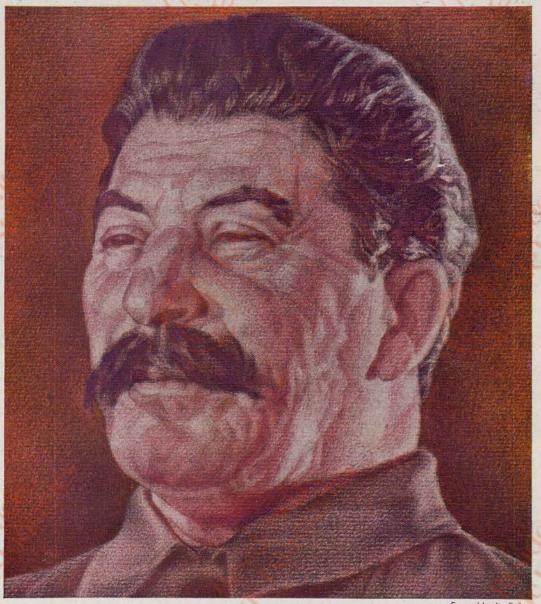
THE WEEKLY NEWSMAGAZINE



Ernest Hamlin Baker

MAN OF THE YEAR

"Ivan the Terrible was right."
(Foreign News)



THIS WINTER VISIT

IN THE BAHAMAS

IN THE BAHA

OVERNIGHT CONNECTIONS FROM MIAMI TO NASSAU direct from dock to dock... by the American M.&M.T. Steamer Kent... first class cuisine and service; all outside rooms; beds, no berths; promenade deck restaurant; ship to shore radiophone. Complete facilities for your auto at special low rates.

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EVERY MONDAY, WEDNESDAY AND FRIDAY
ONE WAY \$10 UP. ROUND TRIP \$18 UP

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BY SHIP EVERY OTHER WEDNESDAY DIRECT FROM NEW YORK
BY U. S. LINER MUNARGO • ONE WAY \$50 UP, ROUND TRIP \$80 UP.

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Enjoy the gay hospitality of these fine hotels: British Colonial, Fort Montagu Beach, Royal Victoria, Shoreham, Rozelda, Prince George, Charlotte and Parliament . . . Guest house accommodation may be had at Lofthouse and Dean Cottages, Cumberland House, Victoria Guest House, Wave Crest, Harbor View, and Ocean House . . .

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NASSAU · BAHAMAS

INFORMATION BUREAU, 30 ROCKEFELLER PLAZA, NEW YORK

THE BAHAMAS ARE ONLY 50 MILES FROM THE FLORIDA COAST



What a way to make a livingtickling dynamite with a stick!

A typical example of Goodrich development in rubber

THIS MINER is "tamping" sticks of dynamite, working them into a hole drilled in the rock which is to be blasted. No wonder miners used to be poor insurance risks! They have to punch holes in dynamite sticks to hold the cap which sets off the charge. Too often the punched hole wouldn't be straight—the delicate, deadly cap would protrude from the side of the dynamite. Then, as the miner forced the dynamite into place the protruding cap would rub against rock, the charge would go off, and that miner would never even be found.

A Goodrich engineer, working with

the safety engineers of mining companies, conceived a little rubber cup or sleeve into which the blasting cap could be slipped. Goodrich already had a special abrasion-resisting rubber, ideal for the purpose.

With the delicate blasting cap in this tough rubber sleeve, even if the hole in the dynamite does expose it, the tough rubber takes the abrasion and cushions the cap inside against any jar that might set it off.

What next? Rubber is a material of growing importance, increasing usefulness. Hundreds of Goodrich laboratory

and technical men keep working not only on new, unusual products but on improvements in old products. These men are never satisfied, never relax their efforts to give you better value every year you continue to buy Goodrich hose, belting, or anything bearing the name of The B.F. Goodrich Company, Mechanical Rubber Goods Division, Akron, Ohio.

Goodrich

ALL products problems IN RUBBER



ARE you feeling a need for getting away from it all—a complete change of climate, atmosphere—a respite, even though brief, from winter worries and jangled nerves? You'll find your answer in gay, carefree, tropical Miami Beach
—and only in Miami Beach. Because
here alone is the unique combination of every factor that draws America's vacation-wise leaders-the headline events of the sports and social world, the better living accommodations, the brighter sunshine and warmer surfthe feeling of being right at the heart of all that's going on.

This year, you can make your dreams of a Miami Beach vacation come truebecause continued record construction has added even more ideal new accommodations for the fifth consecutive year. Come now—come any time till Easter and afterwards. Start the new year bright—in Miami Beach, the "brightest spot on winter's map!"



IN Natural COLORS!

Photos, facts and figures-complete details for making final plans. The coupon will bring your copy of this new, all-color Miami Beach booklet. There's no obligation. Mail it roday!

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LETTERS

L'Oeuf's Tabouche

Sirs:

Your story on the general wrongness of Geneviève Tabouis was very fine (Time, Dec. 11). However you say that this remarkable wrong-way prophet is taken more seriously in England and the U. S. A. than in her ously in England and the U. S. A. than in her native France. In London Mme Tabouis is not taken seriously by "Beachcomber" (J. B. Morton), Beaverbrook's amusing columnist for his two-million-circulation Daily Express. To "Beachcomber," Tabouis is Mme Tabouche (of L'Oeuf) who is continually seeking fulfillment of her prophecy that Iceland

will march on Bessarabia.

Recently "Beachcomber" punned thus:
"SMALL PROPHETS AND QUICK RETURNS. There is a rumor that a whale mistook Mme Tabouche of L'Oeuf for a prophet and swallowed her. On finding out its mistake, it released her."

R. A. CHILDRESS

Philadelphia, Pa.

Dies & Hart

Does Mr. Martin Dies, of Texas, who spoke n Madison Square Garden on "The Insidious Wiles of Foreign Influence," realize that the chairman of the meeting, Mr. Merwin K. Hart, has been a conspicuous exponent of such foreign points of view as that of Gen-eral Franco's Fascism?

Mr. Hart wrote scornfully a few months ago that the Spanish Republican parties "had been hypnotized by the ideas of the French and American revolutions." Since when have the principles of the American Revolution

become un-American?

Mr. Hart, president of the New York State
Economic Council, further showed his political bias in a news letter issued by the Council, April 3, 1939, which declared that "New Dealism is nothing but the American form of Communism." When Mr. Dies appears under such auspices, he gives us cause to wonder where his own loyalties lie.
VINCENT SHEEAN

Bronxville, N. Y.

Silly Joke

Sirs:

. . . Your alleged wonderful news organization for the war in Europe might impress a few "Innocents" abroad and at home, whilst to those who can compare what is actually happening with what your "war-correspondents" report it is but a silly joke if you pretend to supply reliable information.

I have recently had occasion to advise you to check your turbid sources and I do so again in your interest because your readers are bound to discover sooner or later that your so-called war reports are mostly the product of complete ignorance or unhealthy imagination.

Those reports are either fabricated in your own office as a sorry mixture of stupidity and partiality or have been composed by your correspondents in a more or less intoxicated state with the assistance of European bar-keepers and their doubtful train but certainly not at the front.

It is positively disgraceful to pose as you do, as the purveyor of reliable news and to feed your readers with entirely onesided and generally false information. It is in fact a

dirty trick.

If you really wish to keep what you promise, your job would be to let your readers know as well, what official Germany says and what the neutral countries think about British piratical methods ruining their trade and directed as usual against women and children.

If it is compatible with American "neutrality" to supply arms to one of the belligrarents only and the belligrarents on the belligrarents only and the belligrarents on the belligrarents of the belligrarents ligerents only you at least should try to be impartial and strive after truth.

Otherwise you will equally be classified as a follower of purely mercenary instincts or to put it more plainly as a filthy liar.

OTTO SCHMIDT

Adolf Hitlerstrasse 129 Stuttgart-Feuerbach, Germany

Third Terminology

In your issue of Dec. 4 you reported the Warm Springs Women's Club serenading Franklin D. Roosevelt. You quoted their chorus thus: "Our nation needs a leader just like you, you, you." We would not be surprised if you have heard from Walter Lippmann about this. He has probably seen a third term implication in those three "you's." WORTHEN BRADLEY

San Francisco, Calif.

Acquainted

Sirs:

Ambassadors Kennedy and Davies forget that one man in the United States will not need two years to become acquainted with the duties of the Presidency-Herbert Hoover.

CAROLINE BENGTSON

Hastings, Neb.

Hoover's Joke

Sirs:

You do Mr. Hoover an injustice when you say he cannot tell a joke (TIME, Dec. 18). To prove that you're wrong, simply let me refer you to a remark he made a year or two ago, concerning the famous initialed institutions of the New Deal. He said that all but five letters were used in these, and that all we needed was a Quick Loans Corporation for

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Address_







Snapshots of Some Important Bondholders





PERHAPS some of the people shown in these pictures don't quite fit in with your idea of what bondholders should look like.

▶ But the fact is that these typical American people—and millions more like them, in every walk of life-have a financial interest in some of the country's most important investments . . . in electric light and power companies, transportation companies, home and farm mortgages, and Government bonds.

People like these, you see, own life insurance policies with Metropolitan . . .

And as you probably know, part of the money Metropolitan policyholders pay as premiums for their life insurance is set aside as a "reserve," as required by law. This reserve fund is invested by the company, to earn interest and thus help to reduce the cost of life insurance to the policyholders.

In its effort to achieve maximum safety for the funds which it invests for its policyholders, Metropolitan wisely follows the proved principle of diversification...spreads these funds over many different kinds of sound, conservative in-

You will find these dollars at work today in thousands of carefully selected investments...in bonds and mortgages, helping to finance building operations, homes and apartments, utilities, agriculture, industrial enterprises, and Government projects, such as schools, roads, and bridges...in practically every part of the United States and Canada.

Not a single dollar is placed until a thorough study and analysis of the security has been made by Metropolitan's staff of specialists. And every dollar, once invested, is subject to constant watchfulness.

▶ Metropolitan's investments, and the measures taken to safeguard them, are important to every policyholder for still another reason . . .

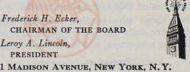
These investments, with the interest they earn, make it possible for the company to guarantee that the payments provided for in its policies will be made, in full, when due.

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Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker, CHAIRMAN OF THE BOARD Leroy A. Lincoln, PRESIDENT





AT THE FIRST SYMPTOM OF A COLD OR SORE THROAT-

Listerine au

Listerine Antiseptic reaches way back on the throat surfaces to kill "secondary invaders" ... the very types of germs that make a cold more troublesome.

This prompt and frequent use of full strength Listerine Antiseptic may keep a cold from getting serious, or head it off entirely . . . at the same time relieving throat irritation when due to a cold.

This is the experience of countless people and it is backed up by some of the sanest, most impressive research work ever attempted in connection with cold prevention and relief.

Eight Years of Research

Actual tests conducted on all types of people in several industrial plants over 8 years revealed this astonishing truth:

That those who gargled Listerine Antiseptic twice daily had fewer colds and milder colds than non-users, and fewer sore throats.

Kills "Secondary Invaders"

This impressive record is explained, we believe, by Listerine Antiseptic's germ-

killing action . . . its ability to kill threatening "secondary invaders"-the very types of germs that live in the mouth and throat and are largely responsible, many authorities say, for the bothersome aspects of a cold.

Reductions Ranging to 96.7%

When you gargle with Listerine, that cool amber antiseptic reaches way back on throat surfaces and kills millions of the "secondary invaders"-not all of them, mind you, but so many that any major invasion of the delicate membrane is often halted and infection thereby checked.

Even 15 minutes after Listerine Antiseptic gargle, tests have shown bacterial reductions on mouth and throat surfaces ranging to 96.7%. Up to 80% an hour afterward.

In view of this evidence, don't you think it's a sensible precaution against colds to gargle with Listerine Antiseptic systematically twice a day and oftener when you feel a cold getting started?

> LAMBERT PHARMACAL COMPANY St. Louis, Mo.

Xylophones, Yachts, and Zithers to exhaust the alphabet. . . . Regardless of whether or not you think this one is funny, it un-questionably comes under the heading of a ioke.

JAMES F. SELIGMANN

New York City

Bouquet into Hat

Sirs:

I am only one of millions of Americans who, beyond all doubt, are delighted to learn that Vice President Garner's hat is in the ring. I want to be one of the first to toss a bouquet into that hat. I have long been impressed by Mr. Garner, not only by his close cooperation with the Democratic Administration but by his striking physiognomy. Like many other practical people I am a student of physiognomy, which is the art of discovering temperament and character from outward appearance, especially from facial features. I find as years go on that my first impressions of people, based on physiognomy, stand the test of time better than more reasoned and intellectual analyses. Consequently I have been impressed from the first by that general nobility of character and godlike quality that shines from Mr. Garner's countenance. The eyes are large, candid and idealistic; the mouth generous and honest to a fault; the nose shows strength and yet fair-mindedness; the brow is high and intel-lectual; the chin full of courage and loyalty to his leaders. All in all, this face of Mr. Garner's symbolizes all the nobility of the American eagle, that gentle unpredatory bird. I think it is most fitting that after 1940 that countenance should stand forth to the world as representative of the spiritual face of the entire American people.

DUDLEY NICHOLS

Hollywood, Calif.

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United States wins greatest air victory



Over 600 million passenger miles without death or serious injury to any person... this is the 38-week record, to December 18th, of the 17 airlines operating within the United States. It is nearly equivalent to transporting the entire population of Boston to Chicago as the crow flies.

This is a major victory in America's war against hard times—creating new jobs, new investments, new technical knowledge never to be lost. It is a victory from which the public benefits more even than worker or investor. For we have found in air transport not merely a solution to personal and business crises requiring quick transport, but a safe, comfortable and moderately priced means of everyday travel.

To her commercial airlines—company officials, crews and ground

personnel alike—America pays sincere tribute for signal accomplishment and effective demonstration of practical progress.

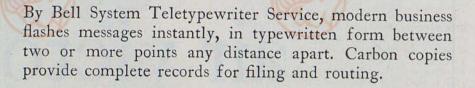
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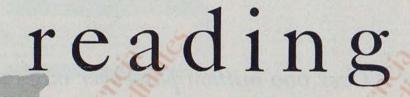
The Connecticut General Life Insurance Company joins with special enthusiasm in these congratulations to the air transport industry. For it was the first to express its faith and confidence in the future of this industry by issuing a group life insurance policy covering airline employees.

Today it carries insurance of this type on more airlines operating in America than any other insurance company.

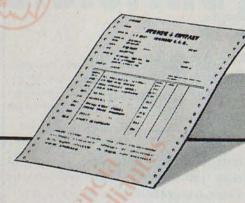


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THE PRESIDENCY "It Shall Come to Pass"

The big man in the rumpled suit scratched his pen steadily across the large white sheets. In the stillness of the Oval Room the two flags hung limp on the mahogany standards; blue smoke from his



MYRON TAYLOR

Isaiah: "Come now . . ."

burning cigaret wavered up from the silver tray. On his desk were newspapers, staring headlines of bombings and battles; and a Bible, open at Isaiah.

"Your country is desolate, your cities are burned with fire: your land, strangers devour it. . . ."

The big man wrote on. Through the ceiling-high window, framing the long roll of grass, tired-green now with winter, came the faint honks of the cabs, rolling shoppers home with Christmas packages. Thousands of miles away, helmeted men squinted through bombsights; homeless families trudged despairingly through the snow.

"Come now, and let us reason together, saith the LORD: though your sins be as scarlet, they shall be as white as snow..."

The big man's face, rocklike when he is intent, the mouth sad and downbitten when he isn't smiling, bent steadily over the pages scrawled in his bold vertical hand. Then he pressed a buzzer—the one that goes off like a small bomb under Steve Early's desk. Down the colonnade that is

called the President's Walk, past the swimming pool and up the elevator, there awaited him a highball, a Christmas tree shiny with colored balls and tinsel, two soap-smelling, be-diapered grandsons—warmth and relief from the crushing responsibility, the solemn loneliness that is a U. S. President's when he has to make a momentous decision.

To a gaunt, dark-eyed man in a skullcap and ermine-trimmed robe, Franklin Roosevelt had written a letter for Christmas, remembering perhaps how that man's long pale hands had twisted with painful earnestness when they talked together of world peace three years ago.

To Pope Pius XII, Mr. Roosevelt wrote: "I take heart in remembering that in a similar time, Isaiah first prophesied the birth of Christ. Then, several centuries before His coming, the condition of the world was not unlike that which we see today. Then, as now, a conflagration had been set; and nations walked dangerously in the light of the fires they had themselves kindled.

"But in that very moment, a spiritual rebirth was foreseen,—a new day which was to loose the captives and to consume the conquerors in the fire of their own kindling; and those who had taken the sword were to perish by the sword. . . .

"In their hearts men decline to accept for long the law of destruction forced upon them by wielders of brute force. Always they seek, sometimes in silence, to find again the faith without which the welfare of nations and the peace of the world cannot be rebuilt.

"I have the rare privilege of reading the letters and confidences of thousands of humble people, living in scores of different nations. . . . I know that these, and uncounted numbers like them in every country, are looking for a guiding light. We remember that the Christmas star was first seen by shepherds in the hills, long before the leaders knew. . . .

"While statesmen are considering a new

men are considering

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order of things, the new order may well be at hand. I believe that it is even now being built, silently but inevitably, in the hearts of masses whose voices are not heard, but whose common faith will write the final history of our time. . . .

"In the grief and terror of the hour, these quiet voices, if they can be heard,



International

Pius XII
". . . and let us reason together."

may yet tell of the rebuilding of the world. . . .

"In these present moments, no spiritual leader, no civil leader can move forward on a specific plan to terminate destruction and build anew. Yet the time for that will surely come. . . .

"When that happy day shall dawn, great problems of practical import will face us all. Millions of people of all races, all nationalities and all religions may seek new lives by migration to other lands or by reestablishment of old homes. Here, too, common ideals call for parallel action..."

With this letter, sent also to the Rev. Dr. George A. Buttrick, president of the Federal Council of the Churches of Christ in America, and Rabbi Cyrus Adler, president of the Jewish Theological Seminary of America, Mr. Roosevelt announced a significant appointment.

To the Vatican in Rome, as the President's personal representative to talk and work for peace in Europe before all hell breaks loose this spring, will go Myron Charles Taylor, 65-year-old retired head of United States Steel Corp., most recently

chairman of the Evian conference on international refugees.

Mr. Taylor, who will have the rank of Ambassador, but without portfolio, will be the first U. S. envoy to visit the Vatican officially since Rufus King left Rome in 1868, after Congress refused to appropriate any more money for his salary.*

Buffalo-built, his massive head set forward on wrestler's shoulders, Myron Taylor of Quaker stock, will be the first industrialist to match minds with the thoroughly schooled and skillful Catholic diplomats.

But the wise pouches under Mr. Taylor's sad, deepset, clear-green eyes are there by no accident; his stubborn, pugnacious nose, his mailbox-slit mouth, his underslung jaw are all testimonials of the strength and judicial balance of his mind. And good, dead Cardinal William Mundelein of Chicago would be happy to know that the idea he planted with Franklin Roosevelt in 1936—a restoration of relations with the Vatican since it is now a temporal State, not just a religion—has flourished thus solidly in the person of Tycoon Taylor.

In Rome, the Pope spoke to the resident Cardinals. His mind went back, too, to a conversation three years ago with a big man in Washington, a fond talk of peace on earth when there was still peace on earth. He thanked Franklin Roosevelt for his "gratifying Christmas message," and for sending such an outstanding man to be "the first Ambassador of the provisional Embassy at the Vatican." Damning "evil" Russia, praising "worthwhile" Finland, he asked the world to ponder, on the night when the angels sang, that man has too many instruments of death, too few of mercy and justice. He also said that any further plans for peace would be welcomed at the Vatican.

▶ On a sunny afternoon off Fort Lauderdale, Fla., war came so close to the U. S. that resort crowds thought it was coming right up on the beach. The flight of the German freighter Arauca from the British cruiser Orion (see p. 22) gave President and State Department a new diplomatic problem.

Typical of Florida's reaction was an experience of Harriet Jane Hughes, vacationing Detroit *Times* reporter, who was sunbathing on Fort Lauderdale beach when she saw, over the placid blue water, a long black and grey ship pursued by a warship. She watched through binoculars, then jumped in her car, followed the ships along the shore road. Overhead roared two Army bombers, Coast Guard seaplanes, several private planes, planes carrying photographers from Miami newspapers. Wangling her way past Coast Guardsmen at Port Everglades' pier, where the *Arauca* presently tied up, she got a translator to ask crew members "What happened?"

"Nozzing happened," replied a crew

But Florida opinion differed. Excited * William Howard Taft went to Rome on a specific mission in 1902; but not as a diplomat.

papers played up the Arauca captain's story that the Orion had fired a warning shot across the bow of his ship after it got inside the three-mile limit, the conflicting reports of eyewitnesses. Some thought they heard the shot but saw no flash, some placed the Arauca well inside and some well outside the limit, one saw the ship approach so near a reef that it stopped, backed, maneuvered to keep two U. S. vessels between it and the British cruiser. Typical was a Florida headline: SEA INCIDENT AT MIAMI'S FRONT YARD DRAWS GAY HOLIDAY CROWD TO DOCK.

Last week the President:

b Used a pruning hook on departmental Budget estimates, slashing away steadily. NYA was cut from \$100,000,000 to \$70,000,000; PWA administrative funds from



Harris & Ewing TREASURY'S HANES "Escape" at last.

\$20,000,000 to \$3,000,000; even his beloved CCC from \$286,000,000 to \$230,000,000. Republicans shouted: "Drop in the bucket!" Franklin Roosevelt was reconciled, gossips said, to at least a \$3,000,000,000 deficit in the next fiscal year.

Accepted, with a "Dear Johnnie" letter, the resignation of orchid-grower John Wesley Hanes of North Carolina, Under Secretary of the Treasury. Mr. Hanes, who has declared that U. S. taxpayers can't stand any more taxes, thus joined the long list of New Deal Treasury alumni, but parted with the New Deal on better terms than most of his predecessors. As he wrote his resignation, a mailman left on his desk a post card from the District's Public Library, informing him they now could furnish him with a novel by Ethel Vance he had requested. Name of the book: "Escape."

▶ Accepted the resignation of Forrest Hill, onetime Cornell University professor who has for 16 months headed the Farm Credit Administration; appointed in his stead Albert Gain Black, AAA market regulator, longtime chum of Henry Wallace. Reason: Mr. Hill wanted to keep the FCA autonomous, responsible only to Congress & the President. Mr. Wallace wanted to lay hands on the FCA's superb financial structure (including a \$600,000,000 borrowing authority).

➤ Continued telling callers (off the record): 1) he does not want a third term, 2) he prefers Secretary of State Cordell Hull as his successor; 3) he will appoint Attorney General Frank Murphy to the Supreme Court; 4) that perhaps Mayor Fiorello H. LaGuardia of New York city might be a good Vice-Presidential candidate, might catch more votes than Postmaster General James A. Farley would.

▶ Promised, said John Owens, president of the Ohio C, I. O., that he would send an army of soup kitchens into Ohio, if necessary, to prevent starvation. "More money is being appropriated . . . in Ohio for dog pounds than for starving people," Owens said. Governor Bricker retorted: "If soup kitchens are put in Cleveland or elsewhere in Ohio, it will be purely for New Deal political effect."

▶ Mulled a new, modest form of Spending which log-rolling Congressmen could roll to suit themselves. PWA, WPA, and the U. S. Public Health Service jointly would spot small, low-cost hospitals in poor communities, let private physicians take charge after the U. S. had paid the first cost (perhaps \$150,000 per 100-bed unit).

THE CABINET

In the Tradition

For 150 years the U.S. has made much of its diplomatic inexperience. If the classic picture of a British diplomat is a wellread University man, trained to translate Rimbaud or snub the Estonian minister with equal aplomb, the classic figure of the U.S. diplomatist is a man who knows no foreign language, mixes up seating arrangements, and is just learning as he goes along. U. S. foreign service bags at the knees, pretends that its hearing is not very good, cannot dance, has only a vague idea of what is going on, is cheerfully disparaged by the populace, and is judged by historians to have been extremely successful. So it was when Ben Franklin popped up in Paris wearing a fur cap instead of a wig. So it was when General Schenck (less successfully) "became the lion of the hour when he introduced draw poker into London society." And so it was last week when U. S. foreign policy and the U. S. State Department made plenty of news.

Biggest was the news of the appointment of Myron Taylor to the Vatican (see p. 7). But behind the old cream-colored swinging doors of the State Department, Cordell Hull, 47th U. S. Secretary of State, his aides and under secretaries, carried through the routine steps according to the great tradition of their great and second-

rate predecessors:

► Secretary Hull signed a trade agreement with Cuba that cut the duty on sugar 40%, the duty on stemmed cigar filler tobacco from 40¢ to 25¢ a pound.

▶ The Secretary also tangled with Senator Vandenberg when the Senator attacked his beloved reciprocal trade agreements. Wrote the Secretary grandly: "I have received your letter . . . in which you express your concern over possible reduction

of the duty on beans. . . ."

• Under Secretary of State Sumner Welles said a few words about Cuba, speaking at a dinner given by the Cuban Chamber of Commerce, Last October Soviet Premier Molotov defended Russia's course in Finland, said Russia had granted Finnish independence while the Philippines and Cuba "had long been demanding freedom and independence from the U. S. and cannot get them." Said Mr. Welles dryly: matters between the U.S. and Cuba appear to be in better shape than matters between the Soviet Union and Finland, and are getting still better. Coming next February: Cuba's national election, of which the Under Secretary made a graceful mention.

