

RECOGNITION TO SPUR TRADE, IS SOVIET'S VIEW

Credit Restrictions Would Be Relaxed, Russian Leaders Believe.

This is the second of three articles on Soviet opinion on the subject of trade relations with the United States.

BY EUGENE LYONS
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MOSCOW, Sept. 8.—Soviet economic leaders predict a great increase in trade with the United States, if Moscow is recognized by Washington.

They base their expectation on the theory that credit restrictions almost would be relaxed automatically as soon as the legal protection afforded by diplomatic relations is available.

Outright or indirect discouragement of credits to Russia by government departments in Washington undoubtedly has affected the volume of trade.

Russia needs credit before it could make the heavy purchases of American goods, which it would like to do under the second five-year plan. Gold for such deals hardly could be negotiated.

Soviet leaders argue that much of the American money which has gone to Germany in the past to finance manufactures for the Soviet market would be available to American manufacturers, and that additional financial support would be forthcoming as the atmosphere of distrust and uncertainty is dissipated.

Hold Down U. S. Orders

So far American trade, about 85 per cent of its imports being from the United States, fell from the high point of \$180,000,000 in 1930 to some \$70,000,000 in 1931, and to a negligible figure this year.

The world crisis doubtless was one element causing the decline, although Russian purchases in Germany, England and other countries grew at American expense during the period.

A deliberate Moscow policy of holding down orders to American firms clearly has been in operation.

Dozens of American business representatives can testify to that from their own dealings with Russian organizations since the precipitate decline began.

Russians contend that without diplomatic protection, or at least a formal trade agreement, they enter the American market, whether as buyer or seller, at a great disadvantage compared with other nations.

Their people and their properties have none of the customary legal guarantees against arbitrary official actions, and they have no recognized standing in American courts.

Need Solid Legal Base

Even more important, they feel that the absence of a solid legal base makes American firms and banks panic in dealing with the Soviet Union, which is reflected in higher prices.

Moscow knows that its paper is being discounted at rates as high as 30 per cent, which in the long run must be paid somewhere in the sales prices.

Beyond those considerations, moreover, is the Russian hope of eventually obtaining a sizable loan in American money markets—a loan commensurate with the gigantic industrial construction work underway here.

Unlike some European borrowers, Russia insists she would use such a loan solely for productive purposes, and that every cent of it would be spent in the United States.

The above are some of the principal reasons for Soviet officials desiring diplomatic relations with the United States—mainly for practical purposes as they point out.

HIGH TIME FOR WHILE, BUT IT'S DULL NOW

Providing diversion for passersby costs liberty for ten days.

Ten days in jail is being served by Clifford Grigsby, 1246 South Meridian street, for providing diversion to passersby in front of the Chamber of Commerce building.

Grigsby begged money. He seized a woman roughly by an arm.

Patrolman Curtis Barge, appeared and was seized.

"You might as well give me some money as anybody else. I want to go home," Grigsby said.

Paul Rochford, police judge pro tem, Wednesday decided Grigsby had been drunk, and sent him to jail.

Absent Last 13 Years; Rule Man Legally Dead

Left to Find Job and Never Came Back; Wife to Get War Compensation.

Absence for thirteen years was the basis on which circuit court has ruled Ferdinand M. Stauch, World war veteran, legally dead.

His wife, Mrs. Marie Stauch, of 16½ North Oakland avenue, obtained judicial confirmation of her husband's death that she may collect his government compensation insurance.

Mariel married in a southern army camp in 1918. Mr. and Mrs. Stauch lived in Indianapolis until he left home March 28, 1919, for Danville, Ill., to find a job. His wife, Mrs. Stauch, has failed to reveal a clew concerning Stauch, who is entitled to several hundred dollars for his war service.

He served as a sergeant in Company M, One hundred forty-eighth United States Infantry from 1917 to 1918.

The compensation money, if secured, will be used to support Stauch's two sons, Ivan and Ferdinand Jr.

Stauch's relatives live in and near Green castle, his former home. A sister, Mrs. Fred Thomas, Green castle, testified she had sought her brother throughout the nation.

The United States treasury de-

Dean Named



G. Herbert Smith

For the first time in De Pauw's history, a dean will direct the activities of first-year men. G. Herbert Smith, graduate of the class of 1927 and formerly of Marion Ind., has been appointed to the post.

In addition, he will act as assistant director of the Edward Rector scholarship foundation under Dr. Henry B. Longden.

TOO MUCH CHICAGO!

German Consulate Employee Sentenced as Embezzler.

