

RUSSIA WOULD FIGHT JAPAN TO PROTECT MONGOLIA, SAYS JOSEF STALIN IN STATEMENT

Germany Is Other Danger Spot, Soviet Dictator Warns in His First Utterance on World Affairs Since July, 1934.

(Continued From Page One)

by the Soviets as of an aggressive nature."

"The Japanese seem to be continuing to concentrate their troops on the frontier of the Mongolian People's Republic," Stalin replied. "But so far there have been no new attempts to create border incidents."

"The Soviet Union appears to believe that Germany and Poland have aggressive designs against the Soviet Union and are planning military co-operation," was the next question. "Poland, however, has protected her unwillingness to permit any foreign troops to use her territory as a base for operation against a third nation. How does the Soviet Union envisage such aggression by Germany? From what position and in what direction would the German military forces operate?"

"History shows," Stalin replied, "that when a state is intent on war against another state, even one not adjacent, the aggressor seeks an intermediate state whose frontiers touch those of the object of her aggression."

"Usually it is successful in finding such a frontier. This is accomplished sometimes by force, as in 1914 in Belgium, or by other means, as in 1918, when the Germans 'borrowed' the Latvian frontier in a drive against Leningrad."

"Wars Simply Start"

"I do not know what specific frontiers would be best adapted to the German purposes, but I think they would find a people prepared to lend them a frontier."

"Seemingly the entire world today is predicting another great war. If it proves inevitable, when, Mr. Stalin, do you think it will come?"

"It is impossible to say. It may come very unexpectedly. Nowadays wars are not declared. They simply start."

"However, I feel that the position of the friends of peace is improving. They have the advantage of being able to work in the open, by such instruments as the League of Nations with the assistance of powerful public opinion. They have tremendous support in the objection to war shared by the masses of all nations. There is today no people wanting war."

Sees Two Danger Spots

"On the other hand, the proponents of war must work in the dark, to their disadvantage. Nevertheless, it is not improbable that this very fact may tempt them to an act of desperation. Germany is the open enemy of the friends of peace is ratification of the Franco-Soviet mutual assistance pact by the French chamber. This pact is a certain obstacle to the enemies of peace."

"Should war come, Mr. Stalin, where is it most likely to break out? Where are the war clouds most menacing, in the East or in the West?"

"In my opinion there are two focal points of danger—one in the Far East in the zone of Japan and the other in Europe in the zone of Germany. What I have in mind are numerous statements in Japan by military men containing threats against other powers."

"It is difficult to say which is the more menacing war danger. They both exist and both are smoldering. Compared to either of these, the Italian-Ethiopian conflict is an episode."

Terms Capitalism Menace

"For the moment, perhaps, the situation in the Far East is more menacing but the center of danger may shift to Europe. Evidence of this was Herr Hitler's recent interview in a Paris paper in which his statement, though pacific in terminology, carried with it threats against both France and the Soviet Union. It is symptomatic that even when Herr Hitler speaks peace, he can not dispense with threats."

"What situation or condition in your opinion, Mr. Stalin, furnishes the chief war menace today?"

"Capitalism. You recall the origins of the last world war—the desires of the great powers to divide the world. Today we face the same state of affairs. There are certain states which feel they have not shared equally in the distribution of territories, markets, raw materials, spheres of influence."

"Capitalism in its imperialistic phase is a system which regards war as a legitimate instrument for settling international disputes. Although it does not give this method legal status, it accepts it in fact."

Denies Fears Justified

"May there not be an element of danger in the genuine fear existing in what you term capitalist countries of intent on the part of the Soviet Union to force its political theories on other nations?"

"There is no justification for such fear. If those to whom you refer believe that the people of the Soviet Union have any desire to alter the face of things by force or to change the established order in surrounding states by force, they are entirely mistaken."

"The people of the Soviet Union would naturally like to see the face of things changed in the outside world, but that matter is the business of the surrounding world itself. I fail to see how our mere ideas can menace any of these states if they are firmly seated in their saddles."

Says Beliefs "Tragicomic"

"Does that mean the Soviet Union has to any degree abandoned its plans and intentions of bringing about world revolution?"

"We never had any such plan or intention."

"You appreciate, no doubt, Mr. Stalin, that much of the world has long entertained a different impression?"

"Well, Mr. Howard, that is a product of misunderstanding. A tragic misunderstanding. No, a comic one—well, tragicomic. We

CHOICE OF DE PAUW MEN FOR PROM QUEEN



Miss Margaret Yoder, 20-year-old De Pauw University student, has the distinction today of being the first non-senior Junior Prom Queen on the Green-castle campus. The daughter of Mr. and Mrs. R. O. Yoder, Angola, she was the choice of Junior classmen from a field of eight candidates and is to reign at the gala social event March 21.

guard and continue good relations between our countries?"

