

# Madrid Surrender Brings Spanish War Practically to End

Franco Enters Capital With Pardon and Food Trucks.

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out the war, braved arrest to continue his task.

## Army Surrenders

Senior Besteiro announced over the radio: "I will continue by the side of the Madrilenses until the last moment. I will faithfully carry out the plan drawn up by the Council of Defense. We have reached the moment of the final struggle."

He ended with an appeal for the maintenance of order.

Juan Jose Prado y Ruiz, former Mayor of Bilbao, started to speak but was cut off by a voice cheering Gen. Franco. When he was able to resume he announced:

"The Central Army has surrendered."

## Power Turned Over

The surrender of the city was formally completed when Col. Pena Madrida, Republican Governor of the capital, turned over power to Col. Prios Capatel of the 18th Division of the all-Spanish First Division.

Col. Prado, commanding the University City sector, broadcast the army's last order, instructing the Republican troops to lay down their arms and ending with the cry, "Arriba Espana" (Up Spain).

There was a brief air of rejoicing in the city. Republican troops, who had been fraternizing with the Nationalists in the trenches outside the city proper, had left their posts during the night.

Within an hour after the white flag appeared on Madrid's two tallest buildings, Nationalist troops poured out of their trenches, formed into columns and, crossing the deserted Republican lines, marched into the city.

They came through the northern streets, marching in toward the central area.

## Bourbon Flag Flown

As they advanced, the red and gold flag of the Nationalists and the old monarchy appeared over the Interior Ministry and on buildings all over the center of the city.

Some police vanished from the streets. Those who remained began giving the Fascist salute.

It was some time before the people generally realized that the terrible siege through which they had gone was over.

Then they went almost mad with joy.

## Nation Celebrates

They ran from their homes and toward the center of the war-scarred city to greet the Nationalist troops, singing, cheering, dancing, weeping.

The city rang with shouts of: "Long live Franco! Long live Spain!"

News of the occupation was flashed throughout Spain and resulted in popular celebrations almost everywhere. Flags were broken out and church bells rung.

Gen. Miaja was at Valencia speeding evacuation of Republican leaders who feared Nationalist reprisals. It was understood he was operating with Gen. Franco's permission.

## Offensive Continued

Generalissimo Franco ordered his troops on the Toledo and Cordoba fronts to continue their offensives pending confirmation that the Republican Defense Council would be able to hand over all the 10 provinces of the Republican zone.

Dispatches indicated that the Re-

publican cause had definitely collapsed and that any further fighting would be mopping up operations by the victorious Nationalists.

The Nationalists claimed to have taken more than 15,000 prisoners in the Cordoba sector in the far South, and in the Toledo sector, where they were driving eastward in a new offensive.

Both these drives were aimed against armies forming the backbone of the "no surrender" faction of the Republicans. The astonishing speed with which the Nationalists were advancing on the Cordoba and Toledo fronts made it evident that they were meeting little resistance even from the "no surrender" troops. It was reported unofficially at Valencia that orders had been given the troops to offer no serious opposition.

## Poland Moves Troops But Fears Decline

DANZIG FREE CITY, March 28 (U. P.).—A continued movement of Polish troops into the north end of the Polish Corridor was reported today but fears of an invasion by the German Army had waned perceptibly.

Wet pavement—a speeding bus—screaming tires of a auto out of control! Eight persons, most of them members of one family returning from an

outing, were killed in this terrific collision on a crowded Los Angeles boulevard. Ten bus passengers were injured.

Italian Masses 'Sold' on Fascism, Distrust Hitler

(Continued from Page One)

ing nor longing for the blessings of democracy and freedom. That such an hour will come is probable. But at the moment the advantages of democracy have about as much appeal to the Italian proletariat as a vegetable dinner has for an Eskimo.

Viewed at close range, the situation is fairly understandable. The outstanding factor, of course, is the master and slave relationship of Mussolini and Hitler. Second is the new generation which has grown up under fascism and which has been indoctrinated from childhood.

A third consideration is the belief that created wealth is being distributed more equally, and that there has been a narrowing of the economic gap between the very rich and the very poor.

