POINCARE TAKES HELM OF FRANCE

(Continued From Page 1)

representation. Poincare himself was expected to assume the finance portfolio with the premiership.

The papers emphasized that authorization of sale of the residue of the Morgan loan will provide merely temporary relief. The sum available is about $20,000,000, or about 820,000,000 francs. The treasury contains about 150,000,000 francs, so that 970,000,000 francs would be available immediately for government expenses.

At the end of this month the government must pay 550,000,000 francs in salaries to employes and in other similar charges and about 450,000,000 francs interest on the portion of the debt to the United States incurred by French purchase of surplus war supplies.

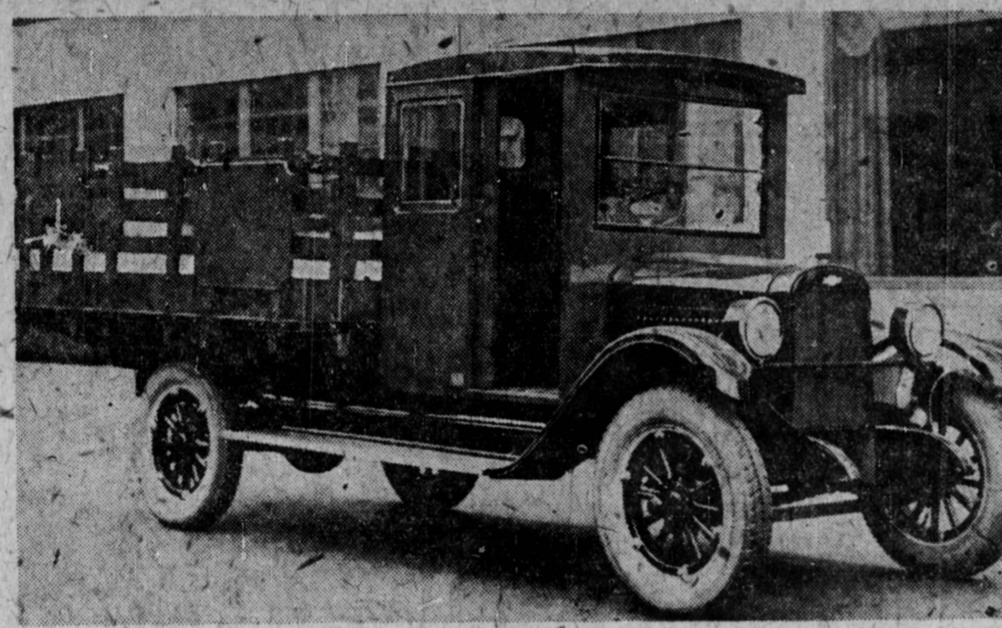
Thus the immediate commitments of the treasury are greater than its resources, although there remain nine days before payents are due.

Out of the forty-eight hours of Herriot's administration one entirely new factor has emerged—that is the genuine fright of the Chamber of Deputies. Anatole De Monzie, the resigned minister of finance, may purposely have phrased his statement of the government's financial position to exaggerate its seriousness. Whatever was his purpose, he succeeded in turning the minds of the deputies from politics for the moment at least. It was revealed, after De Monzie had spoken Wednesday that he had placed the resources of the treasury far below their actuality. The minister tersely informed the chamber that there was but 60,000,000 francs remaining in the treasury and he expected that sum to be absorbed today.

When, in developing this statement, De Monzie said that the windows of the Bank of France might be closed, many deputies believed he meant the bank would close for all business. De Monzie subsequently explained that he had meant suspension of payments to the government.

In dissipating the deputies' misconception, De Monzie said that suspension of payment of government obligations, such as salaries.

Marion Company Adds Truck to Fleet



New Marion Chevrolet Company Truck.

To aid in handling of its large parts and service business, the Marion Chevrolet Company has added a new one-ton Chevrolet truck to its fleet.

According to F. C. Blank, parts manager, and Claude Isenhower, service manager, the volume of business done by the two departments has increased more than 100 per cent since April 1.

As Germany Was Four Years Ago

Editor's Note—Carl D. Groat, Washington manager of the United Press, was Berlin manager of that organization during Germany's inflation years. In the following article he draws a parallel between Germany's conditions then and France's now.

By Carl D. Groat
United Press Staff Correspondent

WASHINGTON, July 22.—History is repeating itsalf in France today with unerring duplication.

The inflation situation, the close-to-the-precipice and near-to-financial-collapse reports coming out of the French capital now could be taken from the files of any newspaper of four or five years back with the date line changed from Berlin to Paris, and the names of the actors altered.