The State Department's most notable move was to join the U.S. with the 20 other American Republics in protesting to France, Germany and Great Britain against violations of the 300-mile safety zone, established by the Declaration of Panama last October. Because a naval battle was fought off the coast of Uruguay, because the Admiral Graf Spee took ref-

Pan American action on such a scale looked impressive. To opponents of the foreign policy of the Roosevelt Administration, it looked like one of those moves that Statesman Elihu Root described as "first shaking one's fist and then shaking one's finger." The finger shake: a threat to deny the use of American ports to ships which fight in the safety zone. Best argument put forward by opponents was Walter Lippmann's: The 21 Republics are in a position of having asserted a right which they have failed to enforce. Belligerents cannot be persuaded to respect the zone. To enforce it would require a formidable fleet, would mean driving out all warships, protecting all merchant ships, arresting all supply ships that act as naval auxiliaries. Far simpler, said Mr. Lippmann, to enforce the traditional code of neutrals and let the Allies deal with the raiders, realize the ideal of the Declaration of Panama without abandoning American neutrality.

Until last week, plain readers had no rapid up-to-the-minute survey of U.S. diplomatic history to place such moves in historical perspective.* Last week Stanford Professor Thomas Bailey brought out A Diplomatic History of the American People. It begins with an account of colonial foreign policy and ends, 766 pages later, with President Roosevelt's Neutrality Proclamation and a retrospect and prospect. But its best feature is that it smoke, moving up the Bay against a headwind, recalled a folk song in consternation:

Thro' a black night of cloud and rain, The Black Ship plies her way-An alien thing of evil mien-Across the waters gray.

Professor Bailey believes that in his mission to open up Japan Perry was diplo-



STATESMAN WELLES No bags in his diplomacy

matically shrewd in secluding himself and refusing to deal with any except the highest officials. But after Perry's show of force and dignity, the treaty he made was disappointing, and Author Bailey agrees with Finley Peter Dunne (in effect): "When we knocked at the door, we didn't go in, they came out."

▶ U. S. feelings have always been passionate on foreign affairs. Virginians drank "a speedy death to General Washington" for approving Jay's treaty ending the immediate trouble with Britain without settling the underlying questions. A Boston friend of Jay's found written on his fence: "Damn John Jay! Damn everyone that won't damn John Jay! Damn everyone that won't put lights in his windows and sit up all night damning John Jay!"

▶ U. S. foreign policy has been on the whole so successful that a big question is what it might have accomplished had its minor personnel been better. One such was Congressman "Beast" Butler's nephew, who got a post in Egypt, "where he caused a minor scandal by drunkenness, brawling, a shooting affray and the purchase of dancing girls.

▶ For 95 years either Second Assistant Secretaries William Hunter or Alvey Augustus Adee provided continuity in the State Department, saved inexperienced secretaries serious mistakes. Hunter came in with Andrew Jackson, worked under Martin Van Buren, served 57 years. Adee came in in 1878, served until 1924. Deaf,



PERRY (LEFT') IN JAPAN The Japanese walked out.

uge in Montevideo and was scuttled on the River Plate, because a German merchant ship was sunk within the zone, the American republics warned the belligerents that they were going to consult "in order to strengthen the system of protection."

Although experts were disposed to minimize the effects of the protest, joint

makes diplomatic history lively reading.

▶ On July 8, 1853, Japanese on the Bay of Yedo saw Perry's flagship belching black

* Although many a careful but usually highly specialized work exists: Samuel Flagg Bemis' Diplomatic History of the United States, John Holladay Latane's History of American Foreign

reserved, unmarried, Adee often slept in his office when work became heavy, examined almost every written State Department communication for 30 years. When he became third assistant Secretary of State, John Hay cried, "The country is safe!" Known as semper paratus, faithfully keeping a diary and never entering a syllable that dealt with his public life, Adee gave the Department one of its favorite anecdotes: during the Boxer Uprising he was asked what happened during an interview between Secretary John Hay and Wu Ting Fang. Said Mr. Adee, "Mr. Hay was rather hazy and Mr. Wu was rather woozv."

Says Professor Bailey of isolation-"Between 1689 and 1918 there were eight general European wars. And the American people were involved in every one of them, whether they wanted to be or not." Unjustified is the conclusion that the U.S. must be drawn into every general war, but "it seems reasonably clear that America has never been, and probably can never be, completely separated from Europe.'

Said Elihu Root: "When foreign affairs were ruled by autocracies or oligarchies, the danger of war was in sinister purpose. When foreign affairs are ruled by democracies the danger of war will be in mistaken beliefs. The world will be the gainer by the change, for, while there is no human way to prevent a king from having a bad heart, there is a human way to prevent a people from having an erroneous opinion.

JUDICIARY

Quiet Christmas

Tall, grey Richard Lee Strout, Washington correspondent of the Christian Science Monitor, and editor of Maud, 1939 non-fiction best-seller, is well and widely acquainted in the Capital. Correspondent Strout even knows inaccessible, flinty, old (77) James Clark McReynolds, Ionesome last conservative on the U.S. Supreme Court (TIME, Dec. 4). Last week Newshawk Strout, striding through last-minute Christmas shopping, encountered the hawkfaced Justice in a toy store off Pennsylvania Avenue. After an exchange of season's greetings, Reporter Strout probed: buying gifts for others? No, said Justice McReynolds-a gift for himself. To a clerk he boomed stentorian-wise:

"A package of marbles, please; the kind used for Chinese checkers.'

He got the marbles, strode majestically off down the street, alone.

CRIME

"Killer Kehler"

Spy work was believed possibly to have accounted for the murder of Dr. Walter Engelberg, secretary of the New York German Consulate, who was found in his house in Brooklyn dressed in an old-fashioned nightgown, lying on his bed with his face battered in. But last week it was no spy whom police arrested but a Canadian pugilist known as Ernie Haas.

On the night of the murder, according to police, Haas, whose real name is Ernest Walter Kehler, accompanied Engelberg to his home. There the Nazi secretary, whose curious hobbies included collecting books on nudism, photographs of nude men, made improper advances, Haas-Kehler said.
"I hit the doctor with my fist," the

boxer confessed. The secretary's persistency enraged him. "I reached for something that was on the table or the dresser



ERNEST WALTER KEHLER "I reached for something. . . ."

. . . I don't know what it was . . . I lost my head.

Haas-Kehler, over six feet, weighed 185 pounds. "We dubbed him Killer Kehler, said Henry Dunn, boxing promoter who knew him when he was fighting in Montreal last spring, "because of his wicked

Not explained to the satisfaction of the Brooklyn district attorney's office were these facts: Engelberg appeared to have been asleep when he was attacked, and by the horrible look of his face, the "something on the dresser" which Haas-Kehler said he grasped must have been an ax.

Three Schlemiels

Last August, with the hot breaths of Tom Dewey and J. Edgar Hoover both on his neck, Gangster Louis (Lepke) Buchalter, a fugitive for two years, chose as the lesser of two evils to give himself up to the FBI chief. Month ago he slouched into Federal court. Graduate of the Connecticut Reformatory, Sing Sing, ex-loft burglar, racketeer, gorilla chief, suspected of many a murder, Lepke was there to stand trial on the first of ten indictments for smuggling dope.

A raffish crew of old pals marched up to the witness chair, testified, marched

down again while Lepke sat in silence with no sign of expression on his lumpish face. Prison-pale were some of the witnesses. Ten of the 23 for the Government were felons, including: paunchy Yasha Katzenberg, described by the League of Nations as an "international menace," organizer of a \$10,000,000 dope ring into which, he said Lepke muscled; Benny Schisoff, Coney Island frozen-custard man, implicated in the racket but free on a suspended sentence; John McAdams, Customs sergeant who accepted bribes to let trunkloads of drugs from transatlantic liners pass through Customs gates. Odorous was the tale they told of a narcotics organization which coiled around the U.S., China, Europe, a story of underworld big business, dark deeds. Most of them pointed to Lepke: the big shot.

The defense simply contended that while familiar with the ring, Lepke and his two co-defendants—Max Schmukler and David Kardonick-were not implicated in its crimes. Defense Counsel Abraham Solomon explained: "This is just a trial of one big schlemiel* and two little schlemiels," and launched into a summation which included references to John ("Muggsy") McGraw, bridge, mah jong, and "Hark. hark! the lark.'

"Get down to brass tacks," interrupted Juror Owen P. Hollis, retired naval lieutenant. Hollis himself got down to brass tacks last week with the other jurors and retired to ponder the case. Lepke and Schmukler they found guilty-not guilty Little Schlemiel Kardonick, who wept.

It was the end of the career of one of the underworld's biggest and slimiest. The verdict made Lepke subject only to a twoyear term, \$10,000 fine, but opened wide the door to his conviction on the other counts, which involved 162 more years, \$170,000 more in fines.

Trial by Jury

Last fall, a jury of eleven men and one woman acquitted Buffalo's ex-Police Commissioner James W. Higgins, Erie County's ex-Democratic Chairman Frank J. Carr, two police lieutenants and three lesser defendants of conspiring to protect gamblers. By last week the subsequent disclosures of what went on in the jury quarters at the Hotel Statler had done more to shock honest citizens of Buffalo than all the town's recent municipal scandals.

► After Higgins & Co. were acquitted, an eighth defendant pleaded guilty to the same charges. Hauled back to account for themselves before Supreme Court Justice Albert Conway, four jurors were fined \$250 apiece, jailed for 30 days. Their offense: announcing that they were for acquittal before all the testimony was in.

"A big, stout man" took a room on the corridor where the jurors were quartered at the Statler, held open house. One of ten deputy sheriffs supposedly guarding the jurors heard them talk about a "fixer" in their midst, did nothing about it.

* Yiddish: dope.

▶ Juror No. 6 was brunette, gap-toothed Mrs. Angeline Muscarella, 29, who had three women deputies watching over her. Deputy Sheriff Alfred Warner also had Mrs. Muscarella in hand. A Buffalo policeman later testified: "He [Warner] said that he had had improper relations with Mrs. Muscarella during the time he was guarding the jury."

"Did he say how often . . . ?"

"Three times."

Outraged Justice Conway fined Al Warner \$500, jailed him for 60 days. Sheriff William Pollack, after much delay, fired



Mrs. Angeline Muscarella The deputy sheriff also had her in hand.

Deputy Warner, two of the women assigned to Mrs. Muscarella, and the deputy who did nothing about the "fixer." Unhappily for Sheriff Pollack, public indignation was not appeased. "In the interest of law and order in Erie County," the Buffalo Evening News last week proposed that the New York Legislature let Erie County elect no more sheriffs, perhaps substitute a nonpolitical employe under Civil Service. Buffalo and Erie County have come a long way since 1872. Their sheriff then was Grover Cleveland, who later was to be called the only U. S. President who ever hanged a man.*

POLITICAL NOTES

1940

Many a U. S. Founding Father, more than somewhat suspicious of democracy,† took comfort in upholding the poll tax principle, which neatly eliminated the

* At 12:05 p.m., on Friday, Sept. 6, 1872, Sheriff Grover Cleveland hanged matricidal Patrick Morrissey, 29. One of the sheriff's deputies braced himself with brandy, offered to "No," said Grover Cleveland, spring the trap. "I have to do it myself. I am the sheriff and that's part of the sheriff's duties."

† i. e., Alexander Hamilton's classic line: "Your

people, Sir, is a great beast!'

great unwashed from a voice in naming the people's choice. Time, and the growth of democratic ideas, ate away the poll tax bulwarks-in the U. S. eight States still make a citizen clink cash on the counter before casting a vote.

Last week in Tennessee, which allows a person to pay the \$1 poll tax for any member of his immediate family, Knoxville pastors and prominent citizens fancied up a new attack on the tax under a cynical, seasonal slogan: "Give a Poll Tax for Christmas.'

▶ Under the laws of Oregon, the names of Presidential candidates may be placed on the primary ballots without their consent -if 1,000 signatures from at least seven of Oregon's 36 counties, and from 10% of the State's precincts, are obtained by petition.

Last week the left-wing Oregon Commonwealth Federation circulated initiative petitions to get Franklin Roosevelt's name on the May 17 primary ballot. Federation officials maliciously challenged John Nance Garner to file in the primary, jeered: "If your Oregon sponsors have difficulty securing requisite signatures, we offer you assistance. . . .

► Add Third-Termites of the Week: Illinois's bald, paunchy Governor Henry Horner, Chicago's bluff, blunt Mayor Edward Kelly. Add anti-Third Termites: New York City's Republican Bruce Barton, ad-man, God-man and Congressman from the Park Avenue district: "I feel sure that Mr. and Mrs. Roosevelt will be permitted to have a happy, peaceful time at Hyde Park in the future."

▶ The work of administering his Federal Security Administration last week took Paul Vories McNutt into New Jersey, for a luncheon at Newark with bankers, corporation officers, and politicos of both parties. The tall "Orchid Man" said the visit had no political significance, but "we weren't playing tiddlywinks."

► Newest FORTUNE survey of public opinion last week brought an oversized headache to many a G. O. P. politico. It found that Franklin Roosevelt would at this time receive more votes for President than three other leading Democrats and four leading Republicans combined.

MICHIGAN

The New Ludecke

A confidant of Hitler in the early Munich days of Naziism was young, smartly dressed, nervy Kurt Ludecke. In 1924 he came to the U.S. as a Nazi newspaper correspondent. When he returned to Germany nine years later, found things no longer to his liking and expressed his opinions, he was thrown into a concentration camp by Adolf. There he even thought of suicide, but escaped instead and fled to the U. S., where he proclaimed, "The old Ludecke is dead."

"Reborn," he applied for U. S. citizenship and wrote a book called I Knew Adolf Hitler. In it he renounced the new course of Naziism, though he retained his belief in Nazi racial doctrines.

Last week he appeared in a Detroit Federal Court to hear a decision on his citizenship application, postponed until Judge Arthur J. Tuttle found time to read his book.

"The old Ludecke is dead," said Ludecke, with by now well-rehearsed emphasis. "The new Ludecke stands before you. He is Ludecke the ex-Nazi, the man who has changed in heart, mind and spirit.'

Said Judge Tuttle last week, eying the breast-beating new Ludecke: "I believe I



KURT LUDECKE "The man who has changed in heart, mind and spirit."

can still see signs of him [the old Ludecke] popping up again," thereupon denied his application "with prejudice." Ludecke will have to wait five years before he can try

POWER

High Noon

Wags in busy, whirring Seattle joke about the woman who told a census taker: "I have three sons, two living and one in Portland." Easy-going Portlanders scorn their frenetic rival to the north, refer with somnolent pride to their "city where it's always afternoon."

Last week Portland's afternoon quiet was abruptly shattered. From Dr. Paul J. Raver, the brisk administrator of Bonneville Dam, came the biggest news the Northwest has had in many a noontime. Aluminum Co. of America had contracted to build a \$3,000,000 plant on the Columbia River eight miles from Portland and two miles west of Vancouver, Wash., use 32,500 kilowatts of Bonneville power (to be transmitted over aluminum cables).

To Portland, to all Oregon and to Seattle as well, these were stupendous tidings. Ever since the U.S. Government began

to build Bonneville Dam (on the Columbia River) with its huge potential output of 502,400 kilowatts, and Grand Coulee Dam farther up the same river with its titanic 1,890,000 kilowatts to come, the looming question in the Northwest has been: Who will buy the power? Enterprising, efficient private utilities already had developed home consumption of electricity in Oregon to a point nearly twice the national average (760 kw-h per customer). Clearly the one answer was to get new industries to open shop within transmission distance of the dams.

The Bonneville-Grand Coulee area of Oregon and Washington is far from eastern and midwestern markets; freighting costs are high. Private utilitarians pointed out that they had tried for years to overcome these handicaps. Asked how Federal amateurs could expect to do better, Paul Raver's retort was the Aluminum Co. contract. "A nice Christmas present," he called it. He now expects to convince many more processors (chiefly of metals and chemicals) that they can save enough with ultra-cheap power to pay for the long hauls of raw materials and finished goods.

ARMY & NAVY

In the Dust

High over droughty Kansas, one afternoon last week, a U. S. Army bomber flew into a dust storm. Lieut. Harold Neely eased his ship out of the sudden dusk and up to 11,000 feet, where the air was clear. Noting that the gasoline gauge was low, he turned on an auxiliary tank. Both motors spat, stopped. The plane nosed into a slow, singing glide. Pilot Neely peered down at the billowing, blinding sea of dust between him and the ground. Small indeed were his chances of landing safely. On the plane's inter-phone he spoke an order to another lieutenant, a corporal and a private in a rear compartment: Jump!

Lieut. Neely thought he saw one parachuted form, then another, dive away through the dust. He opened the canopy over his cockpit, prepared to follow. He paused: what of the third man, whom he had not seen? If he for some reason had stayed in the ship, he would surely die. Pilot Neely decided to stay, too, and fly the ship down. In the dusty dark, unbroken as he neared the ground, he had only his lighted instruments to tell him whether he was on an even keel, only his altimeter to tell him when he was close to the unpredictable earth. Harold Neely's luck equaled his pluck. The bomber missed all the gullies, fences, poles, wires, barns, houses, livestock and civilians in that part of Kansas, glided into an open field. Damage: two bent propellers, a crumpled nose. Unhurt, Pilot Neely discovered that Lieut. John O. Neal and Private Henry Zielinski had parachuted safely down, three miles away. Unseen by Harold Neely, the fourth man in the ship jumped, fumbled with mittened hands at the rip cord of his

chute, pulled it too late. On a barbed wire fence, 100 yards from the spot where the plane landed, farmers found the body of Corporal Kenneth Seamans.

"Army in Being"

Last week Secretary of War Harry Hines Woodring addressed the nation on the subject of Moral Rearmament. He approved it. This surprised only those who think of the Secretary of War as a warlike character. Mr. Woodring is in fact a gentle character who asks only to be left at peace in his job. Said he last week in a speech over a coast-to-coast radio network: "Nations, like men, are their own worst enemies. The menacing might of human selfishness in every country is mankind's chief danger. It is because the war to end selfishness has never been fought that the war to end wars has never been won. Our goal should be a new civilization, built not on the quicksands of personal and national self-interest but on the bedrock of personal well-being, national security and international peace and good will.'

These sentiments did credit to Dr. Frank Buchman, who first interested Mr. Woodring (and many another Washington politico) in moral reformation last spring. But, said Harry Woodring after he had finished his speech: "I'm really not a Buchmanite.



War Department's Woodring . . . takes his rearming double.

I think Moral Rearmament is a great, tremendous influence for good, and it ought to be encouraged. I'm very strong for it. But I'm not a convert." Uplifted by a pile of commendatory messages and cablegrams from as far off as Ireland, Mr. Woodring then went back to his business of rearming the U. S. Army. The Secretary:

▶ Sent his annual report to the President. This document told remarkably little about the Army. But Secretary Woodring did get at the main difference between the U. S. Army as it traditionally has been in peacetime, and the Army as Commander in Chief Roosevelt wants it to be from now on. The old Army was a feeble amoeba, unfit even for its theoretical role as the core of a fighting force to be raised after war starts. What is now wanted is an Initial Protective Force (Regular Army plus National Guard), manned, equipped and ready to fight at the drop of an enemy's hat.

Said Secretary Woodring in his report: "Whatever is the decision as to the size of our Army—our Initial Protective Force—450,000, 500,000 or 600,000, I must urgently insist that that force decided upon be complete as to personnel, as to matériel, and that it be 100% efficient as to training. Our Military Establishment must be an 'Army in Being!' "*

Announced that seven Air Corps observation squadrons, 260 of the Army's 500 tanks would join the 50,000 Regulars receiving winter training in the south and southwest. This is the largest concentration of U. S. tanks, just ten more than the number of Russian tanks the Finns have destroyed in three weeks' fighting (see p. 20).

Announced the formation of a new Air Corps unit, concentrating all defensive aircraft (such as pursuit ships to drive off enemy bombers), anti-aircraft batteries, ground warning systems, in a single, centralized command. Hitherto these defensive functions have been scattered among Coast Artillery, Signal Corps, the Air Corps's General Headquarters Air Force. Now GHQ Air Force can be solely what it was intended to be—a powerful, offensive striking arm for attack on enemy centres.

Matching Game

Last week Congressman Melvin J. Maas, of St. Paul, Minn., proposed that the U. S. Navy build 80,000-ton battleships—nearly twice the size of two mighty monsters now on the way. Horrified admirals paid attention to Mr. Maas only because: 1) he is the ranking Republican on the House Naval Affairs Committee; and 2) his remarks were symptomatic of a tendency on the part of Navy-minded Congressmen to dream for themselves.

Dreamy members of the House sub-committee which handles Naval appropriations asked the Navy Department to draw up estimates for 65,000-ton leviathans. Even these would be 30,000 tons bigger than the biggest now in the U. S. fleet, 23,000 tons bigger than Great Britain's Hood (biggest afloat), and would be too bulky to get through the Panama Canal. Said Sub-Committeeman Charles Albert Plumley of Northfield, Vt., thumbing his Yankee nose at the British: "I'm sick and tired of just match, match. This matching game is absurd. I want a winning team."

* To Mr. Woodring's Army in Being, upwards of 750,000 volunteers and conscripts would be added after war begins.

INTERNATIONAL

Trades and Traders

Years after World War I ended, many students of international affairs were surprised to learn that all during the war years limited trade was carried on by French and German businessmen through Switzerland and by German and British traders through The Netherlands, Last week, in the Chilton Co. steel trade publication Iron Age, Paul Fidrmuc, one of the magazine's correspondents, claimed to have uncovered a similar trading agreement in operation now between warring France and Germany, with neutral Belgium this time the intermediary.

Correspondent Fidrmuc's findings: France recently bought 4,000,000 tons of coal in Belgium, at the same time shipping 6,000,000 tons of iron ore to Belgium. His conclusions: since Belgium can neither supply such an amount of coal nor use that much iron ore, the "assumption is that most of the coal will come from Germany and the iron ore will go to Germany . thus furnishing another example of the many abnormalities in this curious war."

Other trade notes:

After weeks of dickering, Rumania signed a new trade agreement with Germany which: 1) enhanced the value of the aski mark by nearly one-fourth as compared to the Rumanian lei, thereby giving Germany more for her money; 2) increased the yearly sale of Rumanian oil to Germany from 1,200,000 tons to 1,820,-000-about 50% above pre-war levels but not enough to provide more than one-third of Germany's peacetime needs, let alone war needs. Rumor had it that to obtain these advantageous terms Hitler guaranteed Rumanian boundaries. Whether the guarantee will be good if Stalin invades Rumania remains to be seen. Also to be seen is how much oil Germany actually gets. The problem will be to transport it on the already over-burdened Rumanian railroad system and the Danube. That little prob-lem Rumania left strictly to the Nazis.

▶ Before the war the Mexican Government bartered for German machinery with the oil it got from the wells it expropriated from U. S., British, Dutch companies. Last week about 6,000 tons of German machinery was in Genoa, awaiting British and French shipping permits. Meanwhile, through intermediaries (since Mexico and Great Britain broke off relations in May 1938), Mexico argued that the delivery could not possibly benefit Germany, since it was already paid for anyway by oil delivered before the war.

ITALY

New Deal?

The diplomatic ace of France, scholarly but dapper and cosmopolitan André François-Poncet, who was once professor of German at the École Normale, later French Ambassador to Nazi Germany and now to Fascist Italy, last week hurried from Paris to Rome. On him were the eyes of the chancelleries of Europe. He was said to carry to Benito Mussolini from Edouard Daladier a generous basis for adjustment of the outstanding claims of Italy against France-claims which just 13 months ago were voiced in the Italian Chamber with raucous shouts of "Tunisia! Corsica! Nice!" (TIME, Dec. 12, 1938).

During this hubbub the French Ambassador remained grimly seated in the



European AMBASSADOR FRANÇOIS-PONCET Chancellery eyes were on him.

Diplomatic Gallery, and afterward he strongly remonstrated with Count Ciano; but all the same, secret negotiations began. Last week M. François-Poncet was back from Paris with these reputed offers: 1) Djibouti, the French Red Sea terminus of Italian Ethiopia's only railway, to be leased to Italy for 90 years; 2) Italy to be allowed to purchase an increased share in the closely held stock of the Suez Canal Co. to insure lower rates for Italian shipping through the Canal, main water route to Ethiopia; 3) Italians in French Tunisia, who are almost as numerous as Frenchmen, to receive increased rights and civic status.

What is Italy to offer France in exchange for such plums? This was naturally kept a close secret by both parties, since it can only relate to Italian moves favorable to the Allies, and therefore displeasing to the Nazis and Russians. Italian public and official opinion follows the Church in its fear lest either Naziism or Communism or both be carried violently into the Balkans or Near East in the next few months. This the Allies must try to stop, and II Duce is resolved to trade on the "nuisance value" of the Italian Navy and Air Force.

Past Italy almost every day sail French supply ships for Syria. Premier Daladier has taken off the retired list and sent to Syria famed General Maxime Weygand, who in 1920 helped the Poles to crush the Red Army offensive against Warsaw. Under General Weygand in Syria today is a French Army of some 20 divisions, with which he may help Turkey or Rumania as he once helped Poland. But the Italian Navy and Air Force could harry the flow of French munitions, troops and supplies for Syria-not that the Italian people would wish these cut off. Presumably, M. André François-Poncet was preparing the ground with the horse-trading Duce for a more or less secret Allied understanding with Italy.

Last week the British press, constantly grasping at peace straws, again rumored that German overtures may soon be made via Italy to the Allies. There was no confirmation of this in Rome, where Il Duce received last week Nazi Gestapo Chief Heinrich Himmler. Herr Himmler was said to have received from Premier Mussolini a "personal message" for Chancellor Hitler, but the Gestapo chief busied himself mainly about technical aspects of the option now being exercised by inhabitants of the Italian Tyrol of choosing on or before Dec. 31 whether to remain Italian subjects or be transported free to Germany.