A fourth factor is the advanced social laws, designed to protect the underprivileged through insurance and relief benefits. These benefits, though pitifully small due to the national poverty, have at least set the pattern for a system.

Workingman Is Convinced

The Italian workingman, with a marvelous built-up faith in the ability of Il Duce to work wonders, is convinced that this system will insure real security as soon as Italy achieves the national wealth which Mussolini holds out as the certain ultimate achievement of fascism.

It is toward the masses—the peasants and the industrial workers—that fascism is directing its present program. The results already achieved have debunked the Communist claim that theirs is the only formula.

As is well known, it was as an alleged defense against communism that fascism tricked Italian industrialists and obtained its early support from them. From this incident, however, has sprung a misconception since fostered and developed by Leftists of all nations, that fascism is the creature and tool of organized business and finance. Italy today is a complete refutation of this theory. Fascism is a bed of coral into which Italian capitalism leaped in desperation from the grill of communism.

Fascism Brutal in Early Days

The brutality of fascism's early days—the days of purges, deportations to Lipari, and political assassinations—is a matter of record. To anyone familiar with Italian life

and temperance, and with the national aversion to discipline, it was difficult to believe even as late as five years ago that acceptance of fascism by the Italian masses was otherwise than superficial. It seemed inevitable that beneath the surface there must be smoldering fires of hate and resentment.

That such hatred did exist in the early brutal days is not denied, and that a longing for the old pre-fascist days still exists among older people is to be assumed. Though it is generally conceded with care, there is intense dislike of the new order among many formerly wealthy financiers and industrialists who, while nominally in control of their own businesses, are acutely today mere puppets of the corporate state.

Most important for the future, perhaps, is the undetermined percentage of the intelligentsia who resent and abhor the new order. They are men and women for whom the lessons of history have meaning. They understand the price that has been paid in the life of liberty for a sham social security. They believe this alleged security is based on a trick economy that is destined to collapse about their ears under the first major strain. They are of course not permitted to argue against it or to point out its obvious weaknesses. They know, furthermore, that their logic would be impotent against the fanatic demagoguery.

Realists Not by Choice

Within this group of intellectuals the spark of liberty still glows feebly. But they are realists. They know that democracy was scarcely two generations old in Italy and that it had never become as deep-rooted in the life of the people as it is in France and the English-speaking nations. They know that their lament at the passing of liberty has been drowned by the Fascist argument that under the corporate state there is no unemployment.

They know that the totalitarian economy crumbles, there will be no upsets of the present regime in Italy. Day by day the fact is made more apparent that America's allure to the Italian emigrant in pre-war days did not lie in the offer of political freedom. America's appeal was based on the offer of jobs and economic advantages. The stream of Italian emigrants returning jobless from America in the past 10 years has been a black eye for democracy and a bulwark for fascism.

Hitler Distrusted

As matters stand today, the greatest contribution America can make toward debunking the myth of totalitarian superiority over democracy will be through the rehabilitation of American prosperity.

Meanwhile, with Europe jittery over Mussolini's demands on France, little jingoism is evident in Italy. And popular dislike and distrust of Hitler are too great for concealment. The anti-Semitic campaign in Italy has produced audible rumblings of disapproval. Responsibility for it is placed at Mr. Hitler's door. To the extent that they believe Mussolini was influenced and used as a cat's-paw, the Italian people think he cheapened himself before the world by toeing Hitler's anti-Semitic machine.

The urge for peace and economic advantages is strong with Italians. The urge for conquest, except where and when it is whopped up artificially by Fascist leaders and the younger generation, is not strong in the Italian people. Abyssinia is still a liability and a drain. Spain promises to be a water haul from the standpoint of economic returns.

Want Foreign Trade

What Italians would like is credit and foreign trade. It is obvious that neither of these is to be had from Germany, which is even worse burdened by the same conditions. On the other hand, it is realized that England, the United States, South America and even France might offer both, to an Italy committed to peace.

That Italy is anxious to avoid any major war at present is apparent. Unfortunately, however, both France and England distrust Mussolini's word about as much as they do Hitler's. After Munich and the Czech-Slovakian coup, any move by Italy which suggest a stopgap program will be viewed with suspicion as a possible move to gain time until the French and British determination to resist further aggression is less adamant than it is today.

And so the world goes badly.

TOMORROW—Inside Russia.

# An Eloquent Sermon on Safety . . .



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TOMORROW—Inside Russia.

# BRITAIN HINTS MILITARY PACT

Chamberlain Says Proposals To Stop Hitler Go Beyond Talk.

(Continued from Page One)

west in event of a Nazi thrust at Poland.

France already has a military treaty with Poland to go to her aid in event of aggression against the Warsaw Government.

Mr. Chamberlain's statement caused a sensation in Parliament. A few minutes earlier, Commons had cheered a declaration of Oliver Stanley, Board of Trade president, that the Government had suspended trade negotiations with Germany.

Considerable interest attached to the visit to France this afternoon of Gen. Viscount Gort, chief of the Imperial General Staff, and Maj. Gen. H. R. Pownall, director of military operations and intelligence of the War Office.

Duff Cooper Asks Coalition

They were invited by Gen. Maurice Gamelin, Generalissimo of the French army, to visit the Maginot Line defenses opposite Germany and to see special French troops exercises.

In a speech last night, Alfred Duff Cooper, who resigned as First Lord of the Admiralty because he "could not stomach" the Munich agreement, urged formation of an all-party Government and a smaller Cabinet as a preliminary to general action.

Discussing the United States, Mr. Duff Cooper said:

"Sympathy of the United States in any possible conflict will be far greater than before and that sympathy would probably more rapidly bring her to active co-operation."

Germans Stir Up Walloons in Belgium

BERLIN, March 28 (U. P.).—Diplomatic quarters discussed today a German radio station broadcast of a special program from Cologne Sunday to the former German districts of Belgium and Malmédy, now parts of Belgium.

Although Nazi officials denied any political significance, the whole tone of the broadcast was designed to emphasize the German character of the districts which went to Belgium under the Treaty of Versailles.

The program included a Walloon, one of the races of Belgium, who was a member of the "Heimatstreue Front" (Loyal to the Homeland Front). After singing Walloon songs he said "we think of our fate in terms of Germany's history."

British and Russians Begin Co-operation

MOSCOW, March 28 (U. P.).—British-Russian consultations on European affairs were initiated by British trade mission which left last night for Helsinki, Finland. It was disclosed today.

The official communiqué disclosed that Mr. Hudson not only had signed a new Russian-British agreement with Anasmy Mikoyan, foreign trade commissar, but had a special conference with Premier Vyacheslav Molotov.

Mr. Hudson said that as the result of his trade talks negotiations for a new Russian-British agreement would be opened in London soon.

Army Chief Forms Lithuanian Cabinet

KAUNAS, Lithuania, March 28 (U. P.).—Gen. Jonas Tserniskis completed formation of a Cabinet today with him as Prime Minister and six Lithuanian Urbys remaining as Foreign Minister.

Bonnet May Resign in Peace Gesture to Italy

PARIS, March 28 (U. P.).—Diplomatic quarters received reports today that Foreign Minister Georges Bonnet might resign if the Government decided to open negotiations to satisfy Italy's "aspirations in the Mediterranean and Red Sea areas."

Mr. Bonnet is not unfavorable to French-Italian rapprochement, but his name has been linked with a foreign policy which Germany and Italy distrust.

There was no hint from official sources that he might quit. But the fact that he held two conferences yesterday with Anatole de Bonzie, Public Works Minister, caused interest. Mr. Bonzie is regarded as his most likely successor. Also M. Monzie, through French friends in Rome, has excellent contacts with the Premier Mussolini.

It was asserted today that the Cabinet after long study, regarded the Mussolini's speech of Sunday as

# SENATE IS GIVEN BILL TO OUTLAW SPIES ON LABOR

Civil Liberties Measure Is Designed to Blot Out Strike-Breaking.

WASHINGTON, March 28 (U. P.).—Chairman Robert L. La Follette (Prog. Wis.) of the Senate Civil Liberties Committee, introduced a bill today to outlaw use of strike-breaking agents as persons paid a bonus to replace striking workers.

The measure also would outlaw use of strike-breaking agencies and industrial spies and restrict use of private company guards, under maximum criminal penalties of six months imprisonment or \$10,000 fine.

The bill carries a "blacklist" clause which would apply to employers found guilty of oppressive labor practices and which would make them ineligible for Government contracts.

Senator La Follette and Chairman Elbert D. Thomas (D. Utah) of the Senate Labor Committee, asserted that the bill does not infringe upon the employer's right to protect his property.

The bill authorizes the Secretary of Labor to obtain injunctions against interstate shipments of goods manufactured under "oppressive labor practices" and to bar the mails to persons convicted of violation.

Subcommittee Approves Rutledge for U. S. Bench

WASHINGTON, March 28 (U. P.).—A Senate Judiciary subcommittee approved today the nomination of Wiley Blount Rutledge Jr., dean of the University of Iowa law school, to be a judge of the U. S. Court of Appeals for the District of Columbia, after questioning him about his views on President Roosevelt's Supreme Court reorganization plan.

Bill to End President's Power Over Dollar Beaten

WASHINGTON, March 28 (U. P.).—The House Coinage Committee today defeated by a strict party vote a Republican proposal to terminate the President's power to devalue the dollar, and to end the silver purchase program.

The vote was 10 to 7.

Bill for Reorganization Goes to House

WASHINGTON, March 28 (U. P.).—The Senate today approved and sent to the House the final draft of the Government Reorganization Bill, giving President Roosevelt limited authority to reshuffle Federal agencies.

NEW DEAL MAPS TAX SHOWDOWN

U. S. Legal Experts Declare Road Is Opened for Levies on Bonds.

(Editorial, Page 10)

WASHINGTON, March 28 (U. P.).—The Administration today planned a quick showdown on the constitutionality of its powers to tax future Government securities issues.

Government legal experts believed that the Supreme Court decisions discarding immunity from reciprocal taxation for State and Federal salaries flashed a green light for enactment of legislation to tax Government bonds.

Treasury Undersecretary John W. Hanes has estimated that elimination of Federal income tax exemption now accorded state and local employees would produce about 15 million dollars additional Federal revenue.

The Commerce Department reported that in 1937 Federal salaries totaled approximately \$1,918,000,000, or an average of \$1595 for each employee. Salaries paid other Government employees in the same year and the average were reported to be:

Category	Total	Average
State	\$400,000,000	\$1274
County and Minor	1,000,000,000	1881
Public Education	1,525,000,000	1272

Average salaries paid employees in private enterprises during 1937 were estimated at: Manufacturing, \$1385; retail and wholesale trade, \$1380; mining, \$1277; transportation, \$1603.

F. I. Thompson of Alabama Nominated for FCC

WASHINGTON, March 28 (U. P.).—President Roosevelt today nominated Frederick I. Thompson of Mobile, Ala., to replace Eugene O. Sykes, retired, as a member of the Federal Communications Commission.

Mr. Thompson is a former Alabama newspaper publisher. He formerly owned newspapers in Birmingham and Mobile.

Army Chief Forms Lithuanian Cabinet

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# House Approaching Decisions on Farm, Work Relief Issues

Parity Payments May Be Acted on Today; WPA Probe Is Voted.

WASHINGTON, March 28 (U. P.).—The House approached a showdown today on additional spending proposals for farm and work relief. Decisions on those issues may determine the future course of economy and business appeasement campaigns at this session of Congress.

One proposal for increased appropriations was the unbudgeted 250 million dollars for farm parity payments contained in the bill for Agriculture Department Appropriation Bill. Its fate was closely linked with President Roosevelt's request for an additional 150 million dollars for the WPA.

Resuming debate on the agriculture appropriation, the House may act on the parity payments item today. An Appropriations Subcommittee meets to decide whether to give the Administration the additional relief fund which was lopped off the President's original request of 875 million dollars to carry WPA through the current fiscal year.

An attempt to limit debate on the parity fund was defeated.

Expect Accord to Fail

It appeared that a campaign to align farm bloc support behind the full 150 million dollars appropriated in return for backing of city legislators for the farm fund has collapsed.

As a result, finