

U. S. BANKERS HAVE MADE SUCEKRS OF PUBLIC, BOOK BY FAMED ECONOMIST ASSERTS

Dr. Max Winkler, Internationally Known, Says We'll Never Get Back Loans of Rainbow Days.

BY WILLIAM PHILIP SIMMS
Scripps-Howard Foreign Editor

WASHINGTON, Nov. 18.—By Jan. 1, 1934, foreign governments, states and municipalities will be in default to the tune of \$22,300,000,000.

Interest due and unpaid at that time will total well over \$12,500,000,000, and is accumulating at the rate of over \$1,000,000,000 a year, or more than \$2,000 a minute.

The amount in default represents about \$12 for each man, woman and child in the world, regardless of country, race or creed.

It is only slightly less than the total expenditure of the United States government from its start a century and a half ago down to the World War.

These gigantic figures bind the nations of the world together for all time and eternity. They never can pay them. They never expect to pay them.

Such in effect is the startling introduction to Dr. Max Winkler's book, "Foreign Bonds—An Autopsy," published today by Roland Swain Company.

Comes at Great Time

Coming as it does on the heels of by sensational testimony revealed by Ferdinand Pecora and the senate banking committee, it clinches the impression here that the bankers, in the vernacular, have made unmotivated suckers of the public.

Dr. Winkler is a new York banker in his own right, and an economist of international repute. An autopsy, he observes, does not help the dead, but a knowledge of what caused the demise might benefit the living. Hence his "autopsy" on the colossal "dead" debts which foreigners owe, but never will pay.

The outspoken volume describes the transformation of the United States from a debtor to a creditor nation with investments abroad aggregating more than \$17,000,000,000, mostly within the last fifteen years. This sum does not include the \$11,000,000,000 war debt owed to this country by Europe.

A Land of 'Easy Money'

It reveals how Americans "discovered" the world during the last decade and a half as a field for investments, and how the world, in turn, "discovered" America as a land of "easy money," with a "docile and incomprensible" public ready at a moment's notice to lend money to friend or foe without giving a thought as to how, if ever, the loans were to be repaid.

It tells how reputable bankers and investment brokers took advantage of this public—which depended upon them to look into the soundness of securities before offering them for sale—and unloaded billions of dollars worth of paper now worth little or nothing at all.

It tells how bankrupt foreign governments were pictured in rainbow colors by American floaters. How some of the most conservative concerns in the country disposed of securities in a way which in England sent people to prison.

It's Amazing Story

How the kin of high government officials were bribed for their aid in floating virtually worthless bonds sold in this country, and how as much as 90 per cent of the proceeds of some of these loans actually never reached the hands of the borrowers.

It is a most amazing story, one every American grownup should read as part of his education. It should be required reading in high schools, colleges and universities.

For, while it may be that the Hegelian dictum is true that "we learn nothing from history," there are exceptions to the rule, and these exceptions—those able to learn from experience—can save money by a study of this book.

One Nation Is Gone

Dr. Winkler, among other things, knocks into a cocked hat the popular notion that governments seldom default and struggle to pay lest they be forever branded as poor risks or cheats.

France, for example, now in default on her war debt to the United States, "ceased payments at least once every thirty years" from the sixteenth to the nineteenth century. During the last century, the author points out, not one Latin American republic escaped default, some repeating as frequently as once every seven years.

Default on the part of governments, even some of the principal ones, apparently has become a habit rather than the exception.

Nevertheless, Dr. Winkler does hold out one little ray of hope, slender though it may be, namely, that governments normally prefer to pay something on account, even if only a few cents on the dollar, rather than default in toto or repudiate.

Gone, but Not Forgotten

Automobiles reported to police as stolen belong to:

C. A. Sanders, 936 North Kealing avenue, Chevrolet sedan, from Market and Alabama street.

Harold C. Myers, 2016 Park avenue, Ford roadster, 48-81 from front of front of 2016 Park avenue.

Brewer H. Hill, Danville, Ind., Ford coach, 1932, from front of 2016 Park avenue.

W. F. Lough, 542 East Vermont street, Buick coach, 27-563, from 1532 East Vermont street.

William Richardson, 2911 Park avenue, Packard sedan, from Meridian and North streets.

BACK HOME AGAIN

Stolen automobiles recovered by police belong to:

At Thacker, 1702 North Alabama street, Buick coupe, found in Indianapolis. Ind.

Elmer Wood, 1181 Spanish Avenue, Chrysler coupe, found at Michigan and Illinois street.