GREAT BRITAIN

Interesting, If Not True

Rumors that London had been heavily bombed and was going up in flames were current all over rural Great Britain in the first weeks of World War II. Today, with less news than usual in Britain's habitually restrained newspapers, the King's subjects continue to trade heavily in rumors, and last week the following-entirely untruewere widely believed:

▶ That the reason German air raids have not been more successful is that Britain is using a secret magnetic device so strong that it jerks all steel parts out of approaching enemy planes, causing them to crumple and crash. The strongest magnet ever made will not pull tenpenny nails out of a board at a distance of one yard.

▶ That gold reserves of the Bank of England are being hidden in vaults distributed in the tunnels of the London subways.

▶ That the Government is adulterating margarine with cat fat and permitting restaurants to use cat meat in steak-&kidney pies.

▶ That Adolf Hitler last spring imported 30,000 gorillas from Brazil and these have now been trained in readiness to attack the Maginot Line.

▶ That peace is being secretly arranged on the basis that Great Britain, France and Germany will unite in attacking the Soviet Union-this being so frequently talked of in British ruling-class circles that by last week it was almost out of the rumor category.

That the first great Nazi air raid is

timed for a certain day next week—it is always "next week," and frequently Tuesday.

▶ That the British Expeditionary Force is already leaving France "as the war is really over."

▶ That the Russians have a device on

of the country associated with Joseph Stalin's name.

In Moscow 1,000,000 copies of President Mikhail Kalinin's biography, A Book About the Leader, were issued, while sketches by Defense Commissar Kliment E. Voroshilov and Commissar for Internal

is the hope of the future for the workers and peasants of the world."

In his honor the Council of People's Commissars founded 29 annual first prizes of 100,000 rubles (\$20,000) each for outstanding achievements in medicine, law, science, military science, theatre, inventions, while 4,150 Stalin student scholarships were announced. The Presidium of the Supreme Soviet conferred on *Tovarish* Stalin the Order of Lenin and gave him the title of "Hero of Socialist Labor."

Shop committees, laborers' clubs, soviets, Party and State functionaries felicitated Hero Stalin, but among the congratulations from abroad one came from an old enemy now turned friend—Adolf Hitler: "I beg you to accept my sincerest congratulations on your 60th birthday," wired the Führer. "I enclose with them my best wishes for your personal welfare as well as for a happy future for the peoples of the friendly Soviet Union." The Nazi press meanwhile carefully eulogized Mr. Stalin as the "revolutionary führer of Russia."

The Man. In all this wordage over Comrade Stalin's 60 years of life only six-line communiqués on the progress of the Red Army in Finland were printed in the U. S. S. R. Obviously, the hammer-sickle propaganda machine preferred that Soviet citizens pay as little attention as possible to a scarcely encouraging military campaign (see p. 20). Much, however, was written about Joseph Stalin's enormous effect on world affairs in the last twelve months.

The penultimate year of the 20th Century's fourth decade will not go down as one noted for athletic records, medical discoveries, great works of literature or other achievements in the realm of the in-



Stalin's Birthplace (under monument)
Thither, 450 eulogists.

their parachutes that can shoot them up again if they do not like the place where they are about to land. This one appeared in the Manchester Guardian.

RUSSIA

Man of the Year

(See Cover)

On the year's shortest day, 60 years ago, in Gori, near Tiflis, a son was born to a poor, hard-working Georgian cobbler named Vissarion Djugashvili. The boy's pious mother christened him Joseph, after the husband of Mary, mother of Jesus.

But names were not to stick very long to this newest subject of the Tsar; he was to answer to Soso, Koba, David, Nijeradze, Chijikov and Ivanovich until at length he acquired the pseudonym of Stalin, Man of Steel.

Last week, as another Dec. 21 rolled around, the little town of Gori was a mecca for 450 Russian writers, "intellectuals" and students sent to gather material on Joseph Vissarionovich Djugashvili's birthplace and early surroundings. Newspapers printed sentimental poems and stories about the "little house in Gori" and latest photographs showed that it had been enclosed in an ornamental stone structure and turned into a Soviet shrine. A Tiflis motion-picture studio started filming Through Historic Localities, a cinema intended to conduct the spectator through every part

Affairs Laurentius Pavlovich Beria are soon to appear. In a twelve-page edition of *Pravda*, Moscow Communist Party newsorgan, only one column was not devoted to Joseph Stalin on his birthday morn. In an editorial called "Our Own Stalin," *Pravda* declared: "Metal workers



RIBBENTROP, STALIN, MOLOTOV (August 24, 1939)

An era ended with smiles.

of Detroit, shipyard workers of Sydney, women workers of Shanghai textile factories, sailors at Marseille, Egyptian fellahin, Indian peasants on the banks of the Ganges—all speak of Stalin with love. He tellect, muscle or spirit. It will be remembered, in Europe particularly, as a year in which men turned or were forced to turn their attention almost exclusively to politics.

The whole post-War I period was preoccupied with politics to a degree matched only by the 16th Century's preoccupation with theology. So thoroughly was Europe inured to political shock that the transition last autumn from war of nerves to war of guns was accepted by most of its millions with an extraordinary calm. The calm was tempered with some fear, but also with nostalgia, for few men believe that Europe will ever again be the Europe of Aug. 31, 1939—just as the July of 1914 never came again. Whether Europe's new era will end in nationalist chaos, good or bad internationalism, or what not, the era will be new-and the end of the old era will have been finally precipitated by a man whose domain lies mostly outside Europe. This Joseph Stalin did by dramatically switching the power balance of Europe one August night. It made Joseph Stalin man of 1939. History may not like him but history cannot forget him. As for his contemporaries on the 1939 scene:

▶ By early last year Adolf Hitler had already shown the world that his bag of tricks was not bottomless. Instead of winning another bloodless conquest in Poland, he ran his land empire at last afoul the sea empire of Britain—and into an expensive, probably long and debilitating war which may well end disastrously for him and his country. The Allies have not cracked his Westwall—but he has not cracked their Maginot Line. His vaunted air fleet has not leveled Britain, as advertised, and once again Germany finds herself dangerously blockaded by the British Elect

▶ Generalissimo Francisco Franco won his civil war in Spain, but his country was so exhausted at the war's end that Spain's weight in international affairs remains negligible.

Most vigorous character to arise anew in European affairs was Britain's Winston Churchill, First Lord of the Admiralty, but he was not the head of Government. Doubtful it was, moreover, if Prime Minister Neville Chamberlain would go down as a great war figure. History would probably regard him as an example of magnificent stubbornness—stubborn for peace, then stubborn in war.

▶ Benito Mussolini was caught bluffing with his Nazi-Fascist "Pact of Steel," and when the Allies called his bluff, Il Duce rather awkwardly last fall backed down and declared "non-belligerency." Grumbling at home last autumn and a major shake-up among his top officers indicated that Mussolini's Italy had to do a lot of sail-trimming.

▶ After seven years of Franklin Roosevelt, the U. S. was still in the dumps, offered no example to the rest of the world as to how to get along. Best Roosevelt deeds of 1939 were his earnest but unheeded plumpings for peace (see p. 7).

Joseph Stalin's actions in 1939, by contrast, were positive, surprising, world-shattering.

The signing in Moscow's Kremlin on the night of August 23-24 of the Nazi-Communist "Non-Aggression" Pact was a diplomatic démarche literally world-shattering. The actual signers were German Foreign Minister Joachim von Ribbentrop and Soviet Premier-Foreign Commissar Molotov, but Comrade Stalin was there in person to give it his smiling benediction, and no one doubted that it was primarily his doing. By it Germany broke through British-French "encirclement," freed herself from the necessity of fighting on two fronts at the same time. Without the Russian pact, German generals would certainly



LENIN MEETS STALIN (1905)
The "wonderful Georgian" stuck it out inside.

have been loath to go into military action. With it, World War II began.

From Russia's standpoint, the pact seemed at first a brilliant coup in the cynical game of power politics. It was expected that smart Joseph Stalin would lie low and let the Allies and the Germans fight it out to exhaustion, after which he would possibly pick up the pieces. But little by little, it began to appear that Comrade Stalin got something much more practical out of his deal.

▶ More than half of defeated Poland was handed over to him without a struggle.

▶ The three Baltic States of Estonia, Latvia and Lithuania were quietly informed that hereafter they must look to Moscow rather than to Berlin. They all signed "mutual assistance" pacts making them virtual protectorates of the Soviet Union. ▶ Germany renounced any interest in Finland, thus giving the Russians carte blanche

to move into that country—which they have been trying to do for the past four weeks.

▶ It is widely supposed that Germany agreed to recognize some Russian interests in the Balkans, most probably in Rumania's Bessarabia and in eastern Bulgaria and the Isthmus.

But if, in the jungle that is Europe to-day, the Man of 1939 gained large slices of territory out of his big deal, he also paid a big price for it. By the one stroke of sanctioning a Nazi war and by the later strokes of becoming a partner of Adolf Hitler in aggression, Joseph Stalin threw out of the window Soviet Russia's meticulously fostered reputation of a peace-loving, treaty-abiding nation. By the ruthless attack on Finland, he not only sacrificed the good will of thousands of people the world over sympathetic to the ideals of Socialism, he matched himself with Adolf Hitler as the world's most hated man.

The Life. While the new Nazi-Communist partnership may have surprised those whose Russian reading had been confined to the idealistic utterances of such Soviet diplomats as onetime Foreign Commissar Maxim Litvinoff, Stalin's life reveals numerous examples of cynical opportunism and unprincipled grabbing of power. Sent to a Greek Orthodox seminary at Tiflis at 13, young "Soso" Djugashvili was expelled at 18 from the school because, said his priestly teachers, of "Socialistic heresy."

Thereafter, he led the life of a Russian professional revolutionary. He took part in a railroad strike in Tiflis. He was an organizer in Batum and Baku factories. He had something to do with the series of spectacular robberies that the "revolutionists" engineered. Once a Governmentconvoyed truck was bombed in the Tiflis main square, and 341,000 rubles (\$170,-000) in cash was taken from it. Maxim Litvinoff, incidentally, was later caught in Paris with some of this money on his person. "Soso" wandered from town to town in the Caucasus, using numerous aliases. Five times he was arrested and exiled; four times he escaped.

In this early life his colleagues sometimes suspected Koba or Ivanovich of buying leniency for himself by handing over their names to the police. Another strange coincidence they noted was that frequently when the comrades got into a tough spot with the police, and had to fight their way out, Koba was rarely on hand.

He joined Russia's radical movement in 1894 and aligned himself with the Social Democratic Party in 1898. He was astute enough to choose the Bolsheviks rather than the Mensheviks when the Party split in 1903. His first contact with revolutionary bigwigs came when he attended a Party powwow in Vienna. Leon Trotsky noticed him in passing; Nikolai Lenin, who had first met him in 1905 in Finland, set him to work writing an article on the Marxist theory of governing minorities. It was in

signing this article that he first used the signature "J. Stalin." "We have here a wonderful Georgian," Lenin wrote of Stalin at that time. Thereafter the "wonderful Georgian" was to be the Party's recognized expert on the 174 different peoples that made up Soviet Russia.

One of Lenin's favorite ideas was that if 130,000 landlords could rule Tsarist Russia, 240,000 determined revolutionists could rule a Soviet Russia. Lenin's efforts before the revolution were to build up a professional revolutionary machine expe-

the Stalin-Trotsky feud. Trotsky claimed that Stalin, a political commissar at that time, was insubordinate. He demanded and got from Lenin an order recalling him. Thereafter, Comrade Stalin patiently and calculatingly nursed his grudge against Comrade Trotsky.

In 1922 Trotsky was offered the post of Secretary General of the Central Committee of the Communist Party, but turned it down. All except Stalin thought it was a mere routine job. Stalin eagerly grabbed it. Stalin saw in it the chance to become There were accounts of big dams built, large factories going up, widespread industrialization, big collective-farming projects. Five-Year plans were announced. Free schools and hospitals were erected everywhere. Illiteracy was on the way to being wiped out. There was no persecution of minorities as such. A universal eight-hour and then a seven-hour day prevailed. There were free hospitalization, free workers' summer colonies, etc.

To be sure, the collectivization program in the Ukraine resulted in a famine which













Acme, International Photos

STALIN'S EXECUTIVE COUNCIL COMRADES*
Only Comrade Stalin survived.

rienced in organizing workers and able to dodge the police. Almost all the big revolutionists of necessity lived abroad; Stalin and Molotov were the only two who were able to brag in later years that they stuck it out for the most part inside. At World War I's start Stalin was in a prison camp just below the Arctic Circle. He got out when a general amnesty was proclaimed at the Tsar's abdication in 1917.

In the Bolshevik Revolution of October 1917, he was a relatively unimportant member of the Party's steering committee whose greatest service had been as exiled Lenin's go-between with colleagues in the 1913 Duma and as an assistant on the Petrograd Pravda. In numerous reorganizations of the governing structure which took place after the Bolsheviks came to power, Comrade Stalin always had a high post, but his work was also invariably overshadowed by the spectacular showings of Lenin, the Party's chairman, and Trotsky, the War Commissar.

Since J. Stalin became the supreme power in Russia, much of the Revolution's history has been rewritten to magnify his part in those stirring events. Trotsky's part has been completely erased from Soviet textbooks. Meanwhile, Stalinists claim that their hero:

- ► Fought off the White Russian forces in Siberia.
- ▶ Defended Petrograd against White General Nikolai Yudenich in 1918.
- ▶ Saved the Donets coal-mining region from General Anton Denikin's forces.
- ➤ Was responsible for early Russian successes in the Polish War of 1920.
- Saved Tsaritsin (now called Stalingrad) from capture in 1918.

At Tsaritsin there began one of the bitterest political enmities of modern timessomething resembling a Soviet Boss Tweed. The Communist Party was growing by leaps & bounds. Comrade Stalin appointed the new secretaries of the expanding organization. Comrade Stalin could not directly punish a recalcitrant secretary, but one who showed too much independence could easily be shifted, without explanation, from a nice post in, say, the Crimea, to a cold outpost in Archangel. By the time of Lenin's death in 1924 Stalinist bureaucracy was already in the saddle.

Probably the most debated point in postwar Soviet history was the "last testament" supposedly left by Lenin. Most salient point in the alleged document was a proposal to get rid of Stalin "because he is too crude." Stalinists have long denied its genuineness; best Trotskyist argument is that Stalin once quoted it and that Stalin once admitted: "Yes, I am rough, rough on those who roughly and faithlessly try to destroy the Communist Party."

At any rate, Lenin's proposal could scarcely be carried out against Stalin's strong organization. During this and the subsequent crucial period the chief members of the Political Bureau of the Central Committee, the Party's ruling body, were Stalin, Trotsky, Grigori Zinoviev, Leo Kamenev, Alexei Rykov, Nikolai Bukharin, Mikhail Tomsky—seven little bottles hanging on the wall. In 1928 Trotsky was exiled from the U.S.S.R., in 1936 Zinoviev and Kamenev were tried for treason, found guilty, shot. Tomsky attended the trial, committed suicide. In 1938 Rykov and Bukharin went before the firing squad.

In twelve years of Stalin absolutism the world has had many conflicting reports of how Socialism in Russia got along. * Zinoviev, Kamenev, Trotsky, Rykov, Tomsky, Bukharin. cost not less than 3,000,000 lives in 1932. It was a Stalin-made famine. The number of wrecks and industrial accidents became prodigious. Soviet officials laid it to sabotage. More likely they were due more to too rapid industrialization. Millions in penal colonies were forced into slave labor.

Moreover, Russian officialdom began to experience a terror which continues to this day. For the murder of Stalin's "Dear Friend," Sergei M. Kirov, head of the Leningrad Soviet, who had once called Comrade Stalin the "greatest leader of all times and all nations," 117 persons were known to have been put to death. That started the fiercest empire-wide purge of modern times. Thousands were executed with only a ghost of a trial. Secret police reigned as ruthlessly over Russia as in Tsarist times. First it was the Cheka, next the OGPU, later the N.K.V.D .- but essentially they were all the same. Comrade Stalin recognized their function when, one day, he viewed that part of the walls of the Kremlin from which Tsar Ivan IV watched his enemies executed, was reported as saying: "Ivan the Terrible was right. You cannot rule Russia without a secret police."

After his death Lenin was sanctified by Stalin. Joseph Stalin has gone a long way toward deifying himself while alive. No flattery is too transparent, no compliment too broad for him. He became the fountain of all Socialist wisdom, the uncontradictable interpreter of the Marxist gospel. His dry doctrinal history of the Communist Party is a best-seller in Russia, just as Hitler's turgid but more interesting Mein Kampf outsells all secular volumes in Germany. He goes in for Nazi-like plebiscites. Hitler won his 1938 election by 99.08% of the voters; Stalin polls 115%

in his own Moscow bailiwick. Stalin's photograph became the icon of the new State, whose religion is Communism.

But Joseph Stalin is not given to oratorical pyrotechnics. Only two or three times a year does he appear on the parapet of Lenin's tomb in Red Square, wearing his flat military cap, his military tunic, his high Russian boots. He attends Party meetings but rarely public gatherings. He has made only one radio speech and is not likely to make many more. His thick Georgian accent sounds strange to Russia.

Three Rooms. His life is mostly spent inside the foreboding walls of that collection of churches, palaces and barracks in Moscow called the Kremlin. His office is large and plain, decorated only by the pictures of Marx and Engels and a death mask in white plaster of Lenin. His private apartment, once the dwelling of the Kremlin's military commander, is only three rooms big.

Joseph Stalin has been married twice: first, in 1903, to a Georgian girl named Ekaterina Svanidze, who died in 1907, and then to Nadya Sergeievna Alleluieva, who died in 1932. By his first wife he had a son, Yasha Djugashvili, now in his thir-



STALIN'S LATE MOTHER
She named him after Mary's husband.

ties, an obscure engineer in Moscow. Father and son do not hit it off. By Mrs. Stalin No. 2 he had a son and daughter: Vasya, now 19, and Svetlana, 14. Goodlooking Daughter Svetlana is the apple of her father's eye. The two children go to school, but live in the Kremlin. Joseph's cackling, gossipy mother, old Ekaterina Georguvna Djugashvili, whom Soviet and foreign journalists used to dote on interviewing, died in Tiflis in 1937. She had for several years lived in an apartment in the former palace of the Tsar's Georgian viceroy.

Novelist Maxim Gorky was a good friend of Stalin, but perhaps his dearest friends were Commissar for Heavy Industry Grigori Konstantinovich Ordjonkidze and Soviet Executive, Committee Secretary Avel Yenukidze. Ordjonkidze died "of a heart attack," Yenukidze before a firing squad. Defense Commissar Voroshilov has enjoyed the master's friendship and lived longer than anybody. Best pal of late years is said to be Leningrad Party Boss Andrei Alexandrovich Zhdanov, regarded as Stalin's heir. Last week rumors flew thick & fast that Comrade Zhdanov was on the skids. His birthday testimonial to Stalin failed to see the light of print.

Few foreigners have met Stalin, none has come to know him well. He has been interviewed by U. S. Newsmen Walter Duranty, Eugene Lyons, Roy Wilson Howard. Author Emil Ludwig and Professor Jerome Davis each once had long, serious sessions with him. Playwright George Bernard Shaw and his friend, Lady Astor, went on a lark to Moscow and saw him, too. "When are you going to stop killing people?" asked the impertinent Lady Astor. "When it is no longer necessary," answered Comrade Stalin.

Despite the disastrous purges, despite the low opinion that J. Stalin & Co. held



Keystone-Underwood STALIN'S LATE SECOND WIFE Svetlana is his favorite.

of human life, Soviet Russia had definitely gained some measure of respect for its apparent righteousness in foreign affairs. It had supported against reactionary attacks popular Governments in Hungary, Austria, China, Spain. But last year, in three short months, the Man of 1939 found it expedient to toss that reputation out of his Kremlin window.

For long Russians have been obsessed with the nightmare of a combination of capitalist nations that would turn against her. Perhaps it was this haunting fear, rather than any innate sympathy for the Nazis, that led *Tovarish* Stalin to take measures to insure the Soviet Union

against easy attack. He was not astute enough to see that such measures as he has taken in Finland were more likely than ever to unite the world against him.

Once in a plea for greater industrial, and hence military power, Joseph Stalin said: "Old Russia was continually beaten because of backwardness. It was beaten by the Mongol khans. It was beaten by Turkish beys. It was beaten by Swedish feudal landlords. . . . It was beaten because of military backwardness, cultural backwardness, industrial backwardness, agricultural backwardness. . . . That is why we cannot be backward any more." Last week, as the news of a Russian rout in upper Finland was broadcast, it began to look as if, temporarily at least, Soviet Russian efficiency was not essentially better than that of Old Russia. It began to appear as though Finnish democrats could be added, temporarily at least, to the Man of 1939's list of those who had laid the Russian bear by the heels. And that the Man of 1939 was making a very poor start on 1940.

Shortage

Last week as Moscow nights lasted from three in the afternoon until nine the next morning, Russia's capital decided to stage a blackout. It was a strike-out. Because of a textile shortage, nine out of ten Moscow families were without curtains heavy enough to muffle light. Because of a paper shortage, they could not paper their windows. Because of a shortage of blue light bulbs, the officially urged alternative of carrying on life under half light was also impracticable. Only thoroughgoing defense, if Moscow should suddenly be subjected to an air raid: the first move of revolution—shut down the power plants.

GERMANY

"Our Faith!"

No. 3 man in the German hierarchy, after the heads of State and Army, is the country's mouthpiece. In title and theory, Propaganda Minister Paul Joseph Goebbels holds this position. But the Goebbels' star has fallen so far since the signing of the German-Russian pact that another man is rapidly moving into his spot. The usurper's official title is Reich Organization Director, Leader of the Labor Front; but as he moves towards No. 3, he becomes, more & more, spokesman of Nazi doctrine, utterer of slogans, salesman of ideas. The unfortunate pronunciation of his name is the same as of the English word "lie"

Robert Ley is one of the more radical oldtimers of the Nazi Party. He organized the Party into its prison-model machinery of blocks, cells, wardens. When the Nazis came to power in 1933, he was made head of the Labor Front, proceeded forcibly to liquidate the free trade unions, numbering 4,000,000 members. In his ability to incite and entertain, he combined the talents

of Billy Sunday and Billy Rose. He staged the vast Nürnberg Party rallies each year, and built the "Strength Through Joy" organization, which mass-produced recreation, playgrounds, loyalty—all convertible for war uses.

All this while Robert Ley tossed out pronouncements which tended to set him up as a second-string oracle. When the Party wanted discipline, he ranted against nicotine, alcohol and debauchery (despite his own proclivity for liquor, generously indulged on "Strength Through Joy" outings). When Germany needed manpower, he lectured the Many Children League on that "natural, healthy" phenomenon, illegitimacy (see col. 2). When Lebensraum (living space) and the Communist menace were in the air, he proclaimed: "In Germany 147 men have to live on one square kilometre-in Russia only nine. This may be borne for a time by superhuman effort, but not forever." When vilification of Britain was in order, he was among the loudest and most insistent, branding the enemy "a dark smudge off the Continent," "a heap of moneybags," "a rich parvenu wishing to play world policeman.'

Last week Nazi Germany came right out and declared its intention not only to beat Great Britain but to dominate the world, and it was Robert Ley who made the declaration. The theory of Germanic superiority lies at the nub of Nazi doctrine, was the hypothesis of *Mein Kampf*. But until last week no responsible German had ever talked right out for the world to hear about Germany's heaven-given right to rule. Dr. Ley did. In a speech in conquered Lemberg, German Poland, he said:

"We know the issue; it is to be or not to be. But we also know that Germany will live. For England is already blockaded. The country that wants to starve us is itself shut up like a mouse in a trap. We want to be hard in this war. We are going to forget the arch-evil, our good nature, and will be hard and relentless in battling for our demands.

"The German race—that is our faith! It has higher rights than all others. A German laborer is worth more than an English lord. We have the divine right to rule, and we shall assure ourselves of that right."

Almost as an afterthought, later in the week, came a speech from waning Mouthpiece Goebbels. It was merely a reiteration of the do-or-die talk which all German bigwigs have handed out to keep citizens in a proper frenzy. But there was a new note of genuine desperation. "This is no potato war," said Herr Goebbels, "but will bring a decision on our future. . . . We will either relinquish our position as a united people and a big power or win. . . . Germany is fighting a totalitarian war, calling on both the front and the homeland, if not for the same sacrifices, then for the same national duty. In this war we are fighting for bare existence."

Seventh, Eighth

Through a thick mist one morning last week two fast trains ran close together on the line from Berlin to Cologne and Neunkirchen. Ahead was a Berlin-Cologne Christmas special, jampacked with third-class passengers. Behind was the regular Berlin-Neunkirchen express. As the Christmas special slowed down for Genthin station, near Magdeburg, the express passed a stop signal. Either the engineer did not see the signal, or its mechanism was faulty.



Віаск этаг

"We have the divine right to rule."

(See Column 1)

Without slowing down, the express ploughed into the rear of the special, telescoping three flimsy third-class coaches. When rescuers had counted up the dead and injured there were 132 killed, including the engineer of the express, and 109 hurt.

Less than 24 hours later, on a single-track line north of Lake Constance, a passenger and a freight train collided head-on, killing 52, injuring 40. Railway officials in Markdorf and Klustern, between which towns the trains were running, blamed faulty signals, were arrested nevertheless

These were the seventh and eighth railway wrecks in Germany since the war began, bringing the total number of killed to 289, of injured to more than 250. Though no evidence of sabotage was found, rumors spread. A more likely cause, or contributing factor: bad condition of rolling stock and other equipment, which has not been properly repaired or replaced during Germany's five-year rush to rearm.

