. report quite a number of new accounts that are being opened.

It was feared that ~~may~~ many people would start hoarding food. But apparently this is not being done. Food supplies appear to be ample and prices steady. The public is not rushing to buy eatables in any prodigious and unusual ~~quantities~~ quantities. A movement of that sort was visible on Saturday, but ~~now~~ everybody appears to have calmed down.

One rich woman went to a New York hotel today where she has an account and asked the credit manager to cash a thousand dollar check. The credit manager didn't have the money, but said to the lady: "Wait a minute while I call up St. Patrick's Cathedral."

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The lady could hardly believe her ears, but that was literally what this credit manager was doing. And after his call was put through he sent his customer to the Cathedral where they cashed her thousand dollar check in small bills and coins.

The theatres didn't seem to suffer. In many houses the treasurers accepted not only checks but I.O.U's. Several shows were a sell-out. In others the drop ~~was~~ in business was quite small.

By the way,

New York has had a delightful invasion this week, an invasion of Bermudians, ^{— not onions, but humans —} getting back at us for the way we Americans swarm over their romantic island.

The list of dignitaries in their party sounds English to the nth degree. The Honorable S. S. Spurling, Sir Henry Watlington, Messrs. Outerbridge, Livingston, Flitcroft, Mayor Bluck of Hamilton, Lord Carew, the Honorable and Mrs. E. Waddington, the Honorable J. Trimmingham, and so on. Could you imagine anything more English?

They all left again today on that floating palace "The Queen of Bermuda" which is on her maiden voyage from New York to Bermuda.

I met several members of the party just before they sailed, Mr. Purcell, the leading editor of Bermuda, and Mr. Missick, a Member of Parliament. They told me they were much interested to note the way the American people were taking the present crisis. They said they found a sort of carnival spirit in the air, laughter, hope, and apparently no one downcast. They asked me to say that Americans are as

welcome as ever in Bermuda, and that American dollars are

as good as ever there ^{- or scrip - or anything.} They spoke in praise of the new

President, Mr. Roosevelt. They believe his administration

will let down the tariff barriers so that trade between

the United States and Bermuda will be more like it used to

be. ^{TP} ~~Right now, Bermuda, where they never have any revolutions,~~

~~where economic problems are not too complex, sunny skies,~~

~~coral reefs, fish every color of the rainbow, and quiet~~

~~roads where there are only horse carriages and bicycles~~

~~well, it does sound like Paradise.~~

When I was down in Bermuda with Burt Masee,

Count Luckner, Carveth Wells, McClelland Barclay, Prosper

Buranelli, and some of my other friends, I discovered a bit of

American history that was brand new to me, and perhaps it

will be to you. Here it is:

During the war of the Revolution, at the Battle

of Bunker Hill, ^{the Colonists} ~~George Washington~~ ran ^{out} ~~short~~ of gun powder,

and there wouldn't have been any more ^{war} ~~battle~~ if it hadn't

been for a Bermudian who remarked that they had plenty of

gun powder in Bermuda. So George Washington sent a ship

to ^{the islands,} ~~Bermuda~~, and it was loaded up with ^{ammunition.} ~~gun powder.~~ With that

~~the battle of Boston was fought.~~ Result:- ~~We won~~ the war went on.

And we won, *(At any rate that's a Bermudian tradition or a Carwith Wellisian Tall Story)*
So we owe Bermuda much, historically, as well as for her
present day hospitality. *Advised.*

SCRIP

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A good many questions are being asked today on the subject of scrip. For the benefit of some who might like to know, a dollar in scrip will be as good as any regular Uncle Sam dollar bill. It will circulate at par. It is believed that stores large and small will all accept scrip as payment. The ~~retail~~ retail dry goods association in New York City, for instance, adopted a resolution to accept Clearing House scrip at face value. From other cities reports indicate this attitude is general. Railroads also will accept scrip and it is assumed that it can ~~also~~ be used to pay for life insurance premiums. Whether it can be accepted as payment for stamps and postal money orders has yet to be settled by a ruling from Postmaster General Farley.

Another question which awaits a ruling from Washington is whether scrip will have national circulation. The answer to that is up to Congress. It will depend on what legislation is passed when the Senate and the House convene in extra session Thursday. Steamships as well as railroads are accepting scrip in payment for passages.