France is going through the same experience as Germany.

Few Tricks Left

There are only one or two more tricks in the bag that France has not had—and they may come. These are the "putsch" or, in French, the "coup de'Etat"—and a Dawes plan of rescue.

At Christmas, 1919, in Berlin, the mark stood at around 25 to the dollar. Americans were buying knick knacks cheaply; drinking champagne for $1 a bottle, and talking of the collapse of the German currency.

Later came the cursings of Americans. France has that now, and her currency is worth just half what Germany's was in 1919.

Germany kept on with the narcosis of inflation until about three years ago. She had a patient populace. The middle class was practically wiped out financially. Thousands with enough money saved to enable them to live on the interest in their old age under normal conditions, had to go back to work. France has more people who will be ruined than Germany had. Everybody almost in France owns government bonds—signs of France's indebtedness. They are going to be next to worthless if France keeps on with the insidious inflation process.

The French government is practically bankrupt. Its issue bank got down Wednesday to within a shade of its limit of issue to the government. Authority has been granted to use about $25,000,000 of Morgan loan funds to pay current government expenses, and France wants to issue besides a new dose of paper money.

Germany's Reichsbank, which issued money for Germany, often was at the edge of nothing during German inflation. The German government printery could not keep up with the demand for the billions of worthless paper marks.

In the meantime, there was talk of "National governments" and "dictators." One hears the same out of Paris today.

Monarchists and Communists sought overthrow of the government. These attempts failed. France has had rumors of kindred movements; they have not materialized—yet.

Then Came Dawes

Then, in 1923, cames Dawes and his colleagues. A "Dawes plan," involving loans of foreign money to Germany, changed the desperate situation of Germany almost overnight. Her money was put back on a sane basis, 4.2 marks to the dollar, the billions were scrapped and Germany was at the end of the nightmare of inflation—a sort of "hop debauch" where the victim had said continually.

"I'll take another shot before I swear off forever, give me more paper."

France is on the same debauch. It will end, say authorities, when France decides enough of her internal debt has been wiped out and when she is ready to face the hard, cold facts of real taxation instead of the veiled taxation and misery that inflation brings.

British Anger At U. S. Cools

Editor's Note—Here is the second interpretative article by Ed L. Keen, vice president and general European manager of the United Press, on the financial plight of Europe as it affects the United States.

By Ed L. Keen
General European Manager United Press Associations
(Copyright 1926 by United Press)

LONDON, July 22.—There is a marked indifference today in the attitude of Britishers and Frenchmen toward Americans.

Whereas Americans in France have been subjected to insults and attacks during the past few days, there has not been a single instance of this sort in Britain although the British public apparently feels as strongly as the French against the war debt attitude of the American government.

King George and Queen Mary this afternoon were hosts at the largest garden party in the history of Buckingham Palace to which 15,000 guests were invited among whom were several hundred American residents and visitors. King George democratically mingled with his guests, chatting and shaking hands cordially with Americans and English persons alike.

British editors are beginning to see that the newspaper campaign against the United States, especially the Daily Mail's bitter attack, has gone beyond proper bounds. J. A. Spender, editor of the Westminster Gazette, in a signed editorial today soundly berated the Daily Mail.

"Newspaper stunts such as it has been conducting," wrote Spender, "are worse than useless. For it to say that 'the menace of the vast war debts owed to the United States is at the bottom of almost all the troubles in Europe,' and to call down wrath upon American shylocks lessens any chance there may be that the United States will play a helpful part. Our part is to rebuild the bridge between Europe and America and to remain on watch for every favorable opportunity of doing so."

Even Lord Rothermere proprietor of the Daily Mail, evidently realizes that he went too far. Today's Daily Mail contains reasonably fair dispatches from America presenting both sides of the controversy.

Meanwhile it is difficult for American observers here to discover an adequate reason for anti-American agitation because France has not yet paid America anything and England has not paid enough actually to pinch the ordinary taxpayer or to cramp the usual government expenditures. For instance, the House of Commons Wednesday night passed the budget providing for an expenditure of $212,500,000 on the Army, $290,500,000 on the Navy and $80,000,000 on the royal air force. The naval appropriation includes a provision for new naval construction to cost $45,415,000, comprising two Class "A" cruisers, one class "B" cruiser and six submarines.

The French franc closed at 218 to the pound sterling, the Belgian franc at 213½, the Italian lira at 150¼.