National Treasure

Gestapo Chief Heinrich Himmler and Deputy Führer Rudolf Hess last week set the seal of qualified official approval on bastardy. Herr Himmler sounded off in an "order to the entire SS (Elite Guard) and the police":

"The ancient saying that only he can die peacefully who has sons and daughters must be translated into fact during this war by the SS. Beyond the limits of bourgeois laws and customs which ordinarily are probably necessary, it can become an exalted task even outside of wedlock for German women and girls of good blood to become—not frivolously but imbued with deepest moral concern—mothers of children begotten by soldiers moving to the front without knowing whether they will return or die for the Fatherland."

In a letter to an unmarried expectant mother whose fiancé was killed in Poland, Deputy Führer Hess declared:

"During war especially, which so often means death for the best men, every new life is of extraordinary importance. Hence, if young soldiers fall on behalf of the Fatherland who, for some reason or other, could not marry and who leave children behind, the State will take care of this national treasure."

CZECHO-SLOVAKIA

New Ally

Last November France formally recognized as a Government-in-exile the Czecho-Slovak National Committee which set up shop in the same old house on the Rue Bonaparte, Paris, where Czechs also worked for their freedom during World War I. Last week British Foreign Secretary Viscount Halifax notified ex-President Eduard Benes of Czecho-Slovakia, leading committeeman, that His Majesty's Government was also prepared to "afford all requisite support to the Committee in its activities." Thus the Allies acquired a new ally, and a future Czecho-Slovakia, freed from German "protection," had a new Government ready to move in and take over in case of Allied victory.

First committee business was to pronounce "null & void" the agreement signed last March by Czech President Emil Hacha which made Bohemia and Moravia a German protectorate. The Committee can now conscript Czechs and Slovaks living in France and Great Britain into a Czecho-Slovak Legion headed by 45-year-old General Sergej Ingr, named Commander in Chief. Meanwhile, one of the Committee's problems will be to dissuade Czechs under German rule from futile revolts. Onetime Minister to the Court of St. James's Jan Masaryk warned his countrymen over the BBC that the present was not a propitious time for anti-Nazi agitation.

PITCAIRN ISLAND

Relief

The great brass bell across from the Assembly Hall on Pitcairn Island clanged gladly one sundown last fortnight. Through the dim light a ship had just

been sighted, and the 200-odd hybrid descendants of H. M. S. *Bounty*'s mutineers rushed out on Adamstown's headland to strain eyes for their first visitor in over two months.

War had disrupted merchant shipping between New Zealand and South America, the infrequent calls of supply ships had ceased, essentials were running low. The works of Pitcairn's powerful short-wave radio station, VR6AY, had broken down, and parts were in Panama being fixed (TIME, Nov. 20). A completely outfitted relief expedition had been called off because of lack of funds (TIME, Dec. 11). The Christians, McCoys and Youngs were isolated and scared.

They hated their war rations—soggy bread compounded of coconut meat and milk, maize, lab-lab (wild beans), arrowroot, flower petals; coffee from roasted coconut shreds; dried grass instead of tobacco—and their clothes were getting ragged. They were in dire need of wheat flour, sugar, lard, potatoes, matches and all kinds of processed supplies. Worst of all, they feared disease. So, when the ship indicated it would stop, they eagerly gathered up the leaf baskets, wood carvings, woven hats and bird feathers, which are their dollars, quarters, dimes and nickels, and stood by their longboats in the crescent of Bounty Bay.

The visitor, guided by the island's blinker and its own searchlight, eased in to an anchorage. The natives swarmed aboard. On deck they had a big surprise—the smiling face of Rear Admiral Richard E. Byrd, genuinely happy to be of assistance, only incidentally pleased to find himself hip-

deep in news again.

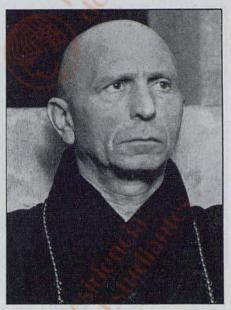
Last week the Admiral wired a report to the U.S. describing how the U.S. M. S. North Star put ashore relief supplies, which she would replenish in New Zealand; her two doctors treated almost a quarter of the population for ailments, ranging from scratches to scurvy; her machinists and radio operators went over the island's radio receiver. Biggest treat of all: a long cinema program in the North Star's saloon. The audience, most of whom had never seen films before, cried out in amazement at shots of Manhattan. Next day, when the North Star's forward donkeys upped anchor and the screws began to turn, the natives stood up in their longboats and with tears in their eyes sang songs of

CHINA

Again, Chao Kung

A "man no country wants," for most of his 60 years, has been Ignatius Timothy Trebitsch Lincoln. In his day he has been accused of enough dark deeds to get a whole portfolio of Oppenheim characters hung. Born a Hungarian Jew, he added the Lincoln to his name, he said, in admiration for the Great Emancipator. He went to England, somehow became a

Presbyterian missionary, turned himself into an Anglican curate, made himself a Quaker when he was secretary to Quaker B. Seebohm Rowntree (cocoa). Trebitsch Lincoln, before World War I, got himself elected M. P. for Darlington, was accused in a secret session of Parliament of being a spy. Later it was rumored he had spied for both the Allies and Germany. He made his way to the U. S., was extradited to England, where he was convicted of forgery, imprisoned until the war's end. Then



TREBITSCH LINCOLN
He would hex the Powers.

he went to Germany, helped in the abortive Kapp Putsch of 1920.

Trebitsch Lincoln drifted eastward, intriguing with French and Czech agents on the way, turned up in China, where for a time he seemed to be close to the late Warlord Wu Pei-fu. About the time his son was executed in England for murdering a brewer's assistant, Trebitsch Lincoln became a Buddhist. He had his bullet pate shaved and branded with the twelve circular symbols of the Buddhist wheel of life, took the name of Chao Kung. He made a trip to Germany (where he was jailed for an old debt), later accumulated some white followers, kept on the move. In 1938, he turned up again in Shanghai, with a beard and a new program. He was now for Japan, or, as he blandly put it: "I am still pro-Chinese and therefore pro-

In Shanghai last week this aging adventurer sounded off once more. Chao Kung called upon the Governments of Great Britain, France, Germany and Russia to resign simultaneously as prelude to a peace conference. Otherwise, he darkly predicted, "the Tibetan Buddhist supreme masters, without prejudice, pre-direction or favor, will unchain forces and powers whose very existence is unknown to you and against whose operations you are consequently helpless."

JAPAN

Bait Bitten

A cynic once defined a gift as a gesture made against better judgment in lively expectation of better treatment. Last week Japan offered foreign nations, especially the U. S., a gift of which she was pretty proud. There was a lively look in her eye as she gave.

Japan's Foreign Minister Admiral Kichisaburo Nomura broke the news first to U. S. Ambassador Joseph C. Grew, later to diplomats of other nations: Japan would reopen the Yangtze River to foreign trade.

This looked like a whopping gift. It was the first sign that Japan's New Order in China might mean anything besides exclusive Japanese monopoly. It was the first indication that something might be done about U. S. grievances before the China war ends. Most significant, it was the first concrete example in many months of ascendancy of Cabinet over General Staff. On the surface it looked like a sincere gesture of appeasement. But beneath the surface it looked like bait.

The gift had a tangle of strings attached. The river would be opened only as far as Nanking—a still dead city 193 miles upriver from Shanghai, only one-third of the stretch held by Japan. It would be opened "at the proper time"—not immediately. Navigation would be subject to "certain restrictions necessary for the maintenance of order and military operations."

It turned out that export concessions to this area of the Yangtze basin are intrenched in the hands of Japanese firms; and competing U. S. firms would be subjected to handicaps of inspection and permit. It turned out that exports from the

area are practically negligible.

Finally the Japanese Foreign Office spokesman frankly explained the gesture. It was intended to jog the U. S. into renewing her trade treaty with Japan. The present agreement, the Treaty of 1911, was denounced on July 26, and lapses on Jan. 26. By last week nothing had been done about renewal, and Japan was beginning to get panicky about the threat of embargo. The Cabinet might fall unless the U. S. reacted favorably to the Yangtze promise. "We anticipate American action," said Spokesman Yakichiro Suma, "with absorbing interest"—and before Christmas, he added.

Two days before Christmas, at 5:30 in the afternoon, Ambassador Grew's tall, easy-moving figure appeared at the gaimusho (Foreign Office). For an hour the Ambassador and Foreign Minister were closeted. Shortly after the interview ended, a happy communiqué was issued indicating "progress." Spokesman Summa summed up the talk with a confident double negative: "There will not be a nontreaty situation between Japan and the U. S." But it appeared that Japan would have to offer more than the Yangtze promise.

SPIES

Desk Men

When they worked in the Lilliputian Village at the New York World's Fair all last summer, 26 German midgets had no idea what was in store for them this winter. En route to Genoa after the Fair, all 26 were intercepted in the Mediterranean by a French cruiser. Last week ten of them were discovered in a French concentration camp 20 miles north of Marseille. Married midgets had been allowed to proceed, but the rest were interned because, said a French officer in charge: "Those little fellows would make ideal spies. . . . They could hide almost in a desk drawer without any one suspecting they were there."

NORTHERN THEATRE "Happy Birthday to Joe"

For his birthday last week Joseph Stalin wanted Finland. By this week it had become pretty clear even to Joe Stalin that he would be some time getting what he wanted. But his Armies made desperate efforts to get him at least a little something. While strengthened land forces hurled themselves at the Finns on three fronts, Soviet airplanes opened a fresh campaign of terror, raining bombs on Finland's southern cities-Helsinki, Viipuri, Turku, Hanko, Tampere and Porvoo. Finns said 350 planes took part in a single day's bombing.

The Finnish defenses were surprisingly effective. Anti-aircraft batteries (equipped with the fine Swedish Bofors guns) potted Russian bombers high in the clear cold air, and Finnish fighting planes brought other bombers down. The Finns claimed they got 50 planes in the week's raids. Furthermore, the Finns had billeted Russian prisoners near schools and hospitals and announced to Joe Stalin's boys that if they bombed these objectives they would get their own men first.

The Finns did a little raiding of their own. Finnish fliers bombed Russian troop concentrations and supply lines for the Karelian Isthmus. They also raided the captured border village of Terijoki, where Red Finns had set up a "People's Govern-ment" and equipped a "People's Army" with uniforms from the reign of Sweden's Charles XII (1697-1718) filched from a

Net result of the week's air fighting was to show Joe Stalin that the Finns still did not scare.

Karelian Stall. On the Karelian Isthmus, where the Russians have been pounding at the Mannerheim defenses for three weeks, they gained a little ground, at tremendous cost. Correspondent James Aldridge of the North American Newspaper Alliance described the taking of a hill near the Taipale River, where the Russians have been trying to flank the Mannerheim Line.

. The Soviet troops started shelling this hill. . . . They continued shelling it all day, making it untenable for Finnish snipers and blowing almost the whole top off it.

"After this barrage had cleared away . . . four thirty-ton Russian tanks appeared from a timber clump and started advancing across the snowy waste to the foot of

is the isthmus at its narrowest part, the Russians still had forces estimated at from 500,000 to 1,000,000 men. They had plenty of tanks and, most important of all, plenty of heavy artillery that pounded away steadily against the Finns' granite defense lines. Sooner or later, if the Russians could afford the cost in men and machines, these lines might give way. And then again



The Russians need the help.

FINNISH PRESIDENT KALLIO AT THE FRONT

the hill. Crouched behind each tank were about twenty men, using it as a shield.

"The Finnish advance lines in timber clumps opened up with machine-gun fire and . . . picked off a few men behind each

"Slowly the snow-clogged tanks ad vanced to the foot of the hill, with only three-fourths of the infantrymen left. A Finnish mortar or anti-tank shell burst twenty yards from the first tank and the Russian soldiers dropped to the ground. The tank seemed disabled, for it stopped. The three other tanks went on a few more yards to some granite boulders at the foot of the hill, then turned and plunged at full speed back to the woods for more men. . . .

'While the tanks were returning to the woods a Finnish advance machine-gun nest from high boulders on the east opened fire on the Russian troops at the foot of the hill. We could not see the result, but it must have been devastating, for the nest was almost behind the men. . .

"The tanks came out and heavy firing started again. . . . The tanks had not gone half way to the hill when a heavy blast ... resulted in a big explosion right under the nose of the third tank. The tank seemed to leap up on its rear end. When the snow cloud cleared you could see a jagged mess of metal, no longer a tank, and the men behind it flat on the snow. The two other tanks came ahead slowly. ... They finally got to the hill."

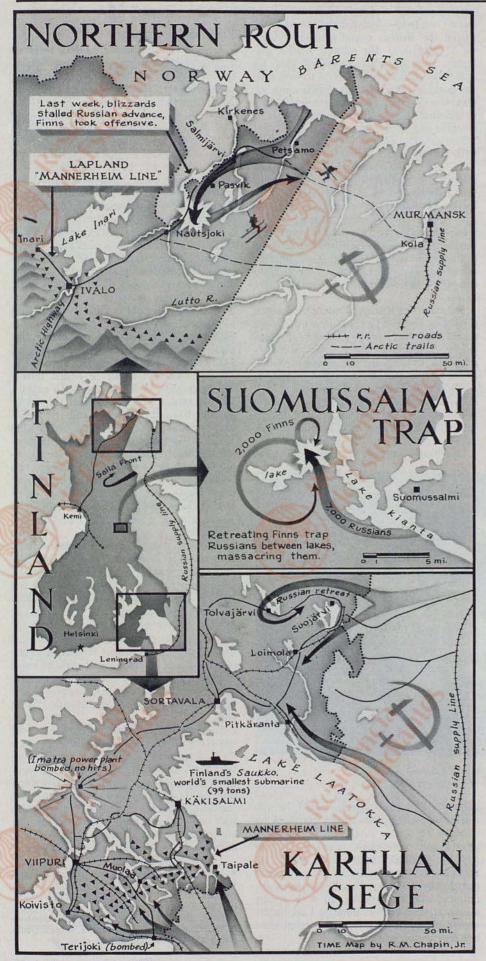
Below the 40-mile-wide bottleneck that

they might not. Aid was coming to the Finns (see below).

Central Reverse. The Russian thrusts across Finland's 485-mile waist came to real grief last week. These drives were made by columns traveling light, presumably planning to reach their objectives in time to get fresh supplies. Instead of opposing them near the frontier, the Finns, by design or otherwise, let them move in. One column, which entered by way of Kuolajärvi and Salla, got as far as Pelkosenniemi, in the centre of Finland, before the Finns met it. Then, while one detachment of Finns recaptured Salla, cutting off the rear, another attacked the advance column at Pelkosenniemi and sent it fleeing eastward. Although the Finns were too weak in man power to annihilate this Russian force, they harried it with guerrilla tactics and leisurely cut it to bits.

Near Suomussalmi, which the Finns recaptured last fortnight, 7,000 Russians were reported similarly trapped. Last week the Finns revealed the strategy that halted this drive. Finns fell back before the Russian advance, lured the Russians into a narrow passage between two lakes, then split their own forces to attack the Russians in this passage from front and rear (see map).

Russia's central drives had failed. The Russians were left the choice of reorganizing them, with fresh troops and supplies, or abandoning that campaign for the winter. Three weeks of war had shown that



Russia's supply lines to the north can hardly support two campaigns; that if the central campaign is reorganized, the northern drive must be called off.

Arctic Rout. The far northern drive had already been halted last week-but not by the Russians. In the dark Arctic region south of Petsamo the Finns had a real birthday present for Joe Stalin, and they delivered it wrapped in a blizzard. While the Finns were digging in near Ivalo, on their Lapland "Mannerheim Line," preparing to meet the Russian mechanized forces that were rolling southward, a thick, swirling snowstorm enveloped the Russian Army. Tanks and lorries had to be dug out of snowdrifts. Gasoline supply trucks were stalled on the road from the north. The Russians had no shelter because the Finns had burned everything before retreating. While the Russians huddled around their machines, trying to keep warm in a -25° temperature, Finns swooped down from the hillsides on skis, began potting them from the woods with machine guns. It took little of this to convince the Russians that they had gone too far from base. Their trucks and tanks, which last fortnight had rolled in a steady stream southward along the Norwegian border, last week rolled less steadily northward. With the Finns harassing their flanks and rear, this retreat soon turned into a flight.

The Finns told tales of Russians freezing to death, stuck in the snow. They did not chase the fleeing Russians far because they wanted to save their men, and the weather was fighting for them. By week's end the Russians were in full flight toward Kola, and the Finns announced triumphantly that there was not a live Russian in the Arctic region south of Salmijärvi.

At Sea. Russia failed to do anything important with its superior navy. Swedish dispatches claimed the Finns had scored a direct hit on the *Ortizabrskaya-Revolutia* (October Revolution) when it tried to shell Koivisto. On Lake Laatokka the Finnish submarine *Saukko* continued to harass troop transports.

Another Spain? After three weeks of war Russia's planned *Blitzkrieg* had definitely failed to *blitz*. Defeated on two fronts and held on the third, the Red Army had lost immeasurably in men, morale, prestige.

Even in Moscow the Russian casualties were estimated at 30,000 men. The Finns were believed to have lost less than 4,000. The Finns said so many Russians have frozen to death that they fear an epidemic when the corpses thaw in spring.

While Russia floundered, Finland, as a result of the League of Nations' sanctioning help, grew stronger. A Finnish delegation in Washington got the U. S. Navy to release 40 fast Brewster pursuit planes ordered for the Navy, placed orders for ammunition and machine guns. In Paris, after a meeting of the Supreme Allied War Council, Premier Daladier announced that

France had already given Finland assistance "that is not mediocre"—presumably weapons. Sweden sent her neighbor 37 airplanes and released from military service 10,000 men, who promptly "volunteered" to help the Finns. With Great Britain and Italy also unofficial allies, Finland seemed destined, like Spain, to become an international battleground. President Kyösti Kallio had his picture taken in the trenches with his Army, to keep up the good publicity.

All in all, Joe Stalin did not have a happy birthday.

IN THE AIR

Post Mortem, Ante Mortem

French and German pilots dog-fought over the congealed Western Front last week; Belgian and Dutch pilots chased belligerents out of their skies; a German scout tried for a look at the Firth of Forth and got his tail stung for his pains. But the 16th war week's biggest air battle was an Anglo-Nazi wrangle over what happened last fortnight when a large force of Vickers Wellington bombers was tackled by Messerschmitt fighters based on Helgoland. Britain continued to claim that she lost only seven and downed twelve (out of perhaps 36) Messerschmitts; that the virtue of close formation bomber flying was proved to the hilt; that Germany's new Me-110s, twin-motored and twin-can-

correspondents, Colonel Schumacher-43, heavy and bald-declared that he was surprised the British would attempt raiding on a clear day. He saluted British gal-lantry and skill, but explained that his men's only problem had been to break up the bomber formations by diving on them, then shooting rear machine-gunners before proceeding to cut down the Vickers Wellingtons one after another. One of Colonel Schumacher's young men was credited with getting three British in ten minutes. The fast new twin-motored Messerschmitts were described not only as potent fighters but as ships capable of protecting bombing missions beyond the ordinary range of German pursuits. The whole Helgoland performance, said the Germans, proved the futility of attempting to bomb without fighter escorts—a notable admission since the Germans have used no escorts in their bombing of British Fleet

Between the British admission of seven casualties and the German claim of 35-40 there was room for large doses of skepticism. Neutral judgment awarded a definite edge to the Germans, whose unveiling of the potent *Me-110* was taken to presage a further extension of Germany's attack on Britain's trade and food supply. Having failed with submarines and mines, logical next step might be to bomb Britain's docks. Suitable preparation of world opinion for such action—which would inevitably cost



Dever-Black Star

GERMAN AIRVIEW OF LONDON'S PORT Suitable preparation of world opinion?

noned, with top speed of 379 m.p.h., are good but not irresistible.

Exasperated by such belittling, and badly in need of some victory talk in the face of Germany's naval reverses last fortnight, Air Marshal Hermann Göring last week caused Lieut. Colonel Karl Schumacher, in command of the wing assigned to protect Germany's northwest sea approaches, to appear in the theatre hall of the Propaganda Ministry at Berlin. To assembled

gallons of civilian blood—would be the release of aerial photographs emphasizing military objectives in British ports. Such photographs were lately released in quantity by German censors (see cut). As though anticipating raids by Nazi bombers guarded by Me-110s, Britain last week announced she was coming up with a new all-metal, two-seater Boulton-Paul intercepter plane, faster and more potent than her Hurricanes and Spitfires.

AT SEA

Price of Sanctuary

U. S. steamship brokers lately received a circular letter from one August Bolten, marine agent of Hamburg, Germany, calmly offering for charter or sale a dozen Nazi ships tied up in Western Hemisphere ports since war began. Herr Bolten said that these ships were available for "cash in U. S. dollars or other first-class neutral value." He found no quick takers in Manhattan, where idle U. S. tonnage was still seeking employment, and where everyone is well aware that the Allies will not recognize any shifts of nationality made by German ships after Sept. 3.

Not only foreign exchange did Herr Bolten's principals seek in their naïve offering. They sought to get out from under the drain of port charges on their idle ships and upkeep of their idle crews. Allied shipping quarters last week estimated that Germany still had tied up throughout the world, 400 to 500 ships, with some 1,800,000 tons of needed cargoes, which were running up charges at £330,000 per month for harbor dues alone. To this situation could be added unrest among unpaid, underfed crews, to explain why, in recent weeks, one Nazi ship after another has left sanctuary and tried running the Allied blockade to get home. Rule No. 1 of Germany's sea war being to diminish Allied tonnage, Rule No. 1 for homing German ships is to scuttle rather than be seized. Last week Paris reported half the German fleet moving into the North Sea, perhaps to cover the return of Nazi merchantmen. Allied naval forces tensed themselves.

The safe passage of the Bremen from Murmansk to Hamburg* (TIME, Dec. 25) apparently cued North German Lloyd's 32,581-ton Columbus, third biggest of the Nazi merchant marine—tied up at Veracruz since debarking her passengers at Havana in September—to make a dash for it. When he received the order to sail home, Columbus' Captain Wilhelm Daehne had no choice but to obey, though he knew his chance of getting through was paperthin. For weeks he trained two picked squads in the fine art of scuttling and firing ship.

Last week the Columbus passed out of the Gulf of Mexico at Florida's tip, with U. S. destroyers escorting her. Off Charleston, S. C. the U. S. heavy cruiser Tuscaloosa (President Roosevelt's last cruise ship) took up the patrol, to see that no untoward incident occurred in neutral waters. She rode so close to the Columbus that the latter had to carry a night light to avert collision, but no ill befell her until fugitive (Continued on page 27)

* Lieut. Commander Edward Oscar ("Brubs") Bickford, 29, of the British submarine Salmon, who let the Bremen pass when he allegedly had her lined up for torpedoing, was last week awarded the D.S.O. and jumped 800 numbers to full Commander, for sinking a U-boat, puncturing a Nazi cruiser (perhaps two).





Dextrose Sugar helps make Candy...a delicious Food



THE DEVELOPMENT OF DEXTROSE

as a pure, sparkling white sugar in crystalline form involved years of research and costly refining equipment.

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Dextrose is thus a 100% American product, and its production and distribution give widespread employment to many thousands of workers.

Dextrose is sweet and cooling to taste—and possesses special properties which impart superior qualities to many foods and beverages. The human body requires fifty nutrients for adequate and balanced nutrition. They constitute five groups of foods—carbohydrates, proteins, fats, vitamins and minerals. Each performs specific functions within the body throughout life.

Of the relatively few processed foods which embody these nutrients, modern candy provides, in concentrated form, an exceptionally wide variety of essential nutrients.

The candy products of the past consisted chiefly of sugar, syrup and water, cooked until crystallized and cooled until hardened. The candy maker of today, however, has applied nutritional science in producing culinary perfection. Many types of candies contain such staple, nutritious foods as milk, butter, eggs, chocolate or cocoa, sucrose, Dextrose, corn syrup, fruits and nuts. Blended together,

they provide from five to fifty of the nutrients essential to life, yielding proteins, fats, vitamins and minerals as well as energizing carbohydrates.

Medical scientists consider candy a desirable requirement of the daily diet because it yields Dextrose. It is as a veritable bulwark of defense against between-meal fatigue. Hence, well-informed people today regard candy as a delicious FOOD, well tolerated and readily digested. It is a specified item of military rations. Aviators have always relied on the food value of candy for sustenance on long flights.

The manufacture of candy today is the eighth largest food industry. America alone spends upwards of 600 million dollars a year in the pure, delicious products skillfully blended in modern, immaculate candy kitchens throughout the country.

Most successful candy makers in the United States rigidly observe the highest standards of purity and wholesomeness of ingredients, of sanitary equipment, of hygienic plants. Thus have the candy makers elevated their products in the esteem of the public. Through public enlightenment of the value of candy as a food has been born a confidence in the industry and its diverse products.

An important ingredient of practically all modern candy is corn syrup—and corn syrup is rich in Dextrose. Pure Dextrose is a crystalline, sparkling white sugar. It adds to the nutritional value of candy, raises its food-energy value, increases its digestibility and in many types of candy definitely improves texture, flavor and eating qualities.

Observance of the value of Dextrose sugar in candy making has induced many

progressive manufacturers to include this natural sugar in their formulae. And these candy makers have found that Dextrose is as important in the selling of candy as in its manufacture. For the growing public acceptance of Dextrose as a natural sugar, as the sugar used directly by the body for energy, creates an eager response to the advertising of Dextrose as an ingredient of better candy. Thus is Dextrose sugar winning its rightful place in the confectionery field—just as it has earned the preference of other food industries which use it to advantage. Bottlers, bakers, ice cream manufacturers, meat packers, fruit packers and others are among the great food industries which use Dextrose, Nature's simple sugar, the ultimate "fuel" of the body.

