

JAPAN CLOSING 'OPEN DOOR' TO CHINA MARKET

Conquest Threatens U. S.
With Huge Loss in
Foreign Trade.

BY WILLIAM PHILIP SIMMS
Scripps-Howard Foreign Editor

WASHINGTON, Feb. 2.—Japan's far eastern conquest, if allowed to stand, spells the beginning of the end of the "open door"—after the Monroe Doctrine, the chief foreign policy of the United States.

Certain penny-wise, pound-foolish American interests to the contrary notwithstanding, a Japanese Orient would mean the loss of what is potentially their greatest foreign market.

Japan's far-flung, all-embracing policy of subsidies eventually would give her virtually complete control over the fast-growing Chinese trade throughout the area as would come under her domination.

If China could duplicate the feat of Japan in world business in fifty years her imports would amount to \$50,000,000,000 annually, or more than three times the present total export trade of the United States, Germany, France and Italy combined.

China Vast Market

If, in her reconstruction, she could go one-fifth as fast as Japan—and that is well within the bounds of the possible—her foreign purchases would amount to \$10,000,000,000 a year, equal to the combined exports of Britain and the United States at the peak of their prosperity.

Japan's system of business bounties can be—and, in spots, already is—as deadly to foreign competition as the system of the much-feared Soviet Russia.

By rebates, subsidies and other forms of direct and indirect government aid, Japanese merchants can undersell competitors in almost any field. Certainly they can do so in regions politically or economically dominated by Tokio.

Since the "awakening" of the island empire seventy years ago, it has followed a sweeping plan of national industrialization and trade expansion, less spectacular perhaps, than that of Communist Russia, but no less carefully worked out.

Japan Subsidies Cut Costs

Railways, ship building, shipping, steel, agriculture, labor, construction, foreign trade, domestic commerce, industry generally—practically every important Japanese enterprise at home and abroad—receives, or has received government support.

A government subsidized industry turns out a product. It is shipped to port on a government-owned railway; loaded on board a government subsidized ship built at a government subsidized shipyard of steel from a government subsidized mill.

Then—if its destination is Manchuria or some other Japanese zone—it is unloaded at government docks, shipped on government railways and so on until it reaches the hands of the consumer.

In proportion to the extent that Japan expands, therefore, whether in Manchuria, Mongolia or China proper, the "open door" gradually but effectively will be closed. The leavings—what she can not very well take care of herself—will fall to the United States and the rest of the world.

China Big U. S. Customer.

The potentialities of the Chinese market were indicated in a trade review just issued by the department of commerce. Despite famine, fire, flood, war and pestilence, China's imports of American raw cotton during 1931 were the greatest in history.

China's per capita imports now amount to something like \$1.85 a year. Mexico's per capita imports amount to \$1.25 a year. Even on a low Mexican basis, China would buy \$6,000,000,000 worth of the world's goods every year, or more by far than the biggest and richest nation in the world now purchases.

About 20 per cent of her imports are furnished by this country. Our share, therefore, would amount to some \$1,200,000 annually or nearly double what we now are selling to our best customer.

COURT BACKS TEACHER

Conviction no Bar to Regaining License, Superior Judge Rules.

Right of Kenneth S. Hauk, former teacher and athletic coach at Merrillville high school, to regain his teaching license was upheld today by Superior Judge William A. Pickens.

Hauk's suit was against the state board of education and sought revocation of the order banning Hauk from teaching in the state.

The board's order was issued after Hauk had been sentenced to the state farm on a charge of contributing to delinquency of a high school girl.