"Yes, absolutely."

"Admittedly, Communism has not been achieved in Russia. State socialism has. Have not Fascism in Italy and National Socialism in Germany claimed to have attained similar results? Have not both been achieved at the price of deprivation of personal liberty, sacrificed for the good of the state?"

Communism Not Achieved

"No, Communism has not been achieved in the Soviet Union so far. It is not easy. But your term 'state socialism' is not exact."

"Many people refer to a condition as state socialism when a considerable amount of national wealth passes to government ownership, sometimes for military advantage, even though the majority of wealth remains in private hands."

"The social order which we have built up so far can not be termed state socialism in this sense. The Soviet system is fundamentally socialist because there is no private ownership of factories, land, banks, railways, mines, etc. Our system—which not yet has been quite completed—is socialist because the foundation of society is common state ownership, ownership by the people or ownership by co-operatives and collective farms."

"Everybody Obligated to Work"

"Italian Fascism or German National Socialism do not have anything in common with such a system because in those countries private ownership of industry is not affected. Capitalism in those countries still has full effectiveness."

"Under socialism a certain inequality concerning property remains but there is no more unemployment, exploitation or oppression of one nationality by another. Everybody is obliged to work and is compensated not according to his needs but according to the quantity and quality of the work."

"That is why wages have not been equalized. Only that society can be called Communist in which people are compensated not on the basis of the quantity or quality of the work produced but on the basis of their needs."

"Perhaps you thing Socialist society discounts personal liberty, but that is not correct. If you are going to build a house you must economize and make sacrifices. Even more is true if you are building a new society."

"It is necessary for us temporarily to limit certain of our demands to accumulate the necessary resources. We have made this sacrifice with the definite objective of developing real freedom in the best sense of the term."

"Do you view as compatible," Stalin was asked, "the coincidental development of American democracy and the Soviet system?"

"Yes, American democracy and the Soviet system can exist and compete peacefully but one can never develop into the other. Soviet democracy will never evolve into American democracy or vice versa."

"We can exist and develop peacefully if we do not indulge in too much mutual fault-finding about trifling things."

Stone Company Seeks to Reorganize

Seeking to reorganize under the Federal bankruptcy act, the Shawnee Stone Co., Bloomington, has filed a petition in Federal Court. The company sets out that it sustained losses of \$252,899 in 1932; \$65,549 in 1933; \$59,861 in 1934 and \$88,273 in 1935.

TUSCANY ROOM

FINE FOOD WELL SERVED

LUNCHEON 40¢ up
DINNER 65¢ up

HOTEL LINCOLN

STERN, COLLINS FILE APPEALS IN FRAUD CASE

Schweitzer Already Free on \$10,000 Bond Pending Hearing.

Louis Stern and Harry N. Collins have filed appeal of their sentences in connection with the Stern & Co. mail fraud cases. Previously Sam Schweitzer, the third member of the group, already had filed in the Circuit Court of Appeals in Chicago.

Schweitzer is free on a \$10,000 bond, and Collins was allowed to go free on his original \$2500 bond by Judge Robert Baitzell, pending an investigation of his connections with the firm. Stern is still in jail. Schweitzer was sentenced last Saturday to eight years in prison and fined \$7500. Stern, five years and \$5000, and Collins one year and \$2000. At that time Judge Baitzell indicated that if Collins has a good record he may reduce the sentence.

Health Program to Be Inexpensive, Is Claim

This is the last of a series of stories outlining Indiana's social security program and proposed legislation that is to be effect during the special session of the Legislature, opening tomorrow.

BY JAMES DOSS

Indiana is to have a health program broad in scope, but not initially costly, as a result of the state's participation in the health phase of social security legislation.

The program to be financed jointly by the state and Federal governments and is divided into two phases, public health and child and maternal health.

The state is to receive approximately \$131,000 for both parts of the program. In addition, there is approximately \$43,000 that may be made available without matching that amount, and another \$60,000 that may be obtained by matching.

Dr. Verne K. Harvey, director of the Division of Public Health, administrative agency, does not believe the \$60,000 is to be determined by the alacrity with which the counties join in the program.

May Become Necessary

The division now operates on an annual budget of approximately \$200,000. Enough of this now is spent on health work to allow the state to obtain slightly more than \$80,000 without matching.

Part of the money allocated under the Federal program is for special health problems. It is possible that this fund, \$5750, to be matched by state funds, may not be used because the allocations for this phase of work were made chiefly on the basis of geographical problems. These include malaria and pellagra in the south and the recurrent plague menace near seaports.