CORN PRODUCTS REFINING COMPANY
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THE DEVELOPMENT OF THE CONFECTIONERY INDUSTRY

It is the 8th largest food industry in America.

It provides employment and profitable enterprise to hundreds of thousands of farmers, workers, shippers, distributors and retail merchants.

It has over 1,250,000 retail outlets.

Candy is the most widely distributed of all food products. Manufacturers of candy bar goods alone supply billions of bars a year to the nation.

Candy kitchens satisfy America's "sweet tooth" to the tune of an annual expenditure of over \$600,000,000.00.

And the keynote of this great demand is: "Candy is Delicious Food—Enjoy Some Every Day."



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THE MARCH OF TIME

PRODUCED BY THE EDITORS OF TIME

and escort reached a point 320 mi. northwest of Bermuda. Then the British destroyer Hyperion, which had heard Tuscaloosa's radio speaking to someone, asked: "What ship are you escorting?" Captain Harry A. Badt of the Tuscaloosa replied (in effect): "Find out for yourself."

An hour later, in mid-afternoon, into view raced Hyperion. Tuscaloosa dropped a mile astern to watch the fun. Hyperion shot over the German's bows,



Wide World CAPTAIN DAEHNE

"It's the vorst there is!"

commanding her to halt. But already the Columbus crew were performing their wellrehearsed act. Into the lifeboats went all the crew (there were no passengers) except twelve scuttlers, ten firers. Captain Daehne stayed aboard to oversee their job. Down below, the scuttlers opened all sea cocks. Through the ship raced the firers, smashing skylights, emptying drums of benzine and petrol, to make an unbroken trail past heaps of oil-soaked waste to the ship's fuel tanks. When all was ready, Very signal pistols and long matches were used to touch off the fire everywhere at once. Within an hour of ordering his ship's destruction, Captain Daehne slid last down a rope into his motor launch, confident that no Briton could board what soon became a sinking inferno.

Tuscaloosa ran up and safely embarked

577 survivors.
"Isn't war awful, sir?" a bluejacket on the Tuscaloosa asked Captain Daehne as they watched the Columbus blaze.

"It's the vorst there is!" said Captain Daehne.

Exclaimed John Schroeder, Manhattan manager of North German Lloyd, when he heard of the scuttling: "Oh, my God. It's one blow after another!"

Because their ship was unarmed, the Columbus' crew, taken to Ellis Island, could look forward to early freedom, as "distressed" mariners. Less clear was the status of the Nazi freighter Arauca (see p. 8), which brought the war close home to Florida pleasure seekers last week by running inside the three-mile limit off Fort Lauderdale (20 miles north of Miami), just in time to escape capture by H.M.S. Orion (cruiser).

▶ One pride of the Nazi merchant marine which did not escape or scuttle was the 13,615-ton liner Cap Norte. Last week she arrived in English waters from the South Atlantic under a British prize crew. Another, the *Düsseldorf*, captured off Chile by the British cruiser *Despatch*, last week prepared to transit the Panama Canal under a prize crew.

A Nazi epic came out of Berlin last week about the freighter Erlangen, which fled Australian waters towards Chile when war started. Short of fuel, she stopped at an uninhabited South Sea island for a month, while her crew hewed and loaded firewood, made sails out of hatch covers and tarpaulins. Alternately sailing (1,507 miles) and steaming (3,319 miles), she made Chile in five weeks (normal: two weeks), after burning most of her furniture and cabin floors.

"Voluntary Elimination"

Why did Adolf Hitler change the Admiral Graf Spee from a gallant fighting ship into a miserable scuttleship? Naval men pondered many theories last week, as the Spee's semi-submerged hulk still smoked in the Plata estuary and her 1,039 officers & men were interned at Buenos Aires and Montevideo, four of them under arrest in the latter capital, pending an investigation to see if the Spee's scuttling was criminal.

German defeatism was a blanket answer. Mustard-gas shells aboard the Spee, discovery of which would have created a stench in neutral noses, was the height of British suspicion. Fear that Uruguay or Argentina might become an ally, and turn the interned Spee against Germany, constituted a political answer (see p. 18). None of these answers was approved by non-Nazi naval men, whose code demands that a ship of war shall continue fighting just as long as she can do some damage to the enemy.

An explanation more depressing than any to the German cause was published by El Dia of Montevideo: that Britain's lighter cruisers actually rendered Germany's vaunted sea terror harmless. Said El Dia, which may well have had access to the official Uruguayan commission that examined Spee: "We are authoritatively able to give assurance that the Graf Spee's fighting capacity was almost totally nullified in the battle. Its control tower had been damaged so that its artillery could not be managed. Its ammunition lifter had been paralyzed and heavy shells had to be carried on the shoulders of sailors. Therefore, when Captain Langsdorff ordered it to Montevideo, the ship was practically out of fighting condition.'

What then of the Spee's commander? Was he a coward? El Dia said his Government forced him to protest that Spee was only unfit for sea, not unfit for battle. But sharp tongues in Buenos Aires flung painful taunts at wiry little Captain Hans Langsdorff, 45, after he came ashore so jauntily with his men, to be lionized by the city's German colony.

The Spee's officers were not deprived of their swords and pistols before being



CAPTAIN LANGSDORFF The German Admiralty understands.

quartered at the Immigrants' Hotel (Argentina's Ellis Island), close to the naval arsenal grounds. They relaxed happily while German Ambassador Baron Edmund von Thermann sought to have the Spee's company adjudged survivors of a wrecked ship, not subject to internment.

When the authorities declared him and his men prisoners for the war's duration, Langsdorff's spirit seemed to break. He visited his men in their barracks, addressed them quietly in three groups. That evening he called all his officers around him, talked with them for three hours. He shook hands all around before retiring. He asked not to be disturbed that night, sat up late writing letters to his wife, parents and the Ambassador. His fellow officers did not need to be told what his aide found next morning: Langsdorff dead, with a bullet from his own pistol through his forehead.

The German Embassy made a formal announcement: "The commander of the glorious battleship Admiral Graf Spee sacrificed his own life last night for the Fatherland, eliminating himself voluntarily. . . . From the first moment he made up his mind to share the fate of his magnificent ship. . . ." In Berlin, the German Admiralty explained: ". . . After bringing his crew to safety, he viewed his work as finished and followed his ship. The Admiralty understands and honors this step. Captain Langsdorff as a fighter fulfilled the

expectations put upon him by his Führer, the German people and his Navy."

But only his own letters could reveal whether Hans Langsdorff understood and honored the end which Adolf Hitler decreed for his ship, and thus for him. And last week those letters were not made public.

Recognition

In recognition of fishermen's and trawlers' services to the nation (and in part confirmation of Germany's contention that they are combatants), George VI last week reviewed a contingent of them, salt-caked in their sea boots and ragged overcoats, on the docks at Devonport Torpedo School. He bestowed no medals because, said the Admiralty: "You'd have to give medals to nearly every one of them-and what do they want with medals anyway?" The King boarded a trawler, dirtied his gloves fingering depth-charge apparatus and trawling gear. Later he helped receive a delegation of fishermen and trawler owners at the Ministry of Agriculture & Fisheries. Said the mariners' spokesman, 6-ft.-3-in. Dan Hillman: "Sir, the fishermen are having a hell of a time."

The King also visited the Portsmouth naval base, there bestowed honors on a "suicide squad" of five from H. M. S. Vernon (as the combined Portsmouth barracks and naval laboratory are still called. after an old training ship long since rotted away). They were the men who, "with undaunted courage and a spanner," sloshed out between tides on a windy foreshore to where, half buried in mud, lay a magnetic mine-first specimen obtained by the Royal Navy's explosion experts. Unbolting the case, ignoring ominous hisses and tickings, Lieut. Commander, Roger Lewis at last thrust his arm inside the mine, unscrewed the detonator, slipped it in his pocket.

WESTERN THEATRE

Dominion Men

While the cruisers Exeter, Ajax and Achilles were holing up the Graf Spee in the South Atlantic; while the R. A. F. harried Helgoland and two British submarines smacked the Nazi Navy in its own waters (Time, Dec. 25)—across the North Atlantic, obscured by these events, and by winter fog and an efficient blanket of censorship, a large group of long, grey shapes proceeded methodically in eight days from Halifax, N. S. to a port in west Britain.* In that camouflaged convoy were such crack passenger liners as Aquitania, Batory, Empress of Britain. Guarding them was

* Last week Magistrate J. L. Barnhill of Halifax announced that he had been "very much put out" to hear, the very night the troopships left Halifax, a broadcast from Germany announcing that the ships had left, and how many. After the ships' safe arrival, he gave suspended two-year jail sentences to three women who pleaded guilty to writing indiscreet letters to persons in the U. S. about ship movements at Halifax.

Britain's main Battle Fleet, for on this convoy no slightest chance could be taken.

It was the first contingent of troops from Canada for World War II, a complete division of 12-16,000 men drawn from all nine Provinces (and including about 100 U. S. volunteers who sang Sousa's Washington Post March upon landing). Navy men remembered the fix Britain was in the last time a Canadian vanguard crossed the water. That was in October 1914, when 33,000 men had to be moved in 31 ships from Quebec, plus one



John Phill GHTON

GENERAL McNaughton Moosomin was proud.

from Newfoundland, one from Bermuda. Unknown to the Germans, the British Navy was then embarrassed by the absence of two battle cruisers in the South Atlantic, chasing Admiral Count Spee's squadron. Also unavailable were the battleship King George V, which was in dock for repairs, and the battleships Conqueror and Monarch, which had collided. Assigned to escort the 1914 Canadians were (besides cruisers and destroyers) the antique battleships Glory and Majestic. For the sake of Canadian good will, Admiral Jellicoe grudgingly added the battle cruiser Princess Royal, but only he and the Canadians' commander in chief, Major General E. A. H. Anderson, knew it at the time, for this left Jellicoe with no edge in capital ships to keep guard over the German Navv.

Last fortnight, radio operators on other ships in the North Atlantic were startled to hear a British battleship broadcast one day, right out in plain English: "Read Luke XV:6." Bible looker-uppers found this quotation: "... Rejoice with me; for I have found my sheep which was lost." (One of the troopships had strayed in fog, been shepherded back by two destroyers.)

Officers of Samaria, outbound from a northwestern British port, thanked the Lord for a larger favor when, in fog that cut visibility to a ship's length, their vessel

grazed one of the incoming transports so closely that lifeboats were sheared from their davits.

The press was exasperated when after being allowed to watch the debarkation under oath to keep mum for 48 hours, it heard First Lord of the Admiralty Winston Churchill broadcast, 36 hours before the press deadline: "... And I can also tell you that yesterday the leading division of the Canadian Army ... disembarked safely and smoothly. ..."

Dominions Secretary Anthony Eden stood on the gangway to deliver a welcoming message from Canada's King George VI. Off his own bat, he said: "The struggle in which we are engaged may be long—it certainly will be tough—we all know that. But in the assurance of the unity of all peoples of the British Commonwealth is the certainty of final victory." Canadian troops went to Aldershot, famed British training station in Hampshire, for two months' polishing before crossing the channel.

The Canadian hamlet entitled to be proudest of the Dominion's expeditionary force is tiny Moosomin, Sask. That place is the birthplace of lean, dour, square-jawed Andrew George Latta ("Andy") McNaughton, 52, distinguished veteran of World War I (wounded at Ypres and Soissons), able artilleryman, chief of Canada's General Staff from 1929 to 1935, past president of Canada's National Research Council (his specialties: electricity and aeronautics), now leader of the first Canadian contingent and probable commander of all subsequent contingents.

mander of all subsequent contingents.

But for the war, "Andy" McNaughton would probably be the new Principal of McGill University. Canadian farmers as well as scholars have reason to honor him because he did much to eliminate wheat rust. His early ideas about soldiering were radical: he was against Army bands, as too glamorous, and uniforms, because he wanted to see universal defense training for the civil population. These ideas faded as his passion for mathematical precision advanced him. His checking for artillery fire last time in France was so good that sometimes his barrage shots, before Canadian advances, blasted German guns before they could get their muzzle and breech covers off. Soldiers, in Canada and elsewhere, rate him the ablest officer in the British Empire, barred from higher command because he is a colonial.

Such a commander is congenial to the Allied motto in this war: Waste No Lives. In World War I, Canada put 595,441 men under arms, sent 418,052 overseas, lost 62,594 dead, in a total of 218,433 casualties. This time the emphasis for Canada will be on airmen, not infantry and artillery. Last week the first squadron of the new Canadian Air Force to see action was selected. Nucleus: the City of Toronto Squadron, supplemented by pilots from east and west Canada. Commander: Squadron Leader Wilbur Van Vliet, 35, of Winnipeg, famed footballer.

CINEMA

The New Pictures

She was born in Budapest 27 years ago and her name was Ilona Hajmassy (pronounced High-massy). At 14, Ilona was a seamstress in a sweatshop, with a will to sing. So Seamstress Hajmassy applied at a Budapest opera house. When its manager asked her what she could do, she told him: "Nothing." He put her in the chorus. There she earned 60 pengö (\$10.50) a month, got no curtain calls. An M. G. M. executive finally spotted her at the Vienna

right sinister Bolsheviks. It also includes Baritone Nelson Eddy, the Russian Cossack Choir, an excellent cast (Frank Morgan, Lionel Atwill, Charles Ruggles, C. Aubrey Smith) and a lot of gorgeous clothing and sets.

Lydia Marakova (Massey) is a pink singer in old St. Petersburg. Her father and brother are Reds. Despite these home influences, Lydia is irresistibly attracted when Prince Karagin (Eddy) begins a kittenish courtship which would set the teeth of a more experienced young woman



SINGER MASSEY & COSSACKS She also scrubs her garage floor.

opera, took her to Hollywood, where for six months she crammed dramatics and English, dieted on cottage cheese and skim milk, laid off such Hungarian delights as lekvar (gluey layers of candied noodles). Her first U. S. movie role was a small part in Rosalie, starring Nelson Eddy and Eleanor Powell.

Simple as a Hungarian peasant, beauteous, fun-loving, slenderized Ilona Massey is unspoiled, despite pounds of jewelry and dozens of furs lavished on her by ardent admirers. She likes to wear them to Hollywood hot spots, but she also scrubs her own garage floor on all fours. Blue-eyed and flaxen-haired, she tempers Madeleine Carroll's cool gorgeousness with some of Mary Martin's warmth and a richer voice. The ta'ent scout who uncovered her in Vienna wired: "This is the kind of dame who would look naked wearing a fur coat."

Balalaika (Metro-Goldwyn-Mayer) is the first picture in which Ilona, now Massey without Haj, has her first chance to star. Unfortunately, Hollywood has now got the idea that "social significance" has something to do with the amusement business. So the picture, which takes its name from a truncated Russian mandolin, the balalaika, includes not only fatuously lovable grand dukes and musicians, but downon edge. Red family friends of Lydia reward Prince Karagin for arranging her operatic debut by shooting his father. Off goes Lydia to Siberia. Off goes Prince Karagin to World War I, the big moment of which comes on Christmas Eve, when Karagin carols Silent Night from the Russian trenches while the Austrians across the way carry the chorus. After that the Russian Revolution breaks out.

Amidst these vicissitudes Songsters Massey and Eddy find time to sing often and well. Ilona Massey sings words to The Young Prince and the Young Princess from Rimsky-Korsakoff's Scheherazade, a duet from Carmen with Nelson Eddy. He sings the Volga Boatman's Song in rumbling Russian, other Muscovite songs in English.

Gulliver's Travels (Paramount). First and best full-length color cartoon was Walt Disney's Snow White. For a while it looked as if it would be the last unless No. 1 Movie Cartoonist Disney made another. But No. 2 Movie Cartoonist Max Fleischer had his own ideas about that. Eighteen months ago, he decided to challenge Snow White by making a full-length cartoon of his own, Gulliver's Travels. According to the publicity from Miami, he had 678 artists at his Florida studio, who turned out 665,280 drawings, used up 16 tons of paper, 49,000 pencils, and consumed 27,600 aspirin tablets for head-

It was a noble effort, but in craftsmanship, color, delicacy of treatment and invention, Gulliver's Travels falls considerably short of Snow White, although reminiscent of it: the Prince and Princess (voices by Jessica Dragonette and Lanny Ross) suggested Snow White and her Prince. A character named Gabby sometimes suggested Dwarf Dopey, sometimes talked like Donald Duck. In place of Snow White's Seven Dwarfs, there were about 700 Lilliputians, funny in their own right. Prodigious are their engineering feats in moving Gulliver from the coast to their diminutive capital, graceful is the King's effort to dance with Gulliver's finger for a partner. But the closest Gulliver's Travels comes to invention of Disney calibre are Sneak, Snoop and Snitch, King Bombo's secret agents, to whom he sends letters beginning: "Dear Spies."

Of all his characters, Max Fleischer voted Gabby the most likely to succeed, planned a series of short cartoons for him if he caught on.

Also Showing

Everything Happens at Night (20th Century-Fox) continues prudent but so far rather unproductive efforts to turn Sonja Henie into a dramatic actress against the day when even Henie fans may tire of seeing Henie skate. Surrounded by a capable cast (Maurice Moscovich, Robert Cummings, Ray Milland), in a trite little, tight little tale, this time Sonia Henie skates only once, and though she is a competent skier, long shots of her skiing were done by a double. But whether she is gliding backwards or forwards, or skating rings around Greek columns to the strains of The Blue Danube, Sonja Henie on blades is still the best part of one of her pictures.

Entente Cordiale (Max Glass) was probably intended as French propaganda for home consumption on the present Anglo-French alliance. In it royally whiskered King Edward VII (Victor Francen) faces a crisis in affairs with France, a leisurely episode which leaves the general impression that European crises were comparatively homey affairs 30 years ago.

CURRENT & CHOICE

Another Thin Man (Myrna Loy, William Powell, C. Aubrey Smith, Sheldon Leonard, Asta; TIME, Dec. 11).
Tower of London (Boris Karloff, Basil

Rathbone; TIME, Dec. 11).

Destry Rides Again (Marlene Dietrich, James Stewart, Mischa Auer, Samuel S. Hinds; TIME, Dec. 18).

The Great Victor Herbert (Mary Martin, Walter Connolly, Allan Jones; TIME,

Dec. 18).

Four Wives (Rosemary, Priscilla & Lola Lane, Gale Page, Claude Rains; TIME, Dec. 18).

Gone With the Wind (Vivien Leigh, Clark Gable, Olivia de Havilland, Hattie McDaniel, Leslie Howard; TIME, Dec. 25).

MEDICINE

Telltale Sugar

Metabolism is the dynamic process whereby the body uses food for energy, growth and repairs. Chief regulator of metabolism is the thyroid gland, two small lobes of spongy tissue which straddle the windpipe. Doctors have long worried over the relation between: 1) metabolism; 2) supercharging of the thyroid gland (hyperthyroidism); 3) diabetes. In hyperthyroidism, bodily functions are stepped up, and food is rapidly consumed in a roaring fire of metabolism. After meals, sugars (including digested starches) pile up in the bloodstream. Some of the sugars are converted into furious nervous energy. The excess spills over into the urine, is quickly excreted. Sufferers from hyperthyroidism are spare and undernourished, for their food is so quickly burned up that their body tissues receive little nourishment.

Also a disease of metabolism, diabetes is an inability of the body to use sugars. Diabetics can absorb sugar into their bloodstream, but unlike hyperthyroid patients, they cannot burn it up. The sugars merely "stagnate" in the blood until they pass into the urine. A physician who finds an excess amount of sugar in his patient's urine may assume that he is suffering from both hyperthyroidism and diabetes. But the diseases need opposite treatments. Diabetics, who cannot make use of the sugars they already have, must be deprived of carbohydrates; hyperthyroids, who burn up their sugars too rapidly, must be stoked with a much larger supply of fuel. Diabetics need injections of insulin to convert their sugars to useful work, but for high-gear hyperthyroids, insulin may be fatal.

Dr. Theodore Leonidowitch Althausen, of the University of California, long worried over tragic mistakes made in diagnosing these two diseases. For several years he tried to devise a method which would tell whether a patient suffering from hyperthyroidism also had diabetes. Doctors always assumed that diabetics and hyperthyroids, after meals, passed sugars into their bloodstreams at the same rate of speed. But Dr. Althausen questioned this belief, set to work on the hunch that the rate of speed of sugar absorption depends directly upon the amount of thyroxin produced by the thyroid gland. Thus, hyperthyroids would absorb sugars at a higher rate of speed than diabetics. Last week, he reported a simple new sugar-timing test which he has used successfully on 250 patients. For this long-awaited achievement, he was promptly awarded the Van Meter Prize of \$300 by the American Association for the Study of Goiter.

In his test, Dr. Althausen feeds his patients 40 grams of galactose, a sugar derived from milk and certain gummy plants, but not normally present in human blood. After an hour, a drop of blood is taken from an ear lobe, and tested for the presence of galactose. A normal person will have from 20 to 30 milligrams of the sugar



THEODORE LEONIDOWITCH ALTHAUSEN

& AIDE
40 grams of galactose . . . one drop
of blood.

in every hundred cubic centimetres of blood; a hyperthyroid, around 70 milligrams; a diabetic, whose thyroid is not stepped up, shows the same amount of galactose as a normal person, although, of course, his blood and urine are saturated with unused body sugars.

Concertmaster

At the base of the brain, just above the brain stem, is a small patch of grey matter. Only one three-hundredth part of the total brain, the hypothalamus is concertmaster in the symphony of human behavior. Last week, in Manhattan, noted neurologists and psychiatrists from all sections of the U. S. met at the 20th an-



DR. STEUART BROWN MUNCASTER

The patient was 95.

(See Column 3)

nual convention of the Association for Research in Nervous and Mental Disease. For two days they did nothing but discuss, in the light of latest research, the orchestral effects of the hypothalamus, and pay tribute to the pioneer work of Chicago Neurologist Stephen Walter Ranson, who presented his first outstanding paper in 1904, is still continuing his explorations.

Climax of the 30-odd scientific papers was a poetic paean to the hypothalamus, presented by famed Cornell Neurologist Foster Kennedy. Said he:

"The supreme mystery lies in commonplace phenomena, so exquisitely maintained that they excite almost no attention. The regularity of the rhythm of breathing, the constancy of pulse rate, the exact maintenance of body temperature, the beautiful balance of the intake and output of fluid, the cycle of sleep, the integrity of body weight and the imposed periodicity of the

the cycle of sleep, the integrity of body weight, and the imposed periodicity of the menstrual rhythm—all these ebbs and flows are instrumented primarily through the [hypothalamus]."

Some particulars he offered:

A diseased hypothalamus may not only cause manic-depressive psychoses (alternating fits of madness and despair) but also less common episodes of insanity. One 20-year-old patient, with a diseased hypothalamus, "sometimes on laughing . . . experiences a sensation of darkness coming from the back to the front of the head, followed by a sudden falling. . . . She also has periods of enforced immobilization during which she can't lift a hand by will, nor move a foot, nor speak, Emotion, triggering morbid sleep, put one of my patients in an impossible position when he suddenly slept with snores on kissing a girl in a taxicab."

"Past 49"

A familiar figure on Washington golf links is spry, white-haired Dr. Steuart Brown Muncaster. Proud of his Scottish ancestry, he sports neckties of loud clan plaids. But seldom does he wear his own Gregor, for its red and green checks are "too subdued" for his taste. For 19 years Dr. Muncaster taught ophthalmology at Georgetown University, for more years than most of his colleagues can remember he performed eye operations in the Episcopal Eye, Ear and Throat Hospital. During that time he brought up a half-dozen younger surgeons, built up a legend about his generosity to charity patients. But about jovial, warmhearted Dr. Muncaster there is one dark mystery: his age. In his Who's Who in the Nation's Capital biography there is no birthdate; in his medical directory it is carefully scratched out. He looks like 60, runs around like 50, claims to be "past 49."

Last week the cat finally jumped out of the bag. In the Episcopal Hospital, Dr. Muncaster successfully removed a cataract from the eye of a 95-year-old patient. Enterprising reporters, seeing a good story, asked Dr. Muncaster his age. As usual, he refused. The reporters prodded Dr. Muncaster's old cronies, paged through medical directories. The result was a good 20 years more than anyone had suspected: age 82. In that operation patient and doctor

totaled 177 years.

RADIO

Little Miss Christmas

No one before had ever managed to steal the great U. S. radio Christmas show from Tiny Tim. But this year Shirley Temple stole into millions of U. S. homes on Christmas Eve, twinkling after Happiness in a wide-eyed episode from Maeterlinck's The Blue Bird. She said pretty Merrys to everybody, blended her fair treble with Baritone Nelson Eddy in an unprecedented Silent Night.

Not only was this an innovation in American Christmases, it was an innovation in Shirley Temple: the first time in her six-year career that she has ever played in a radio show. They say she has turned down \$3,000,000 in radio offers. They say she might have had \$35,000 had she chosen to make her debut Christmas Eve with Charlie McCarthy on the Chase and Sanborn program. But for her radio comingout, she got not so much as a lollipop.

For staging its Sunday night Screen Guild Theatre over 64 CBS stations, the late Andrew Mellon's Gulf Oil Corp. pays the living William Green's Screen Actors Guild a flat \$10,000 a week. It pays other costs, too—some \$5,000 for production costs, \$8,350 for air time. But the S. A. G.'s weekly \$10,000, for which it volunteers the talents of 90% of Hollywood's great, goes straight into a Motion Picture Relief Fund, earmarked for the construction of a cinema old folks' home.