E. E. Jarman, 702 West Twelfth street, Whippet coach, found at 400 West Fifteenth street.

Rites Set for Crash Victim

PORTVILLE, Nov. 18.—Funeral services for Richard Mayne, 21, formerly of Portville, who was killed when his car crashed into a train at Peoria, Ill., will be held here Sunday.

Shooting Suspect Held

James Reynolds, 933 Hadley street, was held for investigation today by police in connection with the shooting of Bud Toliver, 20, Negro 636 Locke street, last night.

THE INDIANAPOLIS TIMES

EX-WIFE, 11, RETURNS TO STUDIES



BACILLI SOURCE IN TOOTH DECAY PROVES ELUSIVE

Experimenters Encounter Blank Wall Despite Extensive Work.

BY DAVID DIETZ
Scripps-Howard Science Editor

Why do some people's teeth decay more than others? That is the question which the children's fund of Michigan is trying to find out by means of an elaborate study under the direction of Dr. Russell W. Bunting, professor of oral pathology at the University of Michigan dental school.

Professor Bunting points out that it is now well established that tooth decay, or dental caries as it is called technically, is the result of the presence of certain bacteria, the so-called *B. acidophilus*, in the mouth. This bacillus, by its action upon residual carbohydrate foods in the mouth, produces acids which attack the enamel of the teeth.

Studies have revealed that the bacillus is present in large amounts in certain people's mouths, present only occasionally in others, and never present at all in still others.

The question of why some people's teeth decay resolves itself, then, into the question of why does *B. acidophilus* thrive in some people's mouths? The answer is not yet complete, although a beginning is being made to the solution of the problem.

General Points Cited

Three general considerations appear to be related to the problem, Dr. Bunting says. They are: First, the chemical constituents of the salivary and oral secretions; second, the possible immunologic principles of the saliva, and third, the character of the retained food debris remaining about the teeth.

The opinion frequently has been expressed that the phosphorus content, the calcium content, or the acidity of the saliva might be a controlling factor in the prevention of dental caries.

Dr. Bunting reports that during the last two years the University of Michigan investigators have had under observation two groups of children, one of which was extremely susceptible to dental caries, the other of which was extremely immune. No constant differences in the phosphorus content, calcium content or acidity of either the saliva or the blood stream could be found between the two groups.

As a result, Dr. Bunting concludes that low phosphorus, low calcium, or a condition of acidosis, are not the cause of tooth decay.

Seek Immunity Method

Experiments also have been tried by the University of Michigan experimenters to see if immunity can be developed against the bacillus *B. acidophilus*. Some experiments were tried with a polyvalent vaccine made of 40 strains of *B. acidophilus*, but the results are not yet conclusive.

"These studies are only in their infancy," Dr. Bunting says, "but the findings thus far obtained strongly indicate the existence of some form of general immunologic principle which controls the growth and activity of *B. acidophilus* in the mouth and the intestinal tract."

The character of the food debris remaining in the mouth is important, Dr. Bunting thinks. Since the production of acids by *B. acidophilus* depends upon the fermentation of carbohydrate materials, the amount and character of carbohydrate food debris in the mouth and about the teeth constitutes an important factor in dental caries.

Other factors which Dr. Bunting and his associates have been giving attention to include those of heredity, age, bodily health, diet and nutrition, and racial conditions.

Degree to Be Given

By Times Special

BLOOMINGTON, Nov. 18.—Honorary degree of doctor of laws will be conferred by Indiana university upon Dr. Ernest O. Holland, president of the State college of Washington, at a special convocation at 4

Monday afternoon in the alumni hall of the Union building. Dr. Hall received his A. B. degree from Indiana university in 1895.

'Lifer' Asks Clemency

By Times Special

TIPTON, Nov. 18.—Stanley Canfield, serving a life term in the Indiana state prison for the robbery of the Bank of Hobbs in April,

Indiana in Brief

Lively Spots in the State's Happenings Put Together 'Short and Sweet.'

By Times Special

RUSHVILLE, Nov. 18.—Seventy-six men have been given employment and twenty teams and four trucks are being used here in a municipal "made work" project changing the channel of the Flat Rock river.

The work, which will cost an estimated \$20,000, is being wholly financed by surplus funds of the city-owned water and electric plants. The project serves the double purpose of providing jobs and flood prevention.

In addition to the new channel, which has a distance of 2,875 feet, a levee varying in height from ten to twelve feet will be built.

