

SAYS EUROPE STORM CENTER OF FINANCES

Two Big Problems Must Be Solved Before World Is Stabilized.

REVIEW OF SITUATION

Special to Indiana Daily Times
and Indianapolis Star

WASHINGTON, Jan. 23.—The nations of Europe must be forced to a frank recognition of economic fundamentals before world rehabilitation can possibly be effected. The financial existence of nations be stabilized. That is the conclusion of the United States section of the Inter-American High Commission, of which Herbert Hoover, Secretary of Commerce is chairman.

In a statement authorizing the section to pay its bills, the work of Mr. Hoover, two major problems are presented upon whose solution the much desired restoration awaits.

First, German reparation payments must be placed on a basis "calculated to be within the power of the German people to pay."

Second, the armies of Europe must be reduced to permit the nations to balance their budgets by discontinuing inflation.

The finding of the American section reached an important point in its meetings at which considerable interest in Washington tonight, because of the speculation regarding the possibility of American participation in the international economic conference at Genoa, March 8. Although the statement cannot be regarded as a direct reply to the speech of Franklin Lloyd George, the final negotiations were made after Raymond Poincaré, the new French premier had announced France's policy in the payment of German reparations in full and in keeping with the terms of the treaty of Versailles.

U. S. VIEW OF EUROPEAN AFFAIRS.

The position of Mr. Hoover and his associates here is an indication of the official governmental view on the economic questions which might come before the Genoa meeting or should be brought up if the conference is to be successful. It is significantly the American idea that nothing can be done if reparations and armaments are not to be ignored or treated preferentially to serve European political purpose.

Call recently went for a meeting of the Inter-American High Commission to discuss the exchange situation as it affected the United States and the countries of Latin America and the United States section convened to size up the problems. The conclusions as set forth in the statement are bound up with the situation in Europe that little of genuine importance can be accomplished, unless the continental countries of Europe stand willing to clean house.

"Any consideration of the effect of exchange on the trade of the American republics is involved in the question of exchange between Latin America, Europe, and the Western Hemisphere," said the statement of the American section. "So long as the European vortex of the economic triangle remains unstable, the establishment of stability in Inter-American exchange will be attended with difficulty.

REAL SITUATION

In Europe, a review of Europe's situation—the week disturbed and unstable storm center in international trade and finance—draws us to the inevitable conclusion that there can be no stabilization of exchange upon any footing until there is a cessation of inflation in the principal continental states. Inflation is the best way to balance budgets, while themselves are the result of the necessary expenditures for reparation, the unsound stimulation of German reparations, the maintenance of land armaments, and increasing debts. The distributing forces are indeed predominantly European and while Europe has made great progress in agricultural, industrial, social and political stability since the war, the fiscal situation continues to disrupt exchange with great severity.

"The German government is not meeting its reparation obligations by taxation; while other countries are unable to mobilize enough taxable resources to cover their expenditures for reconstruction, for military forces and other purposes. There can be no hope of stability in the world's exchange unless the three great European powers have been put upon a basis not only securing a definite flow of economic strength into the just task of rehabilitating the devastated countries, but also calculated to be within the practical power of the German people to pay. Furthermore, it is necessary for our continental neighbors that land armaments on the continent of Europe should be reduced. Armies in many states are of such size as to necessitate continuing inflation, either through currency or short time bills."

EFFECT OF WASHINGTON CONFERENCE.

"The situation in Europe and eastern Europe has also bearing upon the problem of the total extinction of economic productivity in Russia from an export and import point of view seriously ranges the economy of western Europe."

"The Washington conference on the limitation of naval armament is a definite and positive step in the only path that leads to commercial stability and its effect has already been felt in the economic world."

Steps for the prevention of violent exchange fluctuations between the United States and Latin American countries can be taken, the statement says, through the redistribution of the enormous gold reserve piled up in the United States. The method suggested is by loans for specific gold loans to countries which have a position to undertake the reorganization of their currencies on a gold basis.

Births

Alva and Mary Bitter, 540 East New York street, 101.

Richard and Agnes Neely, 2331 Kenwood girl.

Fred and Rosalie Iozzo, 349 East Merrill.

Harold and Bettie Holding, 510 Fletcher boy.

Rose and Goldie White, 1816 Roosevelt girl.

Jack and Irene Small, 2048 Parker girl.

Willis and Pearl Keller, 360 East North Street, and Minnie Prust, 615 East Pratt boy.

Herbert and Emma Williams, 624 Spring girl.

George and Esther Paez, 431 DeDiney girl.

Benjamin and Helen Kennedy, Deacon Hospital boy.

Thomas and Helen Wiggin, 901 West Twenty-Seventh girl.

Thomas and Dora Nelson, 1016 South Pershing girl.

Deaths

Lillian C. Orme, 46, Sevier Hotel, Anna Agnes Miller, 39, Central Indiana Hospital, diphtheria.

Infant Crockett, 3 hours, 245 Caren.

Priscilla Elizabeth Jeffries, 2 months, 210 Mifflin, bronchitis pneumonia.

Parson A. Blackwell, 62, 1135 North Market, angina pectoris.

Infant Clement, 4 hours, city hospital, premature birth.

Wlma Bell McGuire, 11 months, 708 Franklin, pneumonia.

Russell Rothrock, 10, St. Vincent Hospital, carcinoma.

Hamilton D. Palmer, 57, Middle Drive, Winton, angina pectoris.

Lord Suter, 6, 2276 Brightwood, diphtheria.

Robert Geddes, 37, 1141 North Webster, angina pectoris.

Dr. Davis, 42, Methodist Hospital, pneumonia.

Ester Anna Swan, 79, Fletcher Sanitarium, cerebral hemorrhage.

CLINTON MERCHANT FILES.

Frank Lins, merchant of Clinton, filed a petition in bankruptcy in Federal Court today. He scheduled his debts of \$12,620 and assets of \$5,521.

Advertisement.

IRISH FREE STATE ANNALS POST



CONFER AGAIN TOMORROW ON TRAFFIC SHIFT

Mayor Agrees to Most of
Recommendations Made
by Engineers.

WORKS BOARD ROUTINE

Mayor Samuel Lewis Shank today enthusiastically approved most of the changes in traffic handling methods advocated by a committee representing the American Association of Engineers and agreed, upon suggestion of Charles E. Coffin, chairman of the board of public works, that the committee meet with the board of works, the board of public safety and himself at the safety board's office Tuesday afternoon.

The main recommendations advocated by the engineers who put their report before the board of works Friday, were establishment of skip stop street car service throughout the city and the middle-of-the-block street car loading system.

The engineers also recommended flat-to-curb parking except in parts of Washington and Ohio streets. Mayor Shank said he favors flat parking everywhere.

AGREE ON CHANGES IN SWEEPS PLANS.

An agreement with the Sheehan Construction Company for a change in street sweeping in the Temple area was signed by the board and the contractor.

The former board of works awarded the contract Nov. 26, specifying that Ferguson block be used at \$17.20 a linear foot.

The use of Ames block at \$16.20 a linear foot was ordered in the agreement.

The Rosana Realty Company

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