Now, as a result of 37 broadcasts since January 1939, the Building Fund has been enriched by \$370,000-and Gulf has had the most impressive guest-star parade any radio sponsor ever got for his money. By June, close of the present season's contract, the radio program will have brought in \$540,000, to add to some \$90,000 previously collected. So the Fund hopes to start construction this year, on the broad green pasture of the San Fernando Valley, of a building with recreation halls, a big dining room, a dispensary, surrounded by cottages, to be named after the cinema's great. The Fund's every-day work will go onproviding bread, hope and Front for faded glamor girls, leading men gone paunchy, directors gone seedy, ailing script girls,

Shirley Temple—"Presh" to her mother —now a radio actress, has long been a radio fan. She has six or eight radio sets at her command in her daily comings & goings, likes *Gang Busters* almost as well as her favorite, the *Lone Ranger*. But, because of studio and parental objections, she has never been allowed to act on a radio program before this week.

Jean Hersholt (cinema's Dr. Dafoe) got Shirley as the Screen Guild Theatre's Little Miss Christmas, by a simple device. He cornered Jimmy Roosevelt, took him out to the Twentieth Century-Fox lot. Jimmy put the all-important question to Mrs. Temple. "How would you like it, Shirley?" mamma asked.

Squealed Shirley, "I'd love it!"





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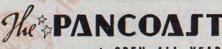
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RELIGION

Jesus for Jews?

This week, as Christendom celebrated what it dearly believed to be the 1,943rd anniversary of the birth of Jesus, the Jews of the world still awaited their promised Messiah, and the ingathering of them, the chosen people, in Palestine. Yet in the U. S., perhaps half of the Jews gave their friends Christmas presents, told their children about Santa Claus; some even put Christmas trees in their living rooms and wreaths in their windows. So widespread is their celebration—purely social—of the Christian feast, that few rabbis bother any more to inveigh against it. Indeed, one rabbi last fortnight ardently defended Christmas-for-Jews, in the influential Protestant Christian Century. He was Louis Witt of Dayton, Ohio, leader in the Central Conference of American Rabbis, chief Reform Jewish body. Said Rabbi Witt:

"For years I, as a rabbi, like all rabbis, denounced with all the oratorical fervor and fury at my command this celebration of Christmas by my own people. . . . 'Christmas,' I pleaded, 'is for the Christian—for him it is a happy, beautiful, holy day. It is not for the Jew—for him it is at best alien, at worst fraught with bloody memories and immemorial terrors!' . . .

"Wandering through many lands, touched by many cultures, facing an ever new 'spirit of the age' in his duration through the ages, the Jew has survived in part by virtue of the force and logic of syncretism.* Judaism is an amalgam of countless creeds and cultures held together by the cement of its own native genius.

. . . The rabbi, in opposing the Christmas-Jew, may be opposing not him but a vast tide of psychic coercion, a veritable Zeitgeist, that flows through him and that renders all pleading and thundering . . . futile. . . .

"Christmas in liberal America is no longer the dogmatic, denominational, ecclesiastical institution it used to be and, alas, still is in many lands that are drenched with bigotry and blood. An amazing and increasing number of Christians no longer believe in the supernaturalness of Jesus' birth or in the divinity of his person. . . . I say then, as a rabbi, thank God for Christmas! . . . A Jew celebrating Christmas! Who knows what is back of it, what will come of it? . . . Is it neither treason of Jew nor triumph of Christian but partnership of Jew and Christian in the making of a better world . . .?"

Passionately Rabbi Witt was answered in last week's *Christian Century* by another rabbi, Edward L. Israel of Baltimore. Said he:

"Does Rabbi Witt intend to maintain that Christmas is just a pagan thing which needs syncretism with Judaism for purposes of spiritualization? I think that Christianity will bitterly resent the gratui* Meaning: absorption of alien religious concepts.

tous inference. . . . Dr. Witt pursues his blundering and ill-considered way by gratuitously unitarianizing most of Christendom [i.e., by remarking that Christians no longer believe Jesus divine]. As a Jew, I unqualifiedly condemn Rabbi Witt for this affront. . . . The truly devout Christian of whatever denomination has far more respect for the Jew who, conscientious to his own religious loyalties, does not observe Christmas, than for the Witt type of Jew who tries to crawl into Christmas observance, salving what remains of his Jewish conscience by endeavoring to water down and compromise sound Christian doctrine. . . . What do



Associated Pres

RABBI WITT
"Thank God for Christmas!"

these Christmas-observing Jews really want with Christmas? Witt and other Jews suffering spiritual hernia rationalize about 'good will.' The real reason is their inability to give their whining children a positive Jewish compensation for the superficially alluring trappings which have nothing really to do with the spiritual significance of Christmas..."

Having furnished a battleground in which Jews could toss grenades at each other, the *Christian Century* last week dropped an editorial bomb of its own. On the touchiest subject in Christian-Jewish relations it said:

"The most obvious common possession of Jew and Christian is nothing less than Jesus himself. . . The entire furnishing of his mind was the gift to him of his Jewish heritage. . . Jesus was a Jew—in blood, in loyalty, in mental outlook, in his criticism of Jewry, in his positive message. . . . Why should not Judaism do much more than [celebrate Christmas]? Why should it not make a place for Jesus in its own faith . . . a place fully consistent with the nobler ideals of the Jewish tradition. . . . If the religion of Judaism is good for Jews it is also good

for Gentiles. . . . If it is not good for Gentiles, it is not the best religion for Jews. To cherish it in withdrawal from the rest of society may be defended in a hostile environment . . but in the environment of American tolerance . . . it is not fair to democracy to cherish a religious faith which provides a sanction for racial or cultural or any other form of separatism."

Biography by Sheen

Into the candle-lit vastness of St. Patrick's Cathedral in Manhattan, one day last week, drifted Protestants, Jews, agnostics, atheists and Communists as well as Roman Catholics, to attend a Solemn High Mass of Requiem for the soul of the late Heywood Broun. There were faces from Washington (Supreme Court Justice Felix Frankfurter), from City Hall (Mayor LaGuardia), from Broadway (Tallulah Bankhead, George M. Cohan, George S. Kaufman, Irving Berlin), from newspaper row (pavement-pounding reporters along with Franklin P. Adams, Westbrook Pegler, Rollin Kirby, Roy W. Howard, Herbert Bayard Swope). Many friends of Heywood Broun, accustomed to going to church only for funerals and weddings, did not know when to kneel or bow. Few of them had ever heard a funeral oration like that which was presently delivered to them by the man who last spring baptized Heywood Broun a Catholic: Monsignor Fulton John Sheen.

Handsome, hollow-eyed, musical-voiced Monsignor Sheen, philosophy professor at the Catholic University of America, is one of the most brilliant U. S. pulpit and radio orators, and one of the most astute of Catholic minds. Before baptizing Broun, he instructed him in the faith for ten weeks. Before Broun died last fortnight, Monsignor Sheen administered to him the Church's last rites, and gave him a special blessing from Pope Pius XII. Heywood Broun, voluble to his friends on all other subjects, never talked much about Catholicism. To mourners at the funeral, Monsignor Sheen's address-which he called "The Biography of a Soul"-was a lofty revelation. But to some of Broun's friends, Monsignor Sheen's eulogy, with its references to "the Broun nobody knew" and its implication that his lifetime liberalism counted less than his hour in the vineyard, was a pain.

Heywood Broun, said Monsignor Sheen, had tried psychoanalysis, had lain on a couch for hours of "questionings on trivial incidents," but "never once did he find peace." He turned to the Church, he told Monsignor Sheen, for four reasons:

"'Firstly, a visit I made to the shrine of Our Lady of Guadalupe in Mexico....

"'Secondly, the election of Cardinal Pacelli as Pius XII convinced me that there is only one moral authority left in the world and that is the Papacy.

"Thirdly, a fear of death. I should dislike to appear before the judgment seat of God with my soul in the condition that I believe it is in now. . . .

"'Fourthly, to me there is nothing more ridiculous than individualism in either economics, politics or religion. . . . I love

my fellow man, and particularly, the down and out, the socially disinherited and the economically dispossessed. . . . I want, therefore, a religion which has a social aspect. . . . I have never been a Communist and never will be a Communist. I have very often defended birth control. But I would not do it now; for I have begun to see a spiritual significance of birth.'"

Said Monsignor Sheen: "I never met a person who had a clearer premonition of death. 'Let us hurry,' he would say, 'I may not live another month.' . . . At the next to the last instruction, I reminded him of the seriousness of the step which he was



Monsignor Sheen Broun: "Let us hurry."

about to take. . . . He arose from his chair, put his arm around me and said, 'Father, you're worried. You will never regret receiving me into the Church. I promise you that.' . . .

"He who might have been a Chesterton for America, as he hoped a certain literary colleague of his would one day be its Belloc, was given only one brief hour in the vineyard of the Church. . . . Thus ends the biography of a soul as far as this world is concerned. To but few men of his profession has come the thrill of living as he has lived. . . ."

Monsignor Sheen's remarks were more than funereal eloquence. They were probably intended partly as an answer to those Catholics who still viewed Heywood Broun as an unreconstructed Red, who ought never to have been accepted by the Church. And they were undoubtedly voiced, by one of the nation's most influential Catholics, as the sincerest tribute he could make to a man who had sincerely been his friend.



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TIRE CHAINS

THE PRESS

Like the Arabs

A bad year for the newspaper business was 1939. Europe's war sent U. S. circulations soaring in September. But labor has gone up, newsprint is higher, State and Federal taxes have steadily mounted. Advertising revenues have gone down. A modern newspaper must have a leased wire service, color comics, syndicated columns to build its circulation. All these come high. With one week still to go, 1939 had seen the end of 75 daily newspapers, 25 more than in 1938.

Many a small town (e.g., Kelso, Wash., Nashville and Clarksville, Ark., Ukiah, Calif.) was left without any daily, dependent on papers from big cities near by. In several cities (e.g., San Diego) the only papers that remain are owned by one publisher. Of the 75 that folded, eleven disappeared by merger, 64 simply folded.

Editorial We

In 1936 John Boettiger, married a year to Franklin Delano Roosevelt's daughter Anna, signed a contract to run Hearst's Seattle *Post-Intelligencer*. Last week his contract was renewed, to run until 1941.

When John Boettiger took over the Post-Intelligencer it had just ended a 15-week-old strike, had been losing money even before that. (West Coast newsmen have guessed that it cost Hearst \$2,000,000.) For the last few months, it has reputedly made a little money. While its total advertising lineage (6,800,000) in eleven months of 1939 was approximately the same as in 1937, in retail advertising it had gained 520,000 lines, a clear indication that local businessmen have confidence in John Boettiger and his paper.

Not the least important reason for Boettiger's success as a publisher is his wife. When John Boettiger speaks of the *Post-Intelligencer* his editorial *We* is no figure of speech. For Anna Roosevelt Boettiger, with her mother's charm and energy, admittedly contributes a potent voice to her husband's policies.

Glamor Girl

While Hitler's Armies were rolling methodically through Poland, and children were being evacuated from London last September, one Bradshaw Crandell, Manhattan illustrator, announced that a brighteyed, blonde debutante named Patricia Plunkett had "what a girl needs to be beautiful," and started 18-year-old Miss Plunkett on a career as a glamor girl.

Originally a title conferred by gossip columnists on debutantes who haunted Manhattan's night spots, glamor girl is today an occupation, sponsored by pressagents of such eating joints as the Coq Rouge, Stork Club, 21, and publicized by columny. Debutante No. 1 lives in a world startled by the explosion of flashlight bulbs, appears with glamor boys like "Billy" Livingston, Jaro Fabry, Heinrich Orth-Palavicini.



Suydam, Plunkett & Vermilye . . . won a kit, a flacon, and a hat.

To save her pretty daughter all this hullabaloo, Patricia's mother, Mrs. Dunbar Plunkett, brought Patricia out last fortnight at a staid reception where friends of the family outnumbered café society. But Miss Plunkett had already been chosen by bellwether Charles ("Chic") Farmer of the Stork Club. This month her face, painted by Bradshaw Crandell, appeared on the cover of Cosmopolitan.

Last week, at the Coq Rouge, swank Manhattan supper club, Bradshaw Crandell's nominee became 1939's official No. 1 Debutante, successor to the glamor crown of last year's Brenda Diana Duff Frazier. Of 300 debutantes asked to rate their choices by the Coq Rouge's pressagent, 95 had answered. They gave Miss Plunkett



Ex-Publisher Aylesworth

Merlin changed again.

(See Column 3)

72 votes, 20 more than brunette Patricia Suydam, who ran second.

As a token of her sovereignty, last week the Coq Rouge gave Patricia Plunkett a beauty kit. To Runner-Up Patricia Suydam (daughter of Realtor Hendrick Suydam & Mrs. Richard A. Cunningham) went a flacon of Hawaiian perfume. To Ridgeley Vermilye of Plainfield, N. J., well back in third place, went a new hat. Meanwhile, 1938 Glamor Girl Brenda Frazier, home from Nassau for Christmas, was seen as usual at Manhattan's La Conga in the morning's early hours. Her current escort is Cartoonist Curtis Arnoux Peters (Peter Arno), twice divorced.

Full Cycle

Merlin Hall Aylesworth was a young Colorado lawyer, just three years out of Denver University's law school and 25 years old, when he got his appointment as attorney of Larimer County in 1911. Then his interest began to swing from law, toward business. In 1918 he resigned his post to become vice president of Utah Power & Light Co.

About that time broadcasting put on long pants, became a full-fledged business. When Radio Corp. of America organized National Broadcasting Co. in 1926 to give radio its first coast-to-coast hookup, its directors picked Merlin Aylesworth as NBC's first president.

Radio's Aylesworth held his job for ten years, saw NBC evolve from a thin strand across the continent, linking a few stations, into a powerful network with two transcontinental chains and a host of international ramifications.

Three years ago Broadcaster Aylesworth left NBC, took a new job as president and chairman of Radio-Keith-Orpheum Corp. Then in 1937, having done what he could for R.K.O., Producer Aylesworth gave up cinema, went to work for the management of Scripps-Howard Newspapers. No lover of the New Deal, he suited President Roy Howard's increasing distaste for the Roosevelt Administration. Last year Roy Howard upped Ray Allen Huber, publisher of the New York World-Telegram, made him general manager of Scripps-Howard newspapers and put Merlin Aylesworth in charge of the World-Telegram.

Last week, Lawyer-Utilitarian-Broad-caster-Cinemagnate-Publisher Aylesworth, like the magical Merlin himself, was gone again. He resigned his job on the World-Telegram, and, standing before Justice Francis Martin of the Supreme Court of New York, at 53 was admitted to the bar. His aim: to practice corporation law and specialize in litigation involving labor and taxation disputes.

Fired

Last week the *Daily Worker*, Communist Party organ, fired its cinema critic. Reason, according to Critic Howard Rushmore: he refused to follow the party line in his review of *Gone With the Wind*. Told to write a blistering attack on Margaret Mitchell's \$3,850,000 picture, Critic Rushmore (whose grandfather was a Confederate soldier) merely said it was a bore.

PEOPLE

Outraged Senator Henry Fountain Ashurst, self-styled "peripatetic bifurcated volcano of language," wrote to Secretary of the Interior Ickes: "The press quotes you as saying Senator Vandenberg is the Senate's greatest mumbler of long words. Why did you do that to me? What have I done to you? You know very well that I am a greater mumbler of long words than Arthur Vandenberg. . . ."

Wounded somewhere in England was Bernard Marmaduke Fitzalan-Howard, 16th Duke of Norfolk, second in command of a battalion of the Royal Sussex Regiment, by a fellow officer who peppered His Grace by mistake for a rabbit.

Ear to the ground as always, Kansas' cadaverous Senator Arthur Copper invited a farmers' meeting at Topeka to tell him what was wrong with the world. Up popped Constituent A. F. McHenry; "The trouble with our Senators and Representatives is we farmers aren't getting anything from them but hot air and oratory. Two fellows down at Baker University won an oratorical contest and now they're in an asylum. I think some of our Senators and Representatives should be there with them."

Shaggy-browed Connie Mack (Cornelius McGillicuddy) celebrated his 77th birthday, admitted that he had picked his son Earle, 47, to succeed him as president-



EARLE & CONNIE MACK
First, long, grey whiskers...

manager of the Philadelphia Athletics, hastily covered his slip: "But he'll be wearing long, grey whiskers before then."

Fluttery Hilda Davis (wife of Dance-Band Leader Meyer Davis), who owns a lock of Lord Byron's hair, a page from the Gutenberg Bible, a promissory note for \$100,000 made out to E. L. Doheny and signed by Ex-Secretary of Interior Albert B. Fall, announced with pride her purchase for \$15,000 of the original manuscript of Johannes Brahms's First Symphony. Said she: "Isn't it thrilling?"

As honorary colonel in chief of the Oxfordshire Yeomanry (anti-tank regiment) King George VI appointed his mother, Queen Mary.

Children of diplomats from 30 countries attended a Washington Christmas Party in their native costumes. Guest William O. Douglas Jr., son of the Supreme



WILLIAM O. DOUGLAS JR. & FRIEND Pan American relations.

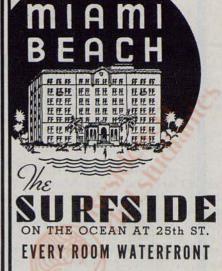
Court Justice, went in the dress of his native U. S., did his best to improve Pan American relations with Isabel Recinos, daughter of the Guatemalan Minister.

In the personal column of the London Daily Telegraph, Lady Harwood, wife of newly promoted Rear Admiral Sir Henry Harwood, pocketer of the Admiral Graf Spee, "... wishes to express her sincere sympathy with relatives of the officers and men who fell in the gallant action in La Plata Dec. 13."

Some 250 years ago, Cockney Nell Gwyn, self-styled "Protestant whore" of King Charles II, unable to write her own name, initialed a 12-shilling receipt "for a pair of rich embroidered garters." Sold at famous Sotheby's in London in 1939, the voucher, without the garters, brought £70 (\$280).

Campaigning for brother-in-law Governor Earl Kemp Long, limpid-eyed ex-Senator Rose McConnell Long, widow of Louisiana's loquacious Kingfish, made an eleven-word speech to expectant voters of Donaldsonville, La.: "I am happy to be here and thank you very much."

Two recruits to the French Army: Seydon Nouron Toll, Grand Marabout Chief of Black Islam, who joined at Mamou, French Guinea, was made France's first Capitaine-Aumônier (chaplain) of its black army; Monireth Sisowath, Crown Prince of Cambodia, in the French protectorate of Indo-China, who became a private in the infantry.



ALL 125 rooms face ocean or lake --- bathing from rooms, special elevator. One of largest private beaches. Modern, steam heated, fireproof. European plan, splendid dining room. Excellent location. Ownership management. Suggest early reservations.

J. H. MILLER, Managing Director RICHARD B. FREDEY, Manager

Write for new booklet or details:



HERE'S A LAST WORD FROM ST. NICK

If all your pre-Christmas hints were "duds"—and you didn't get a KIRSTEN Pipe—here's the solution. Buy one yourself! There is no happier way to spend a Christmas check, bonus or gift certificate—and every cooler, more fragrant puff will be a dividend on your investment. You can be fitted with just the right KIRSTEN Pipe for your own manner of smoking—with the feather-light duralumin radiator that pre-cools smoke and condenses tar and oils . . . four sizes . . .

\$10.00, \$12.50, \$15.00, \$17.50

If your dealer can't supply you write for illustrated folder

KIRSTEN PIPE COMPANY Dept. 114, 3129 Western Avenue, Seattle, Wash.

HOW TO USE



They say the way to learn a foreign language is to speak it. Take the Chinese word . Easy as pie to learn that word by using it in a sentence:

in war, # in peace, # in the hearts of his countrymen.

If you don't care for that sentence, try this:

Again in 1939 The Saturday Evening Post was 第一 in volume of advertising. The Post was 第一 in foods, 第一 in automobiles, 第一 in toilet goods, 第一 in home appliances, 第一 in any number of other important fields.

Scholars say that if you use a new word three times you will never forget it. So by now you know that how means that the Post is hochoice of American advertisers. Why? Because they know people like to read advertising in the Post. Many readers say that when they pick up the Post they turn hoch to the advertising pages.

No wonder the Post leads all other weekly magazines by over eleven million dollars. No wonder, though second and third places change from year to year, the Post is always

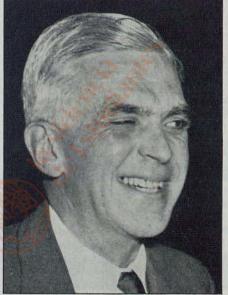
WISE FISHERMAN DROP NET WHERE OTHERS GET BIGGEST CATCH

BUSINESS & FINANCE

SECURITIES

Stanley's Four-Bagger

In the white marble vastness of the U. S. Senate office building caucus room, one day last week, sat lean, grey Harold Stanley. Head of Morgan Stanley & Co. Inc., No. 1 U. S. investment house, he had gone to Washington to be questioned by the Temporary National Economic Committee in its inquiry into investment banking. Earlier the committee had heard hard-boiled Charles E. Mitchell, onetime head of Manhattan's National City Bank, later tried and acquitted of charges of income tax evasion (but forced to settle a Government lien for \$1,384,222, taxes and penalties), who is now board chairman of Blyth & Co., Inc. It had also heard Morgan Partner George Whitney, Detroiter Emmett Francis ("Spike") Connely, president of Investment Bankers Association. Young (31), brash SEC Counsel Pete Nehemkis



MORGAN'S STANLEY

pitched them questions to which they gave defensive answers.

SEC objected.

But aloof, publicity-unwise Harold Stanley cracked out the home run of the week for his side, the old-line investment bankers. The pitch that onetime Catcher Stanley (Yale '08) leaned on went sizzling over the head of onetime Third Baseman Leon Henderson (Swarthmore SECommissioner and most articulate antibanker member of TNEC.

Well did Harold Stanley know when he sat down in the witness chair that soon he would be back in the same chair when the committee shifted its topic from "Investment banking" to allied "competitive bid-Well did Pete Nehemkis know that Mr. Stanley was the leader of the conservative Wall Street group (including such firms as Kuhn, Loeb, Lee Higginson, First Boston) which has frigidly rejected

competition. When such competitionminded houses as Chicago's Halsey, Stuart, such individuals as Cleveland's Cyrus ("The Great") Eaton, walk in the front door with bids for securities issues, Morgan Stanley & friends stalk out the side exit.

Last week, as Pete Nehemkis tried (unsuccessfully) to get Mr. Stanley to admit that his firm, managing underwriter for A. T. & T., had parceled out its financing (\$580,000,000 since 1935) to a select and fixed group, SEC's quizzer carefully avoided reference to competitive bidding. A question by TNEC Chairman O'Mahoney gave Harold Stanley the opening he was waiting for. With the air of a man starting a lecture, Mr. Stanley sounded off: "... The question of competitive bidding is a subject which I would like to go into and talk about at length. . . . But-

Up went the big, capable hand of Leon Henderson. Competitive bidding, said he, would be discussed later. Harold Stanley persisted, for well he knew that when TNEC gets into competitive bidding, such insurgents as Cyrus Eaton and Alleghany Corp.'s unruly Bob Young may get the first say, put Morgan Stanley & Co. on the defensive with tail-end statements in

For the time being, Witness Stanley was permitted only a brief statement, but as the hearing neared its close the most persistent man in Wall Street plowed back to his favorite subject. Said he: "... I put my own ideas in the form of a memorandum which I would like very much to submit..." Up rose Leon Henderson: "I object... I regard it as decidedly a disregardance of the orderly presentation of information. . . . If it needs any stronger language I will be glad to offer

Waved away by Leon Henderson was Chairman O'Mahoney's peace-making observation that Harold Stanley's statement was not to go into the record, that in any event he could mail it to any committee member. "It makes no difference," sulked Mr. Henderson. Joe O'Mahoney's lips curled in a sarcastic grin.

"I feel myself," he purred, "by some inadvertent question which I addressed to the committee without first submitting it to the SEC, that I provoked this matter. . . . I am perfectly willing and happy to receive the letter." While Leon Henderson glowered, Witness Stanley handed out his attack on compulsory competitive bidding, which he and other investment brokers can see as a likely outgrowth of SEC's investigation. Next day it led the TNEC story in metropolitan newspapers. The Morgan Stanley thesis:

Competitive bidding minimizes the banker's sense of responsibility and destroys his professional relationship with his client; it tends to cause over-pricing of securities and high-pressure salesmanship of "shoddy goods" to unwary buyers; competing brokers, unsure who will get the order, tend to make superficial studies of securities' quality; competitive bidding, in the long run, would eliminate the small dealer, now supported by sharing on flotations.

MANUFACTURING

Where the Velvet Begins

Two decades ago Moline Plow Co. had two notable officers. One of them (president) was Farm Economist George Nelson Peek, who in early New Deal days became AAAdministrator, the other was Hugh Samuel Johnson (vice president), who became New Deal's NRAdministrator. Since 1929 Moline Plow Co. has been part of Minneapolis-Moline Power Implement Co. which has a notable president.

He is husky, smiling Warren Courtland Mac Farlane. In 1933, when Messrs. Peek and Johnson were sowing the seeds of the New Deal, the accident of Depression put



MOLINE'S MAC FARLANE Answers clod-busters' prayers.

Minneapolis-Moline \$1,541,000 in the red and a motor accident broke President Mac Farlane's back. Two years later Minneapolis-Moline netted \$170,000, and indomitable President Mac Farlane, in his wheel chair, flew 15,000 miles around South America drumming up business. In 1938 Minneapolis-Moline had a profit of \$727,-000, and President Mac Farlane was riding horses for amusement.

Last week President Mac Farlane issued Minneapolis-Moline's 1939 report (for its year ending Oct. 31). During the year his company's sales dropped 8%, rather a good record since the sales of farm implements generally fell 10 to 15%. While late in 1939 U. S. business volume increased so that many companies passed the point where the velvet begins, Minneapolis-Moline's decline for the year took it back below that point. Its 8% drop in business

was accompanied by a 91% drop in profits.

Its earnings were \$64,000, just about 10% of the amount needed to pay its preferred dividends. Having passed preferred dividends before, the company now owes \$38.98 back dividends on its 98,700 shares of preferred. Well might Mr. Mac Farlane regret that in booming 1937 his recapitalization plan to reduce preferred requirements from \$6.50 to \$5.50 and buy off preferred claimants fell through because it was not completed before the bull market collapsed.

The problems of Minneapolis-Moline are of a piece with those of the whole farm implement industry. Export business (30% of the sales of International Harvester, No. 1 implement manufacturer) exposes the industry to losses from depreciation in foreign exchange. Against such losses, Minneapolis-Moline prudently charged off \$201,197 in 1939's fiscal year.

Furthermore, implement sales are on a long time-payment basis and large amounts of capital are tied up in accounts receivable. Big fellows like International Harvester and John Deere (No. 2 manufacturer) have plenty of capital to tie up in reserves for doubtful notes and accounts. But a company like Minneapolis-Moline has to borrow—a pick-up in its sales from August to October sent the total of its bank loans from \$900,000 to \$1,500,000. In its year-end statement it had set up a reserve of \$927,668 for doubtful notes and accounts.

Competition within the industry is meanwhile remaking the business. Milwaukee's famed electrical machinery producer, Allis-Chalmers, is a sensationally successful factor in the industry. In 1927 Allis-Chalmers' sales of all products totaled \$30,593,000 and farm implements made up 7.7% of the total. By 1936 its gross from farm implements alone had topped \$33,000,000. Farm implement sales were 2.9% of its earnings in 1927, 66.3% of the net nine years later. Among the reasons for

this are that Allis-Chalmers introduced rubber tires on tractors (today 45–60% of all tractors sold are rubber-tired), and pioneered a small (six-foot) combine (harvester) aimed for use on the 2,694,000 U. S. farms of less than 100 acres. (It now has a 42-inch combine.)

In 1935 International Harvester made 32% of all domestically sold combines, Allis-Chalmers only 14%. By 1936 Harvester's share of the combine business had fallen below 12%, Allis-Chalmers' had boomed to over 45%. Reason: as late as 1938 Harvester's cheapest model was selling at \$850, Allis-Chalmers' at \$625 (last year Allis introduced another at \$345). During the 1938 recession (when the rest of the industry raised prices) Allis-Chalmers introduced a \$495 tractor, priced \$200 under the market, which turned out to be no mean factor in raising its first-half 1938 farm implement sales 10% over the boom first half of 1937 while competitors were

Last summer International Harvesterwhose yearly sales of farm implements and trucks in the U.S. average \$168,000,000, four times as much as all divisions of Allis-Chalmers-belatedly went out to meet this competition, introduced a new tractor selling at \$515, \$225 cheaper than any previous International model, only \$20 above Allis-Chalmers' small unit. Last week, International Harvester extended its counter-offensive to combines, announced that besides its \$725 six-footer, it would now build a four-footer to compete with Allis-Chalmers' \$345 42-inch machine. Meanwhile, farm implementing's newestcomer, Henry Ford, stepped up tractor assemblies to 875 a week (price \$585), still failed to catch up with orders.

Minneapolis-Moline in meeting this growing competition has produced a "Comfortractor." Its driver sits on upholstery in a cab heated, fitted with radio, dustproof, cooled by an electric fan—the answer to a clod-buster's prayer for

Index Up. Because the Federal Reserve Board reports were delayed by the weekend holiday, this week's figure for Time's Index of Business Conditions is estimated from Dun & Bradstreet's bank clearings and partial F.R.B. reports. The estimated index figure: 98.4—up fractionally from last week's 98.2; 101.7 year ago. (Time's Index, derived from money and banking figures, reports not on business volume but on changes in underlying conditions likely to affect the volume of U. S. business.)

release from boredom, sweat and cornfield dirt.

Competition in the industry has speeded the replacement of horses and mules by power. On January 1, 1939, there were 15,300,000 horses and mules on the 6,000,000-odd U. S. farms, almost 2,000,000 less than in 1930. What replaced them were chiefly tractors and trucks.

Question is whether the healthy competition started by Allis-Chalmers has taught U. S. farm implement companies their lesson. Barely two years ago the industry greeted Depression II with a 4-5% price rise. So catastrophic was the kick-back that, later in 1938, the increase was given back, prices on heavy machinery were slashed up to 12%. With dollar-plus wheat and 72¢ corn, the industry has not guaranteed its customers against a price rise in 1940. It always prefers rosy spectacles.

STATE OF BUSINESS

Faint Praise

Businessmen talking through their hats often make extravagant predictions for a new year. No hat prophecy, but a bareheaded appraisal of 1940's building prospects appears in the January Architectural Forum. There are gathered the considered opinions of economists, several big statistical organizations, 130 bankers, contractors, city and FHA officials, realtors, architects, engineers, from 21 cities. Their composite conclusion: 1940 is likely to be the U. S. building industry's best year in a decade (damnation by faint praise), a \$6,558,000,000 year, up only 4% from 1939 (1920–29 average: \$8,972,000,000).

Items of the guesstimate:

► Industrial construction will jump 27% from \$200,000,000 to \$254,000,000.

▶ Public-utility construction will rise 16%, total \$638,000,000.

Farm building will increase 9% to \$360,000,000.

Because vacancies in non-farm residences are at an absolute rock-bottom 1%, at least 500,000 dwellings will be built in 1940, residential construction will up 11% from \$1,900,000,000 to \$2,109,000,000. In addition there will be \$500,000,000 building of homes under the USHA program.

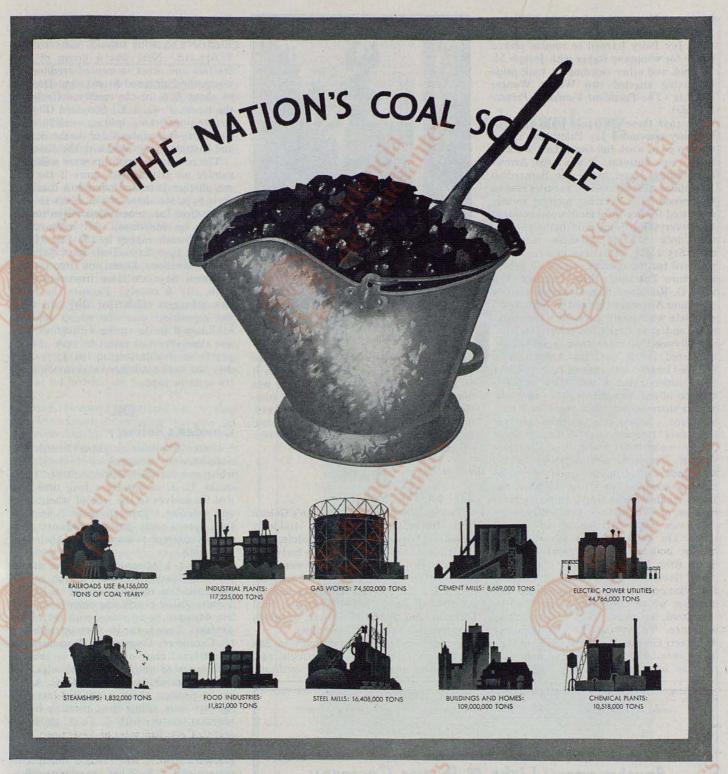
Though occupancy is the best in a decade, office building vacancy is still 18%; therefore the only likely item of commercial construction will be retail stores in new residential areas.

► Government-financed construction of highways, conservation projects, public buildings, sewers, water systems, etc. will drop 6% to \$2,632,000,000.

HOTELS

Toothpicks and Swizzlesticks

Twelve years ago, short, grey-haired Jay Paley, tired of work at 42, sold his interest in Congress Cigar Co. (La Palina), invested his fortune in prime securities, and set out to view the world. The viewing lasted seven years, and when Mr. Paley finally settled down he hung his hat in the hallway of a mausoleum-like establishment in Beverly Hills, Calif., designed for him



It takes nearly half a billion tons of coal each year to light, heat and power America in the manner to which she has become accustomed. To wrestle that amount of coal out of the ground in a year calls for a mighty outlay of energy.

One of the most useful tools in this gigantic job is the powerful underground locomotive, propelled by storage batteries. It is significant that most of the batteries used for this purpose are Exides. Not only mines, but railroads, telephone companies, utility companies, hospitals, shipping lines and airlines, manufacturing plants, and various branches of the Army and Navy, have learned from long experience that they can entrust essential services to Exide.

In fifty years' experience, Exide research has covered in detail the application of storage batteries to practically every business. A wealth of important facts bearing on the

problems of each industry, is available to executives on request.

THE ELECTRIC STORAGE BATTERY COMPANY
Philadelphia... The World's Largest Manufacturers
of Storage Batteries for Every Purpose
Exide Batteries of Canada, Limited, Toronto



FOR EVERY STORAGE BATTERY PURPOSE

by famed Negro Architect Paul Williams. As a permanent resident of the Hollywood area, Jay Paley learned to rumba, played poker for whopping stakes with Joseph M. Schenck and other cinemoguls, took pride in having angeled two Walter Wanger cinemas (The President Vanishes, Private Worlds).

By 1938 these dilettante stabs at keeping busy convinced Jay Paley that it was time to go to work full-time. Last week he had his new business. It was a spa, Arrowhead Springs Hotel, in the San Bernardino Mountains near Riverside, 70 miles east of Hollywood, built over hot mineral springs and fitted for healthful Hollywood holidays with everything from mud baths to bars, from deck chairs to ski slides, minimum rates \$13 a day (American plan). At Arrowhead for the opening were such gentry as Arturo Toscanini, Ernst Lubitsch, Edward G. Robinson, Sam Goldwyn. A few days later Arrowhead opened its "curatory," complete with steam caves in which magnates and stars began tentatively to stew.

Hollywood is more than academically interested in all this, for Arrowhead is financed largely with cinema money. Chief Stockholders Schenck and Paley sold \$1,-000,000 of the corporation debentures, the 10,000 shares of common stock to Hollywoodians. Among the stockholders are Constance Bennett (one of the smartest of cinema's businesswomen), Claudette Colbert, Darryl Zanuck, Al Jolson. Paley & friends are planning to sell \$500,000 more of common stock issue to finish the job of making Arrowhead a glittering combination of Carlsbad and Sun Valley.

No new spa is Arrowhead but an oldtimer. On its site for 34 years stood a creaky, bulbous-Victorian hotel building. Soon after Paley & friends bought the place (including 1,800 acres of ground) for \$800,000, a fire destroyed the old building, which they would have had to tear down, left them richer by \$277,671 in insurance. To lay out the new buildings Architects Gordon Kaufman and Paul Williams were hired, turned out an imposing, 69-room hunk of hotel (late Californian



CONSTANCE BENNETT
Stars tentatively stew.

with a Southern Georgian trace), plunked on a handsome mountainside. To dress it up inside, Decorator Dorothy Draper was brought from Manhattan. She did it complete with drapes of chintz and tweed, turned out uniforms for the help, wound up with small items, toothpicks and swizzlesticks in black and red.

TRADE 23¢ on the Dollar

Two months ago San Francisco's Golden Gate International Exposition suddenly closed, 34 days ahead of schedule. Although in midseason Fair officials had given out that the Fair's net liabilities were only \$2,650,000 and were rapidly being reduced, by closing date its net liabilities had increased to \$3,263,500—\$4,265,362 total liabilities and \$1,001,862 assets, of which \$400,399 was accounts receivable.

Before a referee in bankruptcy in San Francisco's Federal Court, fortnight ago, appeared all of the Fair's major creditors. Biggest of these were six banks, Standard Oil Co. of California, and Pacific Gas & Electric Co., with unpaid loans totaling \$2,677,310. Next was a group of contractors and other unsecured creditors, to whom the Fair owed \$1,464,913. Decision of about 65% of the creditors (including the banks, P. G. & E., Standard Oil) was to take their licking, split up some \$650,000 coming to them (about 23¢ on the dollar), and have no more to do with the Fair.

The rest of the creditors were willing to gamble on getting back more if the Fair ran another year, and offered to turn over their \$350,000 share of the assets to 1940 Exposition, Inc., a new corporation formed chiefly by hotelmen and restaurateurs who had made money by the Fair. Other assets of 1940 Exposition, Inc.: \$125,000 of new donations, \$1,000,000 from pledged hotelmen, \$250,000 more from San Francisco, city & county. Because the Fair's new managers think that they can carry the exposition over the winter and rehabilitate it in the spring with \$1,600,000. and their expected assets in cash and accounts receivable tote up to \$1,725,000. they last week announced that the Fair will try again in 1940.

OIL

Cowden's Refinery

Unlike the older, mightier British and Scandinavian cooperative associations, which own factories, dairies, utilities, ships, banks, U. S. co-ops for a long time limited themselves to the jobs of wholesaling and retailing. Through them consumers took aprons away from shopkeepers, but did not attempt to own and run their own steel mills.

In 1929, a Missouri cooperator named Howard Cowden organized \$3,000, an old truck and two rusty oil storage tanks into a consolidated purchasing agent to supply five Missouri co-op stores with petroleum products. True to the U. S. co-op tradition, his Consumers Cooperative Association at first steered clear of any sort of production, operated simply as a wholesaler.

Then, gradually, Cowden's C. C. A. began to produce goods itself. By last year farmers were killing flies, painting barns, greasing tractors with C. C. A. products, and C. C. A. had sales of \$4,425,000 (last fiscal year), of which more than half was gasoline. Also, it had 120,000 steady customers and a \$200,000 warehouse-office-factory in North Kansas City (Mo.).

Meanwhile, big oil companies put up too many gasoline stations, and price cutting took so much of the profit out of gasoline retailing that even a cooperative found it hard to save much in the spread between the wholesale and retail prices of gasoline. So, last year, Cowden got his board of directors to vote for building a co-op refinery. This week, near bleak little Phillipsburg on the Kansas prairies, the new \$750,000 plant is making its first run of gasoline. Middle-sized as refineries go, it will supply 40% of C. C. A.'s needs. But Cooperator Cowden was still not satisfied. In November he addressed two co-op regional assemblies, suggested the purchase of oil wells. They cheered.

This is an announcement and is not to be construed as an offer to sell or as a solicitation of an offer to buy the securities herein mentioned.

The offering is made only by the Prospectus.

\$6,750,000

Southwestern Light & Power Company

First Mortgage Bonds, Series A, 33/4%

Dated December 1, 1939 Due December 1, 1969

Price 102% and accrued interest

The Prospectus may be obtained in any state in which this announcement is circulated from only such of the undersigned as are registered dealers and are affering these securities in compliance with the securities law in such state.

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Halsey, Stuart & Co. Inc.

Glore, Forgan & Co.

A. G. Becker & Co.

Bonbright & Company

Harriman Ripley & Co.

Tucker, Anthony & Co.

A. C. Allyn and Company

Bartlett, Knight & Co.

December 21, 1939

MILESTONES

Married. Major Graham Christopher Dugas, unearther of a \$40,000,000 gold lode in abandoned Calhoun mine, Dahlonega, Ga., subsequent quick-purchaser of a new gold-trimmed, custom-built car; and Mrs. Bessie Brady Bellinger; in Atlanta.

Died. Anthony Herman Gerard Fokker, 49, eccentric, Dutch aeronautical engineer, plane builder for Germany in World War I, since then for Rear Admiral Richard Evelyn Byrd, for Sir Charles Kingsford-Smith, for Amelia Earhart; a U. S. citizen since 1931; of pneumococcus meningitis; in Manhattan.

Died. Mrs. Caroline Starr Balestier Kipling, 73, American-born widow of English Rudyard Kipling; in her home, Bateman's, Burwash, Sussex. Kipling was born Dec. 30, 1865, she Dec. 31, 1865; they were married Jan. 18, 1892; he died, with her at his bedside, on Jan. 18, 1936.

Died. George Eumorfopoulos, 76, English-born Greek art collector who gave his priceless Oriental and Chinese ceramics, bronzes, sculptures to the British Museum and the Victoria & Albert Museum for a paltry \$500,000 (TIME, Jan. 28, 1935); in London.

Died. Alexander Mair Stewart, 82, Canadian-born building contractor responsible for the erection of Mitsui Gomei Kaisha bank in Tokyo, the Hotel Savoy in London, Château Frontenac in Quebec, the capitols of Utah, Oklahoma, Idaho, Madison Square Garden in Manhattan, and in Washington the Interstate Commerce, Department of Labor and U. S. Chamber of Commerce buildings; of heart disease; in Manhattan.

Died. Wilberforce James Whiteman, 82, music teacher, remembered by 125,000 people whom he taught to sing, play in Denver's schools; of pneumonia; in Denver, Colo. His son, Bandsman Paul Whiteman, flew twice across the continent to visit him during his illness.

Died. Rear Admiral Reginald Fairfax Nicholson, 87, last surviving Civil War naval officer; of a heart attack; in the Naval Hospital, Washington, D. C. He served as chief navigation officer (1898) of the battleship *Oregon* on its spectacular trip around Cape Horn to join the U. S. fleet off Cuba. He was one of the two naval men in history to rise from the ranks to wear an admiral's four stars. (The other: John Paul Jones.)

Died. Lord Ughtred James Kay-Shuttleworth, Baron of Gawthorpe, 95, friend of Gladstone, Privy Councilor for a half century, M. P. under twelve Prime Ministers from 1869 to 1902, when he received his barony, in the coronation of Edward VII; in London.

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EDUCATION

Ice Cream v. Eiskrem

Many a doting parent writes down for safekeeping his child's first baby words. But Dr. Werner F. Leopold, a professor at Northwestern University, outdid most parents. He made a daily record of his child's words for seven years. Last week he published part of this record as scientific research.*

Dr. Leopold is a professor of German and a linguistics expert. When his first



HILDEGARD & SISTER
Papa came before mamma.

daughter, Hildegard, was born nine years ago, Professor Leopold immediately started a serious study of her language development. He kept a diary, put down every sound his baby uttered. (Eventually, Hildegard, seeing her father constantly busy with a pencil, asked: "What are you writing?" He replied: "I am taking notes for my work," kept his secret.) Dr. Leopold gave his experiment an unusual twist by teaching Hildegard two languages: from birth he talked to her only in German, his wife only in English.

Dr. Leopold believes that his findings are highly significant, that they upset some old notions. Volume I of his study, published last week, covers Hildegard's development to the age of two. Highlights:

- ➤ At two months Hildegard cooed.

 ➤ Her first syllables were not mamma, as traditionalists would have predicted, but habe
- ▶ At six months she understood her name. ▶ At nine months she spoke her first deliberate word: bild (German for picture). Second word (ten months): pretty.
- Contrary to expectations, Hildegard knew papa (twelve months) before mamma (14 months)—possibly because papa was always around taking notes.
- ► There was a high mortality among her * Speech Development of a Bilingual Child—Northwestern University (\$2.25).

early words: although she spoke 377 words all told during her first two years, at age two she had reduced this to a working vocabulary of 241.

► Even after learning dog she insisted on using the more euphonious wau-wau.

▶ Her vocabulary had strange, unexplained gaps: at two she still lacked such common and useful words as chair, tongue, yard, street.

▶ At two she used German and English words in the same sentence, had not yet separated them into two systems. Unexplained were her choices between German and English words for the same thing: she preferred ice cream to Eiskrem, bathe to baden, flower to Blumen, cake to Kuchen. But she said bitte instead of please, Bett instead of bed, da instead of there, mehr instead of more.

▶ Hildegard's development confirmed a well-known phenomenon: that yes is one of the most ostracized words in English. At first Hildegard used ja, later all right.

Pulitzer Scholars

In 1889 the late great Joseph Pulitzer, publisher of the famed New York World, established a scholarship fund for poor boys. Mr. Pulitzer's plan horrified practical citizens. Chauncey Depew predicted that Mr. Pulitzer's pampered scholars would end as paupers.

Since then, ten or twelve penniless New York City boys have been chosen (by examinations) each year for the scholarships—\$250 a year for four years (plus free tuition if they go to Columbia University). All told, 551 boys (mostly sons of immigrants) were chosen. In these boys a round \$1,000,000 was invested. A Columbia Pulitzer Scholar, Harry Schwartz, having investigated to see what 50 years of the Pulitzer scholarships had produced, now shows that Chauncey Depew talked through his top hat. Having tracked down 268 of the 366 living Pulitzer graduates, he reported:

Among them are 52 engineers, 36 lawyers, 31 doctors, 31 college professors, 27 schoolteachers, 16 businessmen, twelve scientists, nine journalists.

➤ Pulitzer scholars have written 91 books. ➤ One scholar, a prosecutor, sent Gangster "Legs" Diamond to jail.

▶ One scholar built several of the biggest U. S. hydroelectric plants.

▶ Only two have been indicted for crime (crimes: mismanaging a bank, evading sales

▶ Only seven have been divorced, but one of these remarried the same wife.

▶ Some famed scholars: Timesman Simeon Strunsky, New York City School Superintendent William E. Grady, former U. S. Attorney George Z. Medalie, the late Yale Professor Edward Sapir, the late New York City Civil Service Reformer Felix Fuld, the late Realtor Fred F. French.

▶ Of 249 living Pulitzer men whose salaries are known, 54 get \$10,000 or more a year; average salary is over \$5,000.

Roosevelt for Bryn Mawr?

Famed, scholarly, 54-year-old Bryn Mawr College, near Philadelphia, recently began looking for a new president. Its third president, Dr. Marion Edwards Park, will retire a year from next June. Last week it became known that "prominent Bryn Mawr alumnae" want as their fourth president a certain Anna Eleanor Roosevelt.

If Eleanor Roosevelt were asked for a statement of her qualifications for the job, it would be something like this:

EDUCATION—private tutors until the age of 15, three years at Mme Souvestre's school near London, three months in a French convent.

DEGREES—Doctor of Humane Letters (honorary) from Russell Sage College.
Doctor of Laws (honorary) from John
Marshall College of Law, Jersey City.
TEACHING EXPERIENCE — six

TEACHING EXPERIENCE — six years as teacher of civics, American history and 19th-Century literature at Manhattan's Todhunter School for Girls, of which she was associate principal.

PUBLICATIONS—four books (When You Grow Up to Vote, It's Up to the Women, A Trip to Washington with Bobby and Betty, This Is My Story), a daily newspaper column, magazine articles.

EXECUTIVE EXPERIENCE—eight years managing the White House, vice president of New York League of Women Voters, chairman of legislative committee of New York Woman's City Club, etc.

MONEY-RAISING EXPERIENCE four years as women's finance chairman of



International

EDUCATOR ROOSEVELT
One presidency may depend upon another.

the New York Democratic Committee.
PUBLIC SPEAKING—considerable.
TRAVEL—extensive.

PUBLIC RELATIONS—excellent.

But no one knew last week whether Mrs.
Roosevelt would 1) be formally offered or
2) accept the Bryn Mawr presidency. That

Roosevelt would 1) be formally offered or 2) accept the Bryn Mawr presidency. That depended among other things on whether a certain Franklin Delano Roosevelt is 1) formally offered, and 2) accepts, and 3) gets elected to another Presidency next year.

MUSIC

Antique Voice

Greatest operatic tenor of the past century was tall, handsome, Polish-born Jean de Reszke, who retired in 1901. In the late 1890s, when Tenor de Reszke was at his peak, the phonograph was a scratchy-voiced toy. Said he: "Jean de Reszke will never be preserved on wax."

Jean de Reszke was preserved, nevertheless. While he sang his Tristans and Romeos on the Metropolitan Opera House



JEAN DE RESZKE
Preserved under water during a hurricane.

stage, the Metropolitan's librarian, Lionel Mapleson, had been experimenting with a flimsy Edison cylinder machine, making squeaky little records for his own amusement. When he was through he had samples of most of the Metropolitan's glittering voices on wax cylinders, neatly filed and labeled.

Shortly before Recorder Mapleson died, in 1937, a deaf but diligent phonographic antiquarian named William H. Seltsam got permission to go through the Mapleson records. There, Collector Seltsam found not only peeping vocal relics of such golden-agers as Emma Eames, Johanna Gadski, Marcella Sembrich, but 16 records of the otherwise unrecorded* Jean de Reszke. Thrilled Phonographer Seltsam started raising money to re-record Mapleson's de Reszke samples on modern discs.

Last week, Seltsam issued to the public his first de Reszke discs: a part of the Forge Song from Wagner's Siegfried, a snatch of the aria O Paradiso from Meyerbeer's L'Africaine. Both records sounded as if Tenor de Reszke were singing under water during a hurricane. Nevertheless, Seltsam's fellow antiquarians strained their ears reverently at every foggy syllable.

* Except for a single privately recorded disc known to have belonged to Queen Alexandra of Britain.





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SCIENCE

Empire & Emperor

The Carnegie Institution of Washington is the biggest scientific empire under one management in the world.* Its expeditions study archeology in Mexico, terrestrial magnetism in Peru, anthropology in Java; but its eight major provinces lie in the U. S.: Mount Wilson Observatory, perched on a mountain top near Pasadena; its division of plant biology, with headquarters at Stanford University; its department of embryology at Baltimore; its department of genetics at Cold Spring Harbor, Long Island; its geophysical laboratory and its department of terrestrial magnetism at Washington; its nutrition laboratory in Boston; its division of historical research, whose headquarters are in Washington.

