

L.T. - SUNOCO. WEDNESDAY, OCT. 27, 1937.

GOOD EVENING EVERYBODY:

Just five minutes ago word came over the wire from Washington that the Federal Reserve Board has reduced the margins required for purchases of stock. The reduction is a substantial one. Instead of the fifty-five per cent required hitherto, the margin for buyers need be no more than forty per cent. For short sales the margin has been boosted - to 50%; 10% heretofore.

No official explanation was given for the Board's action but it was understood that it was designed to adjust the margin requirements to current stock market conditions.

It was also understood that before arriving at its decision the Reserve Board consulted with the Securities and Exchange Commission. The new requirements go into effect November first.

CHINA

(The fall of Shanghai! The Chinese resistance around Shanghai was finally broken today. After a week of pounding from Japanese artillery warship guns, airplane and infantry attacks, the defenders were forced to give way. With the roaring planes illuminating the countryside, the Japanese entered the Chinese city,)
According to the most impartial accounts available, the Chinese cause in Shanghai is lost. Today's fighting was only a prelude, said the Japanese high command. The victory of the invaders will be final tomorrow.

Nevertheless, Chiang Kai-shek, General in Chief of all Chinese armies, issued an order to all commanding officers, which read: "Fight to the last." The Field Marshal was at the front lines around Shanghai himself.

Apparently, the International Settlement was surrounded by a veritable wall of fire. The barricades are manned by Uncle Sam's marines and sailors with fixed bayonets. They have been ordered by Admiral Yarnell to "shoot to kill if attacked."

A vivid and graphic sidelight on the Sino-Japanese War comes from Shanghai. It was an adventure that happened to the Arundel Keene of ^{the} United Press, ~~staff at Shanghai~~. He had been assigned to cover the ~~city~~ ^{city in flames} from the Japanese side of Soochow Creek. On his way he came to a building full of hand grenades which were exploding in the heat. He was caught in a cross fire between a squad of Japanese sailors and Chinese machine-gunners barricaded in a building nearby. To escape the deadly fusillade, Keene dived through a barbed wire barricade into the doorway of a shop that was in flame^s. A Japanese officer saw him and came to him saying: "If you value your life I'd advise you to leave here quickly." And that Japanese officer added this tribute: "There are hundreds of Chinese machine-gunners around here. They are brave men and this is a dangerous place."

On his way back to a safer and wiser ^{refuge,} ~~place~~ Keene encountered numerous Chinese of the now celebrated Eighty-Eighth Division. Every man of them wore on his breast the emblem of the Suicite Squad, the dare-to-die outfit.

Chief authorizes these forces to open fire in self defense.

~~The American Consul General has notified all American residents to be ready to leave at a moment's notice.~~

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The fortunes of war ~~seem to have~~ seem to have swung towards Japan in the north as well as around Shanghai. The Mikado's high command announced today that the Chinese defenses in the mountains west of Chenting have been smashed and that an important pass had been occupied. Five Chinese divisions have been routed with thirteen thousand of them killed. ^{Japan's} ~~Their~~ way is open now along the railway to the capital of Shansi Province.

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A curious piece of news comes from London. In the financial district there was a heavy movement to buy Chinese bonds. A rumor was current throughout the city that an armistice was expected in the near future. But that was nothing but a rumor.

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On the diplomatic front it looked bad for that Nine-Power Conference. Japan's refusal to attend has put the other powers in a somewhat ludicrous position. It was announced from London today that the British Cabinet considers Japan's

declination, ~~in official words~~, "regrettable." If Japan isn't a party to any decisions reached by the powers, how can they make those decisions stick? The result is to leave the diplomats sitting on the awkward seat.

ADD CHINA

Late word from Tokio. (The Emperor Hirohito has just issued word to the world that Japan will continue the war in China until victory is achieved. The Mikado, Son of Heaven, ordered his government to tell the world that Japan is determined to force China to give up all anti-Japanese policy -- and cooperate with Tokio.)

SPAIN

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The international situation in Europe took a decided turn for the worse today. (Duce Mussolini is growing impatient with the wranglings of the Non-Intervention Committee. If that conference doesn't succeed, he is going to thrust ^{the} Italian Army into that Spanish civil war in a bigger way than ever before.) This news comes from Italy while 93 columns of Black Shirt Fascists are pouring into Rome. Tomorrow will be the fifteenth anniversary of the famous march upon the Eternal City that ^{preceeded} ~~precluded~~ Mussolini's final jump into power.

~~If Russia and France resume their liberty of action in the Iberian Peninsula, the Duce will retaliate two fold.~~

(The news from London indicates that Russia is the chief stumbling block to an agreement.) The other powers propose that all foreign mercenaries shall be withdrawn from the Spanish conflict. The Soviet representative claims that they should be withdrawn in proportion to the total number. And that's where the hitch comes in.

Exasperated by this Russian attitude, Italy's ambassador

Grandi proposed that the Soviet representative be kicked off the Committee. In fact it is believed that the three Fascist powers will make an issue of that when the Committee meets again, which will be next Friday.

GERMANY

It looks as though the Nazis were ^{growing} ~~getting~~ soft. At any rate, the Hitler regime is getting ready to put the velvet glove over its mailed fist. A dispatch from Berlin brings word that the government is preparing an amnesty for political prisoners. Many of those now in concentration camps are going to be released. That is, those who are there for purely political offenses and who are not charged with any crime.

A rumor is current that even the former leader of the German Communist Party will be set at liberty. Ernst Thaelmann, who ran for President on the Communist ticket for Nineteen Thirty-Two, received five million votes. For that he was thrown into jail. Quite recently he was removed from the Berlin prison where he had been incarcerated and was believed to have been taken to a concentration camp.

HOOVER

Democrats as well as Republicans were gossiping today about the reaction to Ex-President Hoover's Boston speech. Despite the opposition of Ex-Governor Landon of Kansas, many Republican leaders appear to agree with the Ex-President that an off-year convention of leaders in Nineteen Thirty-Eight, *to clarify the air would* ~~would~~ be an excellent idea. Mr. Landon as well as National Chairman Hamilton have modified their opposition to this extent: A convention next year would be all right if the rank and file of the Party are represented as well as the leader.⁵

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The NEW YORK SUN tonight says in an editorial: Mr. Hoover's speech sets forth ~~at least~~ a formula for the reanimation of the Republican Party, a formula sincere and sound enough to commend itself to the more than seventeen million Republicans of Nineteen Thirty-Six."

Everybody was impressed by the statement with which Mr. Hoover prefaced his remarks, saying: "I do not want any public office."

LABOR

The prospects for peace between the American Federation of Labor and the C.I.O. were not so rosy today. That conference at Washington turned into a deadlock. The gap between the standpoints of the rival sides is too much to be bridged with ease and speed. Evidently the ^{difference appeared} ~~gap~~ is so formidable that the conference adjourned today to meet again next week.

FARM

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Leaders of Congress are getting ready to comply with President Roosevelt's wishes about farm legislation. The House Committee on Agriculture is already at work. Representative Jones of Texas, Chairman of the Committee, has appointed five sub-committees to study the problems of the farmers and get ready with suggestions for the new law. Mr. Jones said that a bill, enacting a six point program, will be ready for the decision of Congress shortly after it convenes, November Fifteenth.

RAILROAD

Business men in general, particularly those who have to ship their products by railroad, will be interested in this: Last week the Interstate Commerce Commission gave the railway companies permission to raise their rates on certain commodities. But the lines aren't satisfied with that. They're going to petition the Commission to allow them to vote a flat increase ^{of 15%} on all freight rates. ~~of fifteen per cent.~~

AUTO SHOW

Alfred
~~Mr. Arthur~~ P. Sloan, Jr., celebrated the opening of
and the special Gen. Motors show at the
the Automobile Show in New York in a timely and interesting
fashion. Speaking as Chairman of the Board of the General Motors
Corporation, Mr. Sloan said that the Company is planning its
production program on the definite assumption that the present
lull in business is only temporary. "We hope and are confident,"
said Mr. Sloan, "that the present situation is only an adjustment
of a temporary character and that the recovery movement will
continue and run its normal course." At any rate, that's the
policy of General Motors.

Waldorf

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ROSS

Still no trace of Charles S. Ross, the seventy-two year old Chicago manufacturer kidnapped and held at fifty thousand dollars ransom. But another one of those ten dollar bills turned up today. That's the third. It was turned over to agents of the Federal Bureau of Investigation by a Chicago newspaper. The man who brought it to the newspaper office said he had received it from a bank in Indiana Harbor.

Ross's family are beginning to lose hope. ~~that he is~~
~~still alive.~~

KELLY

Here's one for the fans of Larry Kelly, last year's sensational Yale football captain. He isn't going to turn professional. That's not because of any personal qualms or objections. It's on the advice of his doctor. Instead of that, he's going to turn reporter, cover the big football games for a newspaper.

RACE TRACK

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There was a new phase today in the comedy of the battle of Narragansett . I mean the serio-comic fight between Governor Quinn of Rhode Island and Manager O'Hara of the Narragansett Park Race Track. Last week we heard how Governor Quinn took the ball away from Mr. O'Hara by declaring martial law and closing the race track with the National Guard. Mr. O'Hara retorted verbally and violently in his newspaper, the PROVIDENCE STAR TRIBUNE. The Rhode Island Governor came back with a libel suit for half a million dollars, and today Mr. O'Hara was arrested. He was released in seventy-five hundred dollars bail.

But that wasn't all. After Mr. O'Hara's appearance in court, his paper, the STAR TRIBUNE, appeared on the streets with a somewhat tart comment upon the proceedings. This resulted in a citation for contempt of court. ~~Grand Jury has handed down an indictment~~ *And late word: the Grand Jury has handed*

But there's still another angle to this abracadabrous story. Mr. O'Hara, deciding that Mr. Quinn should not have all the fun in court, filed suit against the Rhode Island Governor. He not only filed suit but obtained a writ of arrest. Now

there's a catch in the law of Rhode Island which provides that the Governor of the state cannot be served with any writ unless he does so of his own free will. Governor Quinn declined to be served with a writ of arrest, which would have compelled him to stay in jail until he posted bail. ~~However, he did consent to accept a writ of summons.~~

57 { All of which may contribute to the gaiety of nations, but a good many people are wondering in what way and to what extent it benefits the citizenry of the sovereign state of Rhode Island.

WINDSOR

John Bull is becoming alarmed once more about its ex-king, the Duke of Windsor. An English magazine has been conducting a poll on the question, "Should the Duke and Duchess be invited to return to England to live?" And the answer, say the editors, is sixty-one per cent favorable. Was it the women's vote that did that? Not at all. The majority of the people who voted "yes" were men.

Incidentally, His Royal Highness, made a kick today about his treatment by the newspapers. "I must say," said the Duke, "there are occasions when the spirit of understanding has not always been reciprocated by the press." Then he continued: "I have adhered most faithfully to the policy I laid down last June of being frank with newspaper men. In spite of that, I am often at a loss to understand the volume of speculation about our plans and what sometimes appears to be a thirst on the part of writers to attribute ulterior motives to our doings."

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H.R.H. made these remarks during a luncheon at the
Anglo-American Press Club ^{in Paris} where he was the guest of honor. He
went to the luncheon with the stipulation that he should not be

called upon to make a speech. But after he got there, the spirit moved him to break the stipulation himself. ~~And he said: "I am naturally not criticizing anyone present. I direct my remarks to the press as a whole."~~ ~~Then~~ He declared gravely: "Some of the recent misstatements concerning the Duchess and myself caused me considerable concern and embarrassment and might well lead to dangerous consequences." And then he addressed a pointed remark to the newspaper men present: "I wonder if inaccuracies of the kind I mean are worthy of the great industry for which you work." And then he made an indirect but interesting reference to his forthcoming visit to this country: "I wish to make it perfectly clear that any journey I have made or plan for the future was and will be that of a completely independent observer without political considerations of any sort or kind and entirely on my own initiative."

Then the Ex-King said something that should appeal to all sentimental hearts: ^{Said he:-} "You all know the circumstances that led up to the events of last December and the forces which influenced my final decision. I am now a very happily married man!"

~~Said the erstwhile potentate who gave up a throne for an American~~

~~bride.~~ But he added: "My wife and I are neither content nor willing to lead a purely inactive life of pleasure. We hope and feel that in due course the experiences we have gained from our travels will enable us to make some contribution towards solving some of the vital problems that beset the world today."

But there was an "if" clause in that sentiment. For he added the words: "if given fair treatment."

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