Why Fat Folks Stay Fat

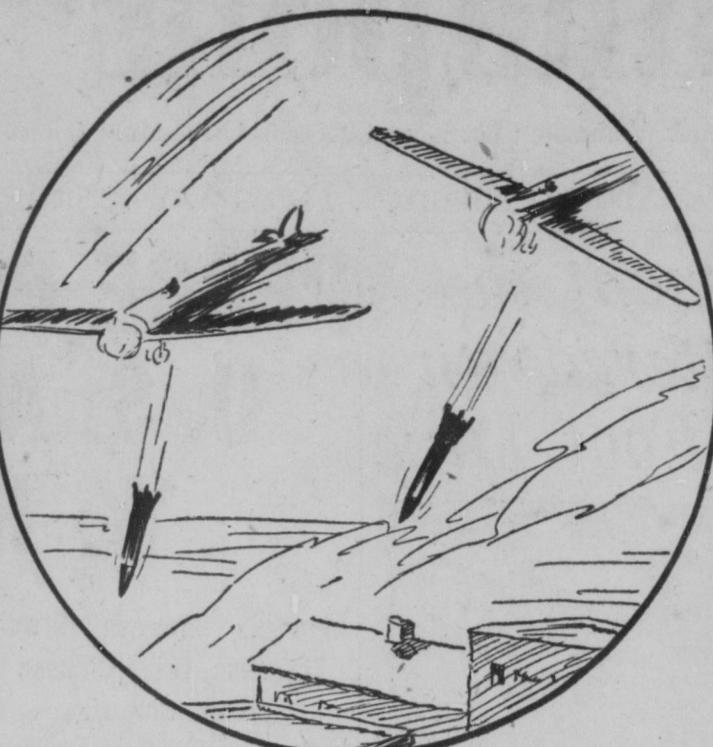
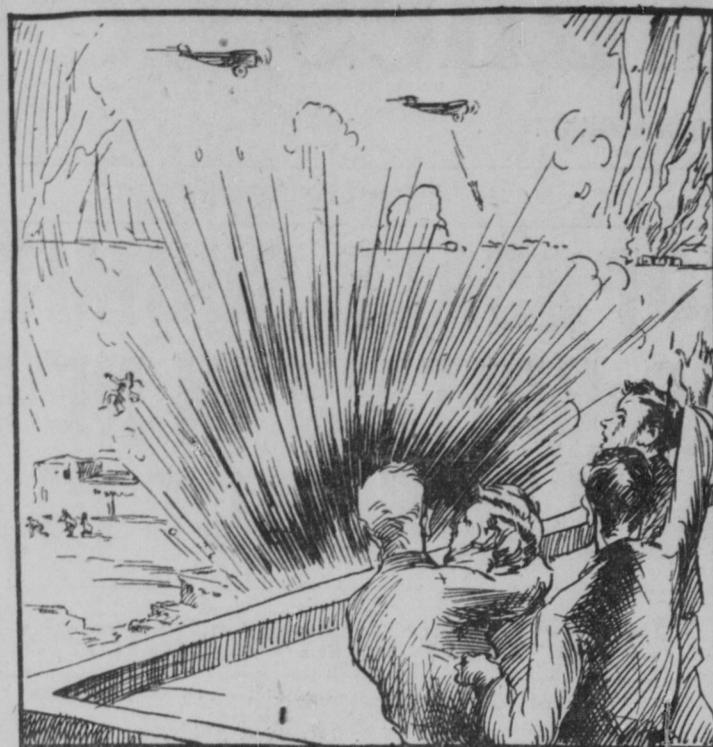
"The trouble with me, and I guess this applies to 99% of the men and women who are putting on weight, I didn't have the energy or 'pep' to keep it off. Lost all interest in any healthy activity and just lazed around accumulating, the old pounds."

Start taking Kruschen Salts—that's the common-sense SAFA way to reduce the impurities in your blood by keeping the bowels, kidneys and liver in splendid working shape and fill you with a vigor and energy you'd never imagined had existed.

As a result instead of planting yourself in an easy chair every free moment and letting nobody make a move, you feel like getting up and activity, like you moving around doing the things you've always wanted to do and needed to do to keep in the good condition.

Be careful of the foods you eat—go light on fatty meats and pastry—then watch the pounds slide off! Take one Kruschen Salt tablet in a glass of water—immediately you'll feel the energy return to you every morning—and if they don't change your whole idea about reducing, go back and get the amphetamine—Kruschen Salts—Get a bottle of Kruschen Salts—lasts 4 weeks—at Hook's Dependable Drug Stores or any progressive druggist anywhere in the world—look for the health's sake when reducing be sure and get Kruschen—it's the safe, harmless way to reduce.—Advertisement.