Andrew Carnegie—who was a practical man, but believed in pure science, and was especially fascinated by astronomy—set up the Institution in 1902. His total endowment was \$22,000,000, since grown to \$34,000,000. This week, the Institution completes its 1939 disbursements—from a total budget of \$1,519,000.

The new emperor of this well-revenued scientific empire is Dr. Vannevar Bush. Dr. Bush's annual report and the Institution's *Year Book* are packjammed with accounts of what the empire got for its money in the 16 months ending last No-

vember. Samples:

Stars & Galaxies. At Mount Wilson, Dr. Seth Barnes Nicholson discovered two new, tiny satellites of Jupiter—only 19 and 15 miles in diameter—bringing the known total of Jupiter's attendants to eleven (of which four have been known since Galileo turned one of the first telescopes on the big planet). Professor Alfred Harrison Joy plotted the rotation of the Milky Way—the great star galaxy, six hundred thousand trillion miles across, to which the sun and all other visible stars belong. The regions near the centre of the galaxy are rotating fastest, the out-

speeds of Cepheid variable stars, Professor Joy found that the region of the sun, two-thirds of the distance from the centre, rotates once every 207,000,000 years.

ermost regions slowest. By measuring the

Mice & Men. Leukemia is a blood disease in which white blood cells proliferate wildly, invade organs and tissues. At the Department of Genetics, Dr. Edwin Carleton MacDowell and his co-workers found that leukemia is not transmitted by a bacterium or virus, that it is a malignant disorder resembling cancer. Moreover, they discovered that some mice could be made immune by shooting into them leukemic cells inactivated by mild heat (115° F.). So far, this work has not pro-

* Not to be confused with the Carnegie Institute of Pittsburgh (art exhibitions, museum, school of technology, library school, music hall) or Carnegie Corp. of New York City, whose flexible charter enables it to grant money for scientific research and social experiments.

duced a cure for leukemia in man, but may lead to one eventually.

Eleven-Day Eggs. A research crew at the Department of Embryology got hold of two human ova only eleven days old. the youngest fertilized human eggs known. Since human ova usually spend about nine days after fertilization in the Fallopian tubes and uterine cavity before attachment to the wall of the uterus, these ova had probably been attached only two days. They were extracted from unidentified women for unnamed surgical reasons, and supplied to the Institution's embryologists by Dr. Arthur Tremain Hertig of Harvard. The ova show that the early stages of embryonic development are not, as used to be thought, significantly different in man and other animals. The Hertig ova convinced the Institution's embryologists that these early processes are practically the same in man and the rhesus monkey.

Uranium Attack. The Department of Terrestrial Magnetism has a powerfully equipped atom-smashing laboratory, headed by Dr. Merle Anthony Tuve. Early this year, when two Germans announced disintegration of the heavy uranium atom with release of 200,000,000 electron-volts of energy (most powerful man-made atomic explosion), Dr. Tuve and coworkers promptly confirmed the discovery, added the find that the uranium fragments become radioactive, continuing to emit



DR. VANNEVAR BUSH
A \$1,519,000 budget for eight provinces.

particles for a few seconds after the impacts have stopped.

Emperor. Only 49, a small, keen-eyed, fast-thinking, tireless, eloquent Yankee, Vannevar ("Van") Bush year ago stepped into the presidential shoes of Dr. John Campbell Merriam (who is officially retired but continues his own researches in paleontology). Dr. Bush takes his new job in his stride. Besides learning the ropes of the Carnegie Institution, he finds time

to chairman the National Advisory Committee for Aeronautics and the National Academy of Sciences' division of engineering. Besides, he loves symphonies, himself flutes, hunts, sails, quotes Kipling and Omar Khayyam by the yard. In New Hampshire he has a farm where he raises turkeys.

Son of a clergyman, grandson of a whaling sea captain, Van Bush went to Tufts, taught there, moved on to Massachusetts Institute of Technology, where he became vice president and dean of engineering.

"Improbable Sandwich"

Weight for weight, the strongest structural material in the world is not steel or any other metal but "an improbable sandwich"—two or more thin sheets of wood pressed together with glue between. This is plywood. In an article describing plywood and its modern technology, FORTUNE last week declared that new plywoods are as different from old "as a 1940 automobile from a vintage of 1910."

Plywood is at least as old as 1900 B. c.—
for a mummy case dated thereabouts, and
discovered in Egypt, was made of it. But
until recently the only glues available
were starch glue from tapioca, blood albumin glue from slaughtered cattle and
other animal glues. None of these was
an adhesive that would "really stand up
and fight with tension, torsion, or shear."

Better glues were made from casein, a protein ingredient of milk, and from soybeans. In 1912 Dr. Leo Hendrik Baekeland, father of plastics, took out a patent on a synthetic resin for plywood filler, but did not start to exploit it until 1932. In 1926 a German chemist, Dr. T. E. Goldschmidt, developed a filler made of tissue paper impregnated with phenolic resin. This made a bond so firm that the sandwich was stronger weight for weight than steel. It was also waterproof and bacteria-proof.

The new plywood technology did not get under way in the U.S. until 1930 and is just now beginning to grow rapidly. Figures for 1937 (latest available) put total U.S. plywood production at \$45,500,000. The figure for 1939 will probably be around \$80,000,000. The stuff is being used for luggage, piano cases, radio cabinets, speedboats, concrete forms, truck bodies, prefabricated houses, cinema studio sets, boxcars, beer barrels, showcases, jigsaw puzzles, Ping-pong tables. Eugene Vidal, onetime head of the U.S. Bureau of Air Commerce, is now president of a small company which has developed a low-cost plywood airplane, and he plans soon to lease manufacturing rights. FORTUNE estimates the total number of plywood uses, decorative and structural, at more than

Plywood is made by putting a big log into a peeling machine, which strips off the thin wood sheets like wrapping paper from a roll. When the sheets are cut to size, the sandwiches are made in presses which deliver squeezes up to 200 lb. per sq. in. The San Francisco World's Fair, which accounted for 10,000,000 sq. ft. of fir plywood, used plywood 29 layers thick for parts of its Colonnade of States.

THE THEATRE

"Small Boys in Bed"

The English theatre knows which side its war bread is buttered on: the bright side. But it doesn't keep mum about the war; it kids it. It makes air-raid shelters and blackouts as good for laughs as mothers-in-law and pratt falls. In the opening number of Lights Up, a new Charles Cochran revue which has struck gold in the provinces and is soon to open in Lon-

the Harlequins of Washington's Catholic University, told the story of Cohan's life.

It opened backstage in a gaslit provincial vaudeville theatre, with performers peeping at a newborn babe lying in a trunk. "Whose brat is that?" a woman asks, is answered "That's Jerry and Helen Cohan's boy." Suddenly, out of the trunk rises a tiny hand waving a tiny flag.

Yankee Doodle Boy hits pretty hard at Cohan's early days when, as a flip, con-



Internationa

COCHRAN & CHORUS

Not mum about war.

don, chorines wear brassières resembling ration cards, and preserve their modesty by dangling gas-mask containers.

Wow song of the show is sung by Doris Hare, dressed as a dirty-faced Cockney ragamuffin who has been shipped to the country:

I didn't really never ought 'ave went;
In London I was really quite content.
I wouldn't have been windy with the planes up overhead,

Talk of blinkin' aeroplanes, you should have heard what father said,

They couldn't hit the Forth bridge let alone small boys in bed,

No, I didn't really never ought 'ave

But war is forgotten in A day in the Life of a Mr. Cochran's Young Lady, where the chorines, after telling about a long, hard day, complain:

When we go to bed all we take is a book, Our life is nothing but work.

Jerry Cohan's Boy

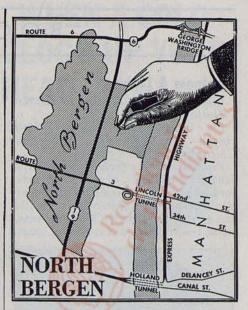
George M. Cohan, who has been a professional actor since he wore knee pants, went to see an amateur show last week. Far from being bored, he laughed, cried, made a speech. The show, called *Yankee Doodle Boy* and written and produced by

ceited kid playing in vaudeville, he high-hatted stagehands, raised hell over his billing. But as Cohan matures, the story mellows, draws an affectionate picture of the Great Flag-Waver in his prime. Playing the old songs, bringing on the scene David Belasco, Fay Templeton, George Arliss, Vankee Doodle Boy marches up to 1939. Of young James Graham's take-off of Cohan's take-off of F. D. R. in I'd Rather Be Right, Cohan remarked: "The kid did it better than I did."

Said Cohan afterwards: "So far as I'm concerned, this is the greatest night in the American theatre." For the Harlequins it was a great night also: Cohan, who last year turned down large offers from Hollywood for his life story had made the Harlequins a present of it.

New Play in Manhattan

Billy Draws a Horse (by Lesley Storm; produced by Lee Shubert & William A. Brady) is a wee mite of an English comedy, cheerily piping in its thin little treble, bravely kicking its little matchstick legs. Deft, witty Comedienne Grace George does all she can to build it up, but the little fellow needs milk & eggs, a good tonic and lots of fresh country air.



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NEW JERSEY

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BOOKS

Lightness & Light

LYRIC LAUGHTER - Arthur Guiterman -Dutton (\$2.50).

ON PILGRIMAGE - Thomas Temple Hoyne - Economic Feature Service,

Chicago (\$1.50).

Probably the best professional writer of light verse in the U.S. today is Viennaborn, 68-year-old, beaming Arthur Guiterman (rhymes with skitterman). For the past 43 years, his verselets have kept winking at readers from odd corners of maga-



ARTHUR GUITERMAN "We live on a stanza a day."

zines and newspapers, and from the formal pages of 14 books. Lyric Laughter, composed of some 159 of Guiterman's brightest winks, old and new, might be called his collected smile.

The Guiterman smile is teasing-the smile of a verbal sweetmeat-maker who knows how words can be tenderized, much like prunes, to please the palates of the literarily refined. Guiterman's tenderization process consists in rhyming and chiming big and little, tough and honeyed words together, and packing them into tight verse forms, that insure a close misfit.

You ask how I found me The gems that surround me, That Fortune so lavishly strews? Their sole derivation Is versification; This wealth is the gift of the Muse.

Our taxes inspired The lyric required To pay them. Your lunch, by the way, Including the salad

Was part of a ballad;

We live on a stanza a day.

Moralistic puzzles and behavioristic pickles are the stock grist for Guiterman's mill, which reduces jangles into jingles quickly and, at best, easily. The more proverbial the jangles, the more compelling

seem the jingles-since they at least do something effective about things about which it is conventionally taken for granted that nothing can be done. Some of Guiterman's lightest and best lyrics deal with predicaments met with on the Ark; but his most apposite are contemporary:

The railway car was full of germs and

And so I left my much-upholstered seat To stand awhile upon the platform, mhere

I hoped to catch a breath of wholesome

And thus I stood, with conscience free of blame.

Until the brassbound car conductor came And said, "I do not like to interfere, But you must go inside; you can't stand here."

Said I, with my insouciant abandon, "What else are platforms made for but to stand on?"

He answered with a most sarcastic grin

"A platform is intended to get in on." In Lyric Laughter, Guiterman occasionally takes his own pleasures and predicaments seriously, tries to write about them in fitting words. A solemn dingdong is the result:

It cannot soothe my griefs nor help me bear them

To bid a burdened world deplore my lot:

But joys are multiplied when others share them,

So take my joys and be my griefs forgot.

Luckily for his book, Guiterman doesn't make many such plunges. He writes almost exclusively to offer reassurance (and sometimes succeeds in conveying it) that in a world in which Romans rhymes with abdomens, there must be room for

Guiterman belongs with the kind of humorists who make things funny, Thomas Temple Hoyne with those who find them so. Hoyne's "things" are not a stack of private slants on life, but the common denominators of American living, about which he knows plenty. A fourth-generation Chicagoan, Hoyne has followed the ropes as sports editor, financial editor, city editor, showman, broker, lawyer, Kentucky colonel. On Pilgrimage, his crudely but aptly illustrated book of verses, is as amateurish in its format and some of its contents as a home-made dog house. Within it lives a spirit that has dignified the human race since Aesop and before: the spirit that says out what everybody knows is true for keeps.

On Pilgrimage is a running verse-commentary on the workaday stages of being an American, from the cradle to the grave. The start, as Hoyne sees it, is a weaning from "transcendental, ancient, Continental lies":

Brotherly love, a pleasing label For ties explosively unstable, Was introduced by Cain and Abel.

On the way, faithless friends, phony strangers and one's own ancestors are met with-and of course Sex:

It's sex that makes the whole world kin, Righteously, or in secret sin. That elevator, infatuation, Takes low-life up to a higher station; High-life down to degradation-Equalizes by miscegenation. Never does sex get any vacation, Performing its racial obligation. It suggests good morals for dissertation, But goings-on for conversation. Childhood is lived through, youth spent,

sports, business and politics engaged in, art

THOMAS TEMPLE HOYNE "Never does sex get any vacation."

looked at. Then comes middle age, when: Memory plays ruthless tricks, Abruptly flashing on its screen Pictures which, like mental kicks, Emphasize what might have been.

On Pilgrimage winds up, as Hoyne loyally hopes America will not-with decrepitude. He knows the things that age nations as well as men:

A heritage of old rascality Corrupts the weak spots in mankind-Disintegrates its fine sodality. Remodeled by the modern mind, This old hangover, shaped and shined, Is wined and dined with great formality, And most unworthily defined As Rugged Individuality.

As a provoker of unselfish laughter, On Pilgrimage is a good book and a national possession.

History & Argument

WHY BRITAIN IS AT WAR - Harold Nicolson-Penguin (25¢). Semi-propaganda for the literate: the British argument put with skill and fervor by a ringside spectator of British foreign policy since Versailles. The next Peace Conference will have a fighting chance of fairness, Nicolson thinks, only if a Final Treaty is negotiated between victor and vanquished at their leisure and at least a year after the Preliminary Treaty, or Diktat, is imposed. For implementing a future society of nations, he proposes (less convincingly) that all civil and military aircraft be oper-

ated by the "League."

POLITE ESSAYS—Ezra Pound—New Directions (\$2.50). The casual but by no means languid prose of a great verse stylist. Sometimes crotchety, more often bright and sound, Ezra's remarks concern the works of Dante, Joyce, Ford Madox Ford, Harold Monro, Laurence Binyon ("The younger generation may have forgotten Binyon's sad youth, poisoned in the cradle by the abominable dogbiscuit of Milton's rhetoric.") Also his famous piece on "How to Read."

EUROPEAN JUNGLE — Francis Yeats-Brown—Macrae Smith (\$3). England's vogi-man (Lives of a Bengal Lancer, Yogi Explained) submits a hot-eyed appraisal of pre-war Europe. Yeats-Brown's archenemies are Communism, Atheism, Internationalism, Pacifism. Hitler, "a great man, whatever his failings . . . great in spirit," is favorably compared with Gandhi, T. E. Lawrence. France is "one of the most enjuivé [Jewridden] countries in Europe . . . nothing but a dictatorship can save [the French]." Readers who must grant the author the courage of his twothirds fascist convictions, supported by no little factual solidity, will nonetheless find the thinking itself often suspect, sometimes poisonous, only too typical of honest military mystics.

To Step Aside—Noel Coward—Doubleday, Doran (\$2.50). Actors, writers, wistful perverts, celebrity-hounds, the occupants of cheap rooming houses, are the creatures of Noel Coward's seven stories. In detail, at times, almost indecently sharp-eyed and entertaining, as wholes they are poor in ratio to their seriousness, good in ratio to their snottiness. Best: misadventures of a gentle English celebrity who, lassoed into a Long Island week end of guaranteed peace & quiet, finds himself the agonized vortex of a Walpurgisnacht of corrupt artists, money-men, scrimmaging Lesbians, carnivorous wives and dowagers. Their favorite adjective:

"genuine."

JULIUS ROSENWALD-M. R. Werner-Harper (\$3.50). Able Biographer Werner (Barnum, Bryan) here writes an "authorized" but exceedingly honest monument to the head of Sears, Roebuck. Rosenwald carefully gave away some \$63,000,-000; "he did not give it away in the form of high wages." As philanthropist and multimillionaire, he had delusions neither of sanctimony nor of grandeur, was one of the most modest of U.S. rich men.

THE STORY OF THE POLITICAL PHILOSO-PHERS — George Catlin — Whittlesey House (\$5). A little background in these matters being widely desirable, Catlin's history is commendably addressed to laymen, gives in critical outline the best political thinking from Plato to Bertrand Russell, discovers a Grand Tradition from which fanaticism and specifically Hegelianism are excluded. Contemporaries Harold Laski and John Strachey, to say nothing of Adolf Hitler, do not come off so well under the author's analysis.

ART

Stage Artist

Whistler signed his paintings with a butterfly, usually about two inches across. Swiss-born Nat Karson uses an alp. At 29, Painter Karson is black-haired, intense, an art director of Manhattan's famed Radio City Music Hall. Last week a Karson mural was unveiled in the lobby of Manhattan's Rialto, the Music Hall of its day (1916), but for the last four years a Manhattan movie house specializing in horror pictures. (Harvardman Arthur L. Mayer, the Rialto's owner, calls himself "The Merchant of Menace.")

Nat Karson splashed the Rialto's lobby with Frankenstein, Zombis, King Kong, a skeleton dangling from a scaffold, a ghoul sucking a lollipop. On his signature alp (about a foot high), by way of contrast, he put Laurel & Hardy. All are done with skilled caricature, are no screwier than the career of the young fellow who painted them. Son of a former Russian court painter, he came to the U.S. when he was four. At twelve he joined a Chicago little theatre as assistant to its art director.

During his teens, Painter Karson started a muralitis epidemic in Chicago's financial district. A broker who specialized in utilities commissioned a mural for his customers' room, and Nat Karson gave him one symbolizing power, with a big musclebound brute in the middle. Other brokers quickly followed suit. Says Nat Karson: "The more muscles and machinery I painted, the better they liked it. . . . When the crash came, they got demoralized and I got demuralized."

After a side foray at industrial design. a field he left after turning out a streamlined harmonica so big that a normal man couldn't get his mouth around it, Nat Karson headed straight for Broadway. Now it keeps him as busy as brokers ever did. In the past five years he has done sets for 35 Broadway productions. Near tops in Broadway stage painting last season was Nat Karson's rapid-fire blend of Negro jazz and Japanese formalism in the sets of the Hot Mikado. His latest, Let's Go, opened last week at the International Casino, on the same night his Rialto murals were unveiled. But these are only side

At intervals, Nat Karson designs a new show for the Radio City Music Hall. On Monday he makes his rough sketches, on Tuesday helps daub the sets for the Music Hall stage (world's biggest), where a line that looks threadlike to the audience may be six inches wide. Wednesday there is an early-morning rehearsal. After the Hall closes at midnight, the scenery is hung and lighting effects tried, followed by a dress rehearsal, with the full Rockette chorus, until the doors open at 10:30 Thursday morning. "How often I want to call Mr. Roosevelt," sighs Nat Karson, "and get him to declare the rest of the week Wednesday to give me more time.

WHEN A COLD **CLOGS UP YOUR**

HEAD Clear Your Nose, Open Up Your Breathing Passages EASY Way

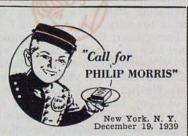
Just Use a Few Drops of Vicks Va-tro-nol. Feel it go right to work clearing the stuffiness. Notice how much easier you breathe.

This Treatment is highly successful because Va-tro-nol is active medication-containing several relief-giving agents plus ephedrine-expressly designed for the nasal passages, where colds cause trouble. Here's how it brings relief: (1) It actively penetrates cold-clogged nasal passages; (2) It actively helps to remove the congestion.

You'll Be Delighted with the direct relief Va-tro-nol brings. But next time, don't wait for a cold to get a head start. Use Va-tro-nol at the first sign of a cold -a sneezy, sniffly, or irritated feeling in your nose. It actually helps to prevent the development of many colds.

Keep it handy, use it early VA-TRO-NOI

America's Favorite Nasal Medication



Philip Morris & Co., Ltd., Inc.

There has this day been declared a regular quarterly dividend of \$1.25 per share on the 5% Convertible Cumulative Preferred Stock, Series A. payable March 1st, 1940, to holders of Preferred Stock of record at the close of business on February 15th, 1940.

There has also been declared a regular quarterly dividend of 75° per share on the Common Stock, payable January 15th, 1940, to Common Stockholders of Record at the close of business on December 29th, 1939.

L. G. HANSON, Treasurer.



SPORT

Bee's Blackbirds

Christmas week is Big Week for U. S. college basketball players. While most undergraduates are at home picking up old ties and new socks, most basketballers are off on junkets. In & around New York City last week were assembled an unprecedented collection of visiting basketball teams—Southern California, Texas,

Brooklyn's Blackbirds have chalked up 149 victories in 159 games.

Stressing long shots rather than a short passing attack (on the theory that a straight line is the shortest distance between two points), Teacher Bee has developed team after team of dead-eyed marksmen. Three years ago, a team of Beemen ran up a string of 43 victories before finally losing to a steaming-hot



Wide World

ACCOUNTANT CLAIR BEE & PUPILS

Long Island University can't afford a gymnasium.

Tulane, Michigan, Oklahoma A. & M., Oklahoma, Missouri, Colorado, Oregon, Santa Clara, McGill—matched against the East's best quintets.

Outstanding among the invaders was Oregon, a towering team averaging 6 ft. 3 in., Pacific Coast Conference champion, defeated only once in 25 games and winner of the post-season National Collegiate A. A. tournament last year. But when Oregon's Webfeet tangled with the Blackbirds of Long Island University in the season's first big intersectional game at Manhattan's Madison Square Garden, the Blackbirds nipped them in a nip-& tuck, 56-to-55 thriller.

By snatching the game, which for drama equaled anything ever seen in the Garden, the high-flying Blackbirds preserved a winning streak rare in basketball annals. Because they play so many games a season, U. S. basketball teams seldom finish a season undefeated. Long Island University, however, won all its 24 games last year, had by last week won 42 games in a row (eight of them this season).

Though little, and only 13 years old—and unable to afford a gymnasium of its own—Brooklyn's Long Island University has for several years had tip-top basketball teams. Coached by Accounting Teacher Clair Bee, a nervous little 150-pounder who never was any great shakes as an athlete but is a generalissimo at working out strategies on a wooden board,

Stanford bunch led by famed Shooter Hank Luisetti.

This week, on the same court where they were bagged just three years ago almost to a day, a new flock of Blackbirds, with a winning streak of 42, will meet Southern California, year in & year out one of the most formidable basketball teams in the country. If they can outshoot Sam Barry's Trojans, Clair Bee's boys will earn their reputation as a college basketball team second to none.

Chicago Quits

In the paleolithic age of football, Chicago was a fearsome name. Under Coach Amos Alonzo Stagg, co-founder of the Big Ten Conference in 1896, the Maroons won more undisputed Conference championships than any of their nine rivals, went down in football history as the only team to beat Fielding H. Yost's early-century, point-a-minute monsters during their five-year reign of terror.

Seven years ago Coach Stagg was ousted when he reached three score and ten (Chicago's faculty retirement age). Young University President Robert Maynard Hutchins, a newcomer, had radical ideas about football. It received less attention than anthropology, no more than chess. In neolithic days Chicago became the dummy of the Big Ten. For three years it has failed to win a football game from any of its Conference opponents. This

year the once mighty Maroons won two of eight games (against minor-league Oberlin and Wabash), had 308 points scored against them.

Last week Chicago quit intercollegiate football, asked to be released from games scheduled for 1940 and 1941. Said the Board of Trustees: "The university believes in athletics and in a comprehensive program of physical education for all students. It believes its particular interests and conditions are such that its students now derive no special benefit from intercollegiate football. . . . The university will continue to promote intramural sports and will encourage all students to participate in them. . . . The university trusts that its withdrawal from intercollegiate football will not require termination of its long and satisfactory relationship with other members of the intercollegiate conference known as the Big Ten. . . .

Whether Chicago will be permitted to continue as a Conference member will be decided at a special meeting of the Big Ten next month. Quidnuncs predicted that the University of Pittsburgh, recently purified, will replace Chicago.

purified, will replace Chicago.

"It's a great blow," moaned 77-year-old Amos Alonzo Stagg, now coach at the little College of the Pacific. "I'm foolish enough to believe the action wouldn't have happened had I been there."

Pots of Gold

Florida's 96-day racing season starts with 17 days at Tropical Park, ten miles southwest of Miami, continues with a 46-day meeting at swank Hialeah Park, six miles northwest of Miami, winds up with a 33-day return engagement at Tropical. Last week 10,000 Miami visitors flocked to Tropical Park to see the 1940 U. S. horse-racing season break from the barrier. Meanwhile U. S. railbirds from coast to coast pored over the 1939 betting results, posted by United Press:

▶ At the pari-mutuel windows of U. S. race tracks, in 17 of the 18 States where machines handle horse-race betting,* a total of \$297,633,113 changed hands. It was \$20,000,000 more than last year.

▶ For the second year in a row, California finished in front. Its pot of \$75,808,676 set a new record for the handle of a single State.

Low Pro

Raw-boned Byron Nelson of Fort Worth won the U. S. Open, Western Open, North-South Open, Massachusetts Open, Phoenix Open, never finished out of the money in any golf tournament he entered in 1939. Last week Texan Nelson received the Harry Vardon Trophy, awarded annually (on a stroke basis) to the No. 1 professional golfer of the year. In 24 tournaments (75 18-hole rounds) he averaged 70.84 strokes per round.

Although Nelson was the lowest scoring pro, he was not the top money winner of the year. His tournament winnings of \$9,444 were surpassed by those of Henry Picard (\$10,303), Sam Snead (\$9,712), Ralph Guldahl (\$9,477).

* Louisiana's figures were not available to U. P. surveyors.

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