By United Press

BERLIN, Sept. 8.—Willi Strehlow, formerly secretary of the German consulate in Chicago, was sentenced today to fifteen months imprisonment for embezzling consulate trust funds intended for the support of illegitimate children of United States soldiers in the Rhineland.

Strehlow said blackmailers got him drunk in a Chicago speakeasy and put him into a room with a 14-year-old Chicago girl, later extorting money, which obliged him to embezzle funds when his own were exhausted.

RECORD LIBRARIAN AT M. E. HOSPITAL NAMED

Mrs. Mabel Ellen Tracy Gets New Post at City Institution.

Appointment of Mrs. Mabel Ellen Tracy as record librarian, and inauguration of the unit system of filing medical records is announced at Methodist hospital.

The latest method of filing data concerning patients is provided.

The new librarian is an Indiana university graduate, and has done special work at the university.

Before assuming her duties, she will study for a short period this fall in the University of Chicago and will attend a convention of record librarians next week in connection with the annual meeting of the American Hospital Association.

No General Mortgage "Holiday"

Although Fort explained that a sweeping order for a moratorium on all foreclosures was not within the power of the government and that he could only urge such a suspension, the impression was created among many home owners that a general mortgage "holiday" was in effect.

Fort said that he has received "many informal pledges of co-operation" for a voluntary cessation of foreclosures by solvent institutions, but he was unable to make any estimate of the extent to which the proposal had been adopted.

"I can only express the hope that the suggestion will be widely adopted," said Fort. "I believe a suspension of foreclosures will be desirable to mortgage banks, since when the home loan system is in operation, we expect a general loosening up of mortgage credit and it thus will be to the financial benefit of institutions to resume their home mortgage activities."

Coronation Time Is Here for Brown Derby King

Spectacular Parade Will Precede Jollification at Fairground.

"Wing's went fooy. Engine went hooy. Pilot went blooy."

This succinct telegram by telephone via letter arrived today from the Indianapolis Times office from Jo-Jo, the dog-faced judge of the Brown Derby, notifying Tom Quinn, winner of the saffron crown, that he would be enthroned tonight at 8 o'clock in front of the grand stand at the state fairground in a 7½ kelly instead of his own personal size, 7½.

Jo-Jo in a plane attempted to reach Hatbury, Mass., and return to Indianapolis in time for the coronation with the proper hat size.

His failure means that Quinn may meet with the most dire fate of man being crowned—his ears will hang out like the starboard light on Jo-Jo's plane.

Be there to see those ears! Promptly at 7 p.m., the parade will

begin.

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HOME LENDERS FAIL TO JOIN IN MORATORIUM

'Mortgage Holiday' So Far Confined to Closed Banks of U. S.

By Scripps-Howard Newspaper Alliance
WASHINGTON, Sept. 8.—The administration moratorium on home mortgage foreclosures appeared today to be confined thus far to the narrow limits of closed national and state banks.

There is no indication of any major move on the part of solvent institutions, holding the bulk of the nation's \$12,000,000,000 home mortgages, to follow the suggestion of Chairman Franklin Fort of the home loan bank board for a sixty-day suspension of all foreclosures.

The proposal was made by Fort, Aug. 27, when he announced to President Hoover's national conference of business and industrial committees that the comptroller of currency had ordered receivers of insolvent national banks to suspend foreclosures for two months until the home loan system was in operation.

Fort's States Co-operate

For accompanied the announcement with telegraphed requests to state banking superintendents, asking them to "instruct receivers of closed institutions to withhold or delay foreclosure proceedings for at least sixty days, thus offering a chance of preserving the equity of the owner." This request has been granted in forty states.

At the same time, Fort appealed to the conference to "help to see not only that receivers generally grant this respite, but that other leaders do likewise."

Fort reports pledges of co-operation, but is unable to estimate the extent of this proposal's acceptance.

The order to receivers of closed national banks has affected about five hundred institutions, the treasury department estimated today.

More than six thousand solvent national banks, however, were unaffected, and still are free to make foreclosures as they see fit.

There are some 15,000 state and saving banks and 12,000 building and loan associations whose power of making foreclosures is unchanged.

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Fort said that he has received "many informal pledges of co-operation" for a voluntary cessation of foreclosures by solvent institutions, but he was unable to make any estimate of the extent to which the proposal had been adopted.

"I can only express the hope that the suggestion will be widely adopted," said Fort. "I believe a suspension of foreclosures will be desirable to mortgage banks, since when the home loan system is in operation, we expect a general loosening up of mortgage credit and it thus will be to the financial benefit of institutions to resume their home mortgage activities."

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