Japanese Hurrahs Resound as Air Bombs Slaughter Chinese



The world stood silent only a few days since to learn that, as in the days of the World War, bombs had been dropped by airplanes on an open, defenseless city. This time it was Japanese airplanes which swept above Chapei, the Chinese section of Shanghai, and hurled destruction and death on the Chinese masses, dropped into the populated areas.

The story of this raid, with the subsequent fire and battling on the ground, has been told only piecemeal. Today the United Press presents the story of an eye witness, Walter Brown, a Shanghai resident and special United Press correspondent, who saw the bombing of the section from a place atop the Japanese club.

BY WALTER BROWN

United Press Staff Correspondent
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SHANGHAI, Feb. 2.—I watched the aerial bombardment, without warning, of an open and defenseless city, and saw how Japanese spectators on the same roof with me capered in joy, shouting banzai (hurrah), and embracing one another as explosions spread fire and death in Chinese territory.

It was a terrible sight, this dropping of bombs on a crowded territory. Down below, death and mangling were the fate of many Chinese, caught without a chance.

There were 100 or more of us on the roof of the Japanese Club, a stone's throw from the Hongkew police station, as the Japanese planes swung aloft with their bomb loads.

To the Japanese sharing this vantage point, the whole spectacle seemed to be an outing.

The awesomeness and greatness of the event did not appear to touch them. They seemed only to enjoy the horror, and I could not help but think of the imbecile Nero who fiddled while old Rome burned.

FOR MY OWN PART, the sight was appalling, and their cheering and clapping only added to my sense of shock.

An uncounted number of Chinese were killed or maimed by

the bombardment and the ground suffered. Women and children

against fighting only those capable of defending themselves.

To get back to the main thread of my story!

On Friday morning, the Japanese marines came ashore, manifestly expecting a clear path through Chapei. But they reckoned without their "hosts," the Chinese.

Forty of the occupiers were clipped off by Chinese soldiers and snipers and from that moment the unfortified city was doomed.

No advance warning was given of Japan's intention to bomb the invaders.

Today, Chapei had a new baptism of fire, continuous aerial bombs, piling up the ruin which was done in the first Japanese action.

The Friday action left much waste territory, heaps of smoking brick and stone and wood, thousands of peaceful Chinese driven out to the cold shelter of adjacent territory, many in hospitals and others left to fill unmarked graves.

He left off a small "fixer." Then I could hear two high explosive bombs. Down below I could see houses and shops tumbling down, with folks inside caught off

guard. There still are bodies buried in those ruins.

The Japanese watchers were joyful.

Then their compatriot circled again and dropped another light. Just as before, he followed with a couple of more big bombs.

ALL MORNING A LOT

and dying were taken into St. Luke's hospital. There were men, women, and children and some babies. They had no bombs or machine guns.

The single bomber got off later in the morning. At daylight six planes were over Chapei, each with a load of bombs.

Every time they circled, they passed over the supposedly neutral settlement.

They swarmed over the new works of the Commercial Press, China's largest educational publishing institution, and let off incendiary bombs. The plant soon was all afire.

From the roof of the club, I also

could see how the fliers spotted the North station and made a spectacular drive on that. It seems that several units of the Chinese Nineteenth route army had been defending the station from the Japanese who regarded it as a strategic point in their occupation maneuver.

The Chinese had put up a lot better fight than many had expected, and this surprised, and angered the Japanese.

I can't tell you of the tragedy of the swarms of families which fled in panic. They grabbed up what they could, mattresses, a handful of clothes, sometimes a bird cage, and with their loads on their backs or on wheel-barrows set out in a dash to find a shelter where bombs and fire would not follow them.

Many of them went into the international settlement, dumbly pleading for a corner to set down their humble belongings and shield themselves from the invader.

NEW PLANT BOUGHT

Manufacturing at Once Is Planned by Atlas Firm.

Purchase of a plant at Thirty-fourth street and Northwestern avenue, formerly occupied by Air-More Products, Inc., by the Atlas Manufacturing Corporation, was announced today by Hiram M. Browne, president.

With equipping of the plant, manufacture of a new folding baby carriage, a patented tire mounting, a protective tread wheel for factory trucks, and a window lock offering protection against

OTHER PRODUCTS TO BE MANUFACTURED

ARE A NEW TYPE OF AUTOMOBILE SUPERCHARGER, A PATENTED TIRE MOUNTING, A PROTECTIVE TREAD WHEEL FOR FACTORY TRUCKS, AND A WINDOW LOCK OFFERING PROTECTION AGAINST

Mr. Browne, former superintendent of the garage of the Polar Ice and Fuel Company, was brought from England to the United States by his parents when he was 2 years old.

Services for George W. Alert, 66, a resident of Indianapolis nearly all his life, will be held at 2 Wednesdays in West Michigan street church with the Rev. W. G. Morgan officiating. Mr. Alert died Saturday at his home, 957 King avenue.

Mr. Alert was a member of the Wicca tribe, Improved Order of Red Men. He was custodian of the West Michigan street church.

Frank A. Walker, 78, prominent civic leader in Broad Ripple prior to annexation of the town by Indianapolis, was buried in Crown Hill cemetery following services in Broad Ripple M. E. church this afternoon.

Mr. Walker, a retired Pike town ship farmer, was at one time, head of the Broad Ripple town board. He was a member of the Broad Ripple M. E. church.

VANDALS SLASH AUTO CUSHIONS

Vandals who entered the garage at the home of Dr. B. K. Westfall, 3950 Guilford avenue, Monday night, cutting cushions of an automobile into ribbons, were sought today by detectives.

The accident occurred at Washington and Morris streets, where McCracken swerved to avoid a truck.

The Armstrong boy, a pupil at the Ben Davis grade school, was walking at the side of the road. He sustained severe body bruises and was treated by a nearby physician.

AUTO HITS SCHOOLBOY

Motorist Held on Reckless Driving Charge After Accident.

Cecil McCracken, 26, of 627 Russel street, was arrested today for reckless driving, after the automobile he was driving struck and injured Edward Armstrong, 7, 1207 South Dryer street.

The accident occurred at Washington and Morris streets, where McCracken swerved to avoid a truck.

The Armstrong boy, a pupil at the Ben Davis grade school, was walking at the side of the road. He sustained severe body bruises and was treated by a nearby physician.

George Washington, born 200 years ago this month, encouraged the development of interior transportation and himself organized and headed a company for the improvement of the Potomac River.

Upon his death in 1799 the United States was the beneficiary of nearly two centuries of highway and waterway transportation. Yet commerce was meager and difficult, the population was a bare 5,000,000, and that was along the seacoast.

Thirty years after Washington's death the first railroad in America was built. In the ensuing century our population has grown to 125,000,000, and our vast domain has become an organized and efficient economic unit.

When we give thanks, as we should, for the progress made since Washington's day, let us not forget the vital part played therein by our railroads.

Constructive criticism and suggestions are invited.

MOVE TO BAN TRUCKS FROM E. NEW YORK

Safety Board Will Present
Ordinance to Council;
Police Cars Bought.

East New York street, now being widened and straightened, will be limited to passenger cars and busses if city council approves an ordinance ordered drawn up today by the safety board.

The decision was made on recommendation of Police Chief Michael Morrissey, who urged that trucks be barred from the street as an aid to traffic and to protect the asphalt pavement.

The plan had been suggested also by Mayor Reginald H. Sullivan and E. Kirk McKinney, works board president.

Decision to purchase four Indianapolis-made cruising cars for the police department also was reached by the safety board.

Bid of the Marmon company for one Marmon 8 sedan at \$1,480 net, and bid of the Stutz Motor Car Company of \$4,380 net for three Stutz sedans were accepted.

Morrissey's suggestion four cruising cars were purchased instead of three cruisers and one large police emergency car.

It was decided to accept an offer of the Stutz company to rebuild the old Stutz emergency car for \$300, which is \$900 below the original estimate for repairs on the car, wrecked several weeks ago.

Morrissey announced that he proposed to purchase a gasoline engine and generator to supply current at the police radio station, in an effort to reduce the city's power and light bills.

Proposal for boarding and training ten police horses, which the board vainly has tried to sell for several months, was submitted by P. O. Bonham of the Algonquin Riding Club, Thirtieth street and Kessler boulevard.

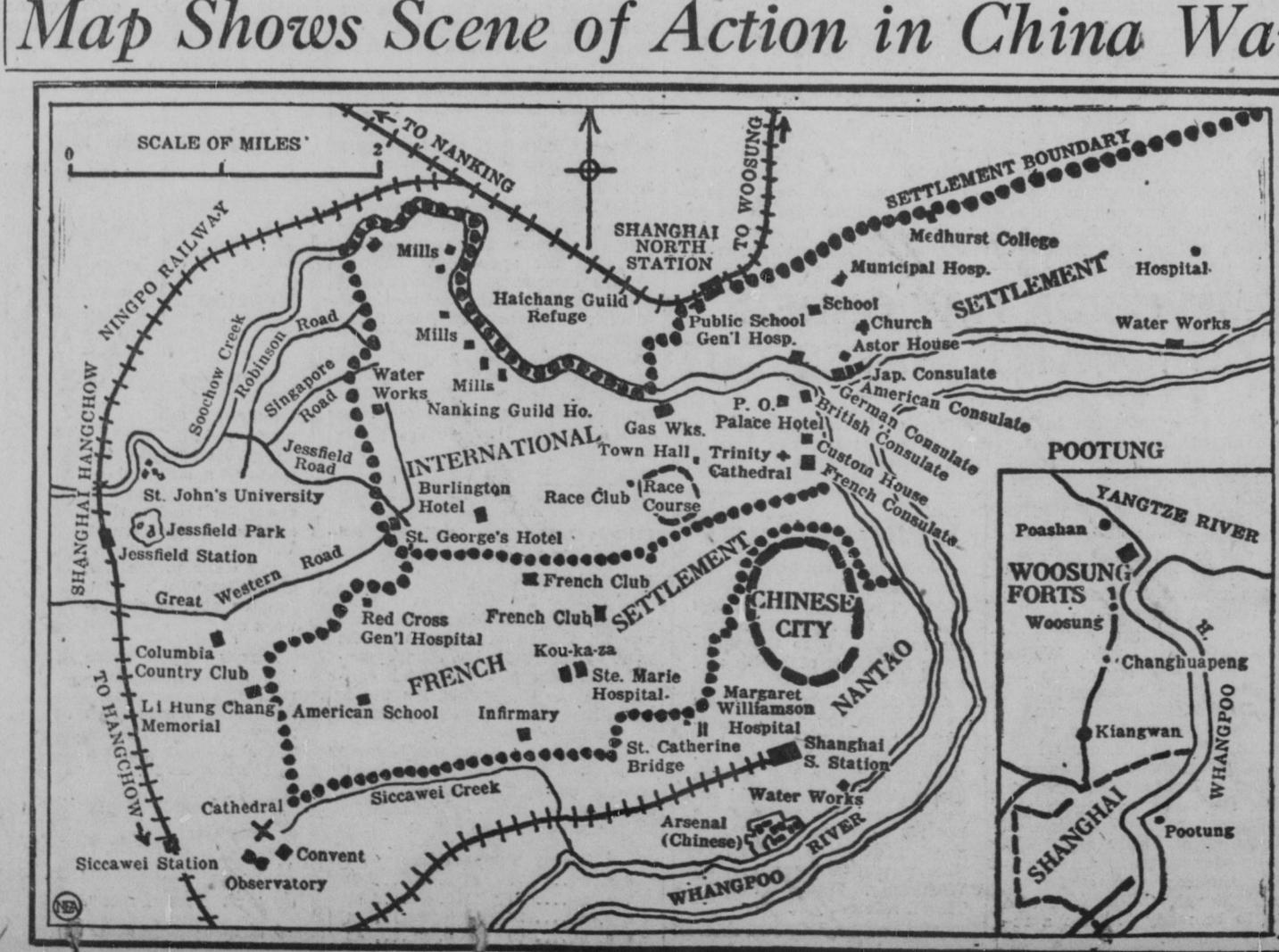
Bonham offered to board the horses for \$10 a month each, training them and getting them in shape for sale. The city would provide a hostler. The board indicated it might accept the offer.

ILLINOIS CENTRAL SYSTEM

He Never Heard of Railroads

It is no mere coincidence that the United States and the railroads go together.

Map Shows Scene of Action in China War



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