Dr. Harvey believes, however, that the growing industrial importance of the state may make it necessary to use this fund for research and study of occupational disease.

County Plan Advocated

Views of Johns Hopkins and Harvard experts are regarded as the best thought on the subject, Dr. Harvey said. Accordingly, these ideas probably are to be followed in setting up activities made possible by Federal aid.

The public health phase of social security, it is emphasized, is to deal with rural areas except where agreements are made with cities. Indianapolis probably is to be precluded from participation because it is operating under an old law passed especially for its benefit.

Although a county unit plan is advocated by medical authorities Dr. Harvey does not regard a county of less than 30,000 population adaptable for the plan, unless it combines with another.

There probably are to be three main divisions in the county system, according to Dr. Harvey. It

OFFICIAL WEATHER

United States Weather Bureau	
Sunrise	6:14 Sunset 5:40
TEMPERATURE—	
March 4, 1935—	
7 a. m.	49 1 p. m. 66
—Today—	
6 a. m.	49 10 a. m. 44
7 a. m.	49 11 a. m. 46
8 a. m.	45 12 (noon) 48
9 a. m.	44 1 p. m. 48
BAROMETER	
7 a. m.	29.96 1 p. m. 29.98
Precipitation 24 hrs. ending 7 a. m. .00	
Total precipitation since Jan. 1 .434	
Deficiency since Jan. 1 .139	
OTHER CITIES AT 7 A. M.	
Albany, N. Y.	Cloudy 29.94 42
Bismarck, N. D.	Cloudy 30.18 12
Boston	Clear 30.02 34
Chicago	PClody 29.90 38
Cincinnati	Cloudy 29.90 50
Denver	Rain 30.04 36
Dodge City, Kan.	Cloudy 30.10 34
Helen, Mont.	Cloudy 30.12 38
Jacksonville, Fla.	PClody 30.12 56
Kansas City, Mo.	PClody 30.10 38
Little Rock, Ark.	Cloudy 29.96 52
Los Angeles	Cloudy 29.92 52
Miami, Fla.	Clear 30.10 72
Minneapolis	Clear 30.06 48
Mobile, Ala.	Cloudy 30.04 56
New Orleans	Rain 30.04 58
New York	Clear 30.04 38
Oklahoma City, Okla.	Cloudy 29.88 42
Pittsburgh	Clear 30.20 30
Pittsburg, Kan.	Clear 29.85 42
Portland, Ore.	Cloudy 30.10 38
San Antonio, Tex.	Cloudy 29.90 58
San Francisco	Cloudy 30.06 48
St. Louis	PClody 29.96 48
Tampa, Fla.	Cloudy 30.06 48
Washington, D. C.	Foggy 30.04 32

AVERAGE CORPORATION LEVY OF 33 1-2 PER CENT ADVISED BY TREASURY'S TAX EXPERTS

Undistributed Profits Would Be Affected Under Recommendation.

(Continued From Page One)

call for any exemptions of part of corporation reserves.

He said it was "the general idea" that banks and life insurance companies would be exempt from the far-reaching corporate tax proposal made by the President in his message to Congress yesterday.

Rep. Hill estimated that the proposed tax rate, in the Treasury's opinion, would not "prevent corporations from building up reserves."

Tax Would Be About Same

He asserted that if companies held back 50 per cent of their net earnings they would not have to pay any higher taxes than at present.

The present corporate levies, the income tax, the excess profits tax and capital stock tax would be repealed under the President's proposal.

Rep. Hill said that no other phases of the President's tax suggestions were discussed. The subcommittee arranged to meet later in the day with the same experts.

Minority Leader Bertrand H. Snell (N. Y.), asserted that the President's tax program did not clarify "the tangled budget situation" but is "the official end of the 'breathing spell' for business."

Stock Market Rises

Mr. Roosevelt's proposal caused a rapid rise in stock values on the New York Exchange yesterday on the theory that if enacted it would force corporations to divide surpluses among stockholders.

President Roosevelt, apparently anticipating criticism, met it almost immediately yesterday in a press conference in which he denied his tax proposal would heap a cruel burden on business and claimed it would expand trade.

HAUCK IS TO OPPOSE NEW BRUNO REPRIEVE

Prosecutor Plays Governor for 'Fighting Courts' of New Jersey.

By United Press

TRENTON, N. J., March 4.—The chances for Bruno Richard Hauptmann to live past the week of March 30 were lessened today when Prosecutor Anthony Hauck of Hunterdon County, announced he had "every determination" to fight against any further reprieve for the convicted slayer of Charles A. Lindbergh Jr.