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It's a little unusual, but I believe this is an appropriate time to call attention to a business corporation's report which reached me today. ^{It is from} the president of a company

that employes seven thousand people, and ~~that~~ throughout the depression has reduced neither employment nor wages. ~~he~~ ^{says}

In his annual report to his stockholders: ^{he says: - And now} ~~(I quote:)~~

I am quoting:- "Even before the depression it was plain that continued prosperity demanded the maintenance of a broad-based buying power such as could be assured only by a general program of liberal wages and salaries. IF a larger share of Prosperity's profits had gone to wages, there would have been more consumption and less speculation. Even when prosperity seemed boundless, people of vision believed that to distribute its fruits more liberally among salaried and wage-earning workers would best insure ^{the} maintaining ^{and} ~~the~~ the buying and consuming power of the community. That program would have been the best guarantee against the breakdown of consuming capacity which is now ^{the} greatest obstacle to improved business."

~~(end of quote)~~

That's what he says.

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^ There is a program that everybody can endorse nowadays; and I am sure you will pardon my satisfaction in adding that it is quoted from the annual report of Mr. J. Howard Pew, president of the Sun Oil Company, my radio sponsor. I have given you just a few sentences; I wish everybody might read all that Mr. Pew says on this subject; and so I have arranged to send a copy to whoever will write a request for it, ^{Just write} to the station to which you are now listening.

LONDON

The news from London is that John Bull is busy wondering whether Uncle Sam will go off the gold standard. British official circles believe the gold standard in the U. S. A. will be changed to a gold bullion standard. That was the status of Great Britain from 1925 to 1931, before John Bull went off the gold standard altogether.

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In France correspondents have observed a feeling of grave anxiety and nervousness. French businessmen today are afraid their country is going to be the only great power ^{*left perched*} on the gold standard. In fact, the only other countries which adhere to it are Switzerland and Holland. France, which has maintained high prices and high money in times of lower prices and cheaper money elsewhere, is in considerable fear of being left high and dry.

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In Italy, on the other hand, the tendency is both to express and feel the utmost confidence in the United States and in Uncle Sam's dollar. We learn from the Progresso, New York's Italian

newspaper, that Premier Mussolini hurried to Rome yesterday in the middle of his vacation. After a midnight conference with his ministers and leading bankers he decided that Italy would not place any restrictions on trading in the American dollar. The Duce declared that ^{the} vigorous measures taken by President Roosevelt's administration would undoubtedly solve the problem and that the U. S. A. was fundamentally sound. Well, good for Mussolini.

Which reminds me that I've just finished making an 8-reel picture - a biography of Mussolini, the first of its kind, which will have its premier at the Palace Theatre in New York, this coming Friday evening.

GERMANY

The victory of the Hitlerites in the German elections has revived the sentiment in Central Europe for a union between Austria and Germany. As everybody knows, Adolf Hitler himself ~~is~~ an Austrian by birth. His followers in the land of his birth were, until lately, not strong. But recent events in Germany have given considerable impetus to the Nazi party throughout Austria. Several mass meetings were held by Hitler followers in Austria yesterday, celebrating the victory of the Handsome Adolf's party. One of their leaders made the statement: "Our Chancellor is not Engelbert Dollfuss. Our Chancellor is Adolf Hitler."

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A union between Austria and Germany, though to many people seems a logical and necessary thing, is viewed with great alarm ~~xx~~ by other countries in Europe. The French are particularly set against it. Likewise the Czecho Slovaks. Three years ago Austria and Germany formed an agreement to combine in a customs union. But this, after six months, they had to renounce ~~when~~ other countries protested. In fact, this customs union was declared

illegal by the world court at The Hague.

On Yes, and three American citizens have complained to Uncle Sam's Embassy in Berlin that they were arrested, beaten and threatened by Nazi storm troopers. One of them, a painter, was seized by five uniformed Nazis who entered his room at five o'clock in the morning with drawn revolvers. They kept him imprisoned several hours in a bare room. Then they made him sign his name to a paper reading: "I am a Jew. I will leave tonight for Paris. I promise never again to set foot in Germany. I certify that no physical violence has been done me, and none of my property has been stolen." Two other similar episodes were reported to Ambassador Sackett in Berlin.

GREECE

The political pot is still bubbling furiously in Greece. Correspondents say that no less than half a dozen political and military leaders are claiming control of the government. In the first place there is General Nicholas ^{— not plastered but Plastiras —} Plastiras who in the last thirty-six hours has twice declared himself dictator and twice been overthrown. The General claims to have done this in order to prevent a royalist stroke. Then up in Thessaly there is General George Condylis who sent an ultimatum to President Zaimis claiming to represent the so-called ^{ex-}popular party. Then there's Premier Tsidaris who wants to become Premier once more. Then there's General Othoneos and of course, there's the President, Nicholas Zaimis. ^{What a fine time they must have pronouncing each others names} At present the government is being run by a temporary cabinet under General Othoneos.

All of which helps to make life lively in Greece, and difficult for your broadcaster, and as they say in the Mountains of Greece s-l-u-t-m.

when they get together.