City officials responsible for initiating the project are Mayor J. Kenneth Allen, and members of the council, Mark Purcell, M. M. Winship, Dr. H. V. McCullay, Earl Heath and Halbert Brown.

All thorough converts to municipal ownership of utilities, the officials point out that in addition to paying for the project, funds of the two plants will be used to make repairs costing \$30,000 and \$18,000 will be transferred to the city general fund.

Claims Estate Share

By Times Special

GREENFIELD, Nov. 18.—Mrs. Nellie Grist of this city is claimant to a share of the estate of Miss Jane Surget Merrill, Natchez, Miss., whose death led to arrest of three persons as murder suspects.

Mrs. Grist asserts she is the offspring of a romance in which her father, the late John M. Hall, and Mrs. Merrill were principals.

Following arrest of George Pearls, a Negro, authorities expressed a belief the death was cleared, but later took into custody Richard H. C. Adams, descendant of an old family, and his housekeeper, Miss Dockey. He and his domestic occupied an old house known as Coats castle, situated near the Merrill home.

Miss Merrill was a daughter of a former American minister to Belgium.

Heifer Aids Auto Sale

By Times Special

SOUTH BEND, Nov. 18.—A heifer, the only one of the group next session, although they will be surrounded by a Democratic congress. With Senator Norris as the leader, this group includes such men as Senators La Follette (Rep., Wis., N. D.),

It is expected to advocate not only tax reform, but stricter regulation of banks and securities exchanges; and some legislation curbing the so-called free use of money is being discussed.

NORRIS SPEECH 'KEYNOTE' FOR PROGRESSIVES

Address at Champaign Seen as Opening Wedge of New Drive.

By Scripps-Howard Newspaper Alliance

WASHINGTON, Nov. 18.—The speech of Senator George Norris (Rep., Neb.), accepting the Cardin Newman award for statesmanship, was regarded here today as the keynote of the progressives' campaign in the next congress for a more even distribution of wealth.

The senator advocated a stiff inheritance tax as the means for regulating great fortunes, and he urged that even a shorter work week be instituted by law.

His program, however, may be widened considerably in scope because of the country's experience with NRA during the last few months and also because of the Wall Street investigations.

The current administration swing to the left is likely to make senate progressives an important group next session, although they will be surrounded by a Democratic congress. With Senator Norris as the leader, this group includes such men as Senators La Follette (Rep., Wis., N. D.),

It is expected to advocate not only tax reform, but stricter regulation of banks and securities exchanges; and some legislation curbing the so-called free use of money is being discussed.

Want Tax Revision

Several of these men want the excess profits tax returned to the law, with higher rates; another group wants the income tax system revised. This latter project is already being carried out by a house ways and means sub-committee that is endeavoring to chink up holes revealed by the testimony of bankers before the senate banking and currency committee.

However, at this time, the sub-committee's task is to straighten out the liquor taxation problem.

The administration itself is working on plans further to regulate securities exchanges, and some members of the brain trust are considering means of curbing the use of money to build unnecessary additions to industry. A step in this direction already has been taken by NRA in the textile code, making installation of new machinery in certain branches dependent upon approval by the industry's self-governing board as well as the government.

Talks at Champaign

Progressives also may ask that President Roosevelt use the powers granted him by the last congress to abolish income taxes, as a means of curbing income tax evasion. This power was written into the law after the administration of J. P. Morgan paid no income taxes for several years.

Senator Norris made his speech yesterday at Champaign Ill. After saying that all the governmental efforts during recent months have been aimed at meeting the emergency, he declared that a permanent remedy must be started at once.

Richard A. Graver, district manager for RCA, presided. J. A. Miller, local representative, introduced the speaker. Prizes were awarded by the RCA company.

USED CAR CODE TO BE STARTED DEC. 1

Trade-in Allowances Set Will Be Official.

By Times Special

SHELBYVILLE, Nov. 18.—Nine dealers, comprising the entire staff of Hendricks township, were to sur-

render their two-year contracts to

day to Trustee John W. Scott. He assumed the office recently, after his predecessor, Homer Compton, entered the state prison to serve a term for embezzling township funds.

Mr. Scott is acting on advice of

his attorney that the contracts are

illegal. The trustee of all the teach-

ers will serve until the end of the

term. The attorney held the con-

tracts illegal on the claim that de-

spite a July date, they were not

signed until October.

The new trustee is a Democrat;

his successor was a Republican. Re-

publican teachers are said to fear

that cancellation of the contracts

means they will have no chance of

being employed for the next school

year.