He felt that the Governor of this state has stretched at and flouted the courts long enough," Mr. Hauck said. "I feel it is my duty to oppose any attempt to further delay the just execution of sentence on the man who killed the Lindbergh baby."

STATE G. O. P. HEADS HOLD ROUTINE SESSION

Mrs. Beryl Holland Presides in Absence of Don Irwin.

The Republican State Committee met here today to transact routine business. Harry C. Penton, state secretary, said, adding that it was unlikely that the platform advisory committee would be selected because of the absence of Don B. Irwin, state chairman.

In Mr. Irwin's absence, Mrs. Beryl Holland of Bloomington, vice chairman, was in charge of the session at the Claypool.

It was announced that no place has been selected for the state convention June 3, but that both Cadle Tabernacle and a State Fairground building are being considered.

Magazine Official to Speak

Magazine advertising is to be discussed by Albert N. Butler, western representative of McCall Co., New York, at the Advertising Club luncheon tomorrow in the Columbia Club.

President Observes Third Anniversary as Head of Nation.

BY LYLE C. WILSON

United Press Staff Correspondent

WASHINGTON, March 4.

—President Roosevelt observed the third anniversary of his inauguration today, well into his 1936 fight for reelection against campaign criticism of New Deal spending and continued unemployment.

The President is charged with violating his oath to protect the Constitution. He has countered that the Supreme Court has placed a narrow "horse and buggy" interpretation on the Federal government's authority to cope with national questions.

Republican attack strikes at alleged White House grasping of power. The New Deal claims, however, that the "little fellow" element of the population accepts Mr. Roosevelt as its champion and will parade to the polls for him.

Democratic leaders find much comfort in the belief that labor generally leans toward the New Deal.

Farley Is Confident

Postmaster General James A. Farley predicts the election will return in unprecedented vote of confidence in Roosevelt reform and reelection. But the Republican legions, which were hopeless 18 months ago, have found new confidence in evidence that the President's popularity has slumped.

Re-alignment of political parties is underway as this anniversary passes and the nation heads into the presidential campaign. A faction of conservative Democrats has bolted Mr. Roosevelt and others are preparing to take a walk.

Some progressive Republicans are marching with New Deal troops. Another progressive faction is contesting Republican regulars for control of the G. O. P.

Unemployment Heads List

This third anniversary finds Mr. Roosevelt possessing some advantages in the presidential sweepstakes, but far from the long-odds favorite he appeared to be 18 months ago.

Government spending and continued unemployment are at the top of any list of anti-Roosevelt campaign issues. Data on the jobs are faulty, but it is assumed upward of 10,000,000 to 12,000,000 employable persons still lack jobs provided by private capital.

Federal spending and a series of unbalanced budgets beginning in 1931 when Mr. Hoover was in the White House have unnerved a large element of the business community and led to threats and fears of currency or credit inflation.

WPA MEN GET BLAME FOR 'TOO MUCH' WORK

H. D. Tutwiler Complains Crew Cut His Trees by Mistake.

Works Progress Administration laborers toiled so zealously on a street project that they ploved into private property and cut down 13 trees, it was disclosed at the Works Board meeting today.

H. D. Tutwiler told the board that WPA workers assigned to opening Baltimore-st from 30th to 34th-sts forgot to stop at 34th-st and began digging up his property.

Indignant because his trees were cut down, Mr. Tutwiler said he was willing to accept \$140 and give the city the right of way on a five-year lease.

Former State Penologist Dies

MUNCIE, Ind., March 4.—Clifford Craig, former superintendent of the Indiana State Farm and chief clerk of the Indiana State Prison for 11 years, died yesterday.

"Startling aliveness of once-stubborn motor indicates Red Crown!"

FASTEST-STARTING GASOLINE

IN STANDARD OIL HISTORY!

35% QUICKER WARM-UP WITH NEW STANDARD RED CROWN

Either Standard's new fast-starting gasoline is in that car or Warner (Charles Chan) Oland is no detective. Anyway, he and Maxine Reiner, his leading lady in 20th Century-Fox' new mystery, "Charlie Chan at the Circus," didn't have to wait long for things to happen when she pressed the starter.

THIS new Winter Standard Red Crown does start cold motors with alarm-clock

suddenness—as thousands of motorists so pleasantly learned during the last sub-zero spell. With the first snap of the spark it flashes into action. What's more, it stays in action—warms up a zero-cold engine fully 35% quicker. Naturally that means an important saving of choke-wasted gasoline. Those are the clues that will solve

your winter-starting problems. Follow them up—take on a tankful of Standard Red Crown and SEE WHAT HAPPENS next time you step on the starter. Sold by Standard Oil Stations and Dealers everywhere, at the price of "regular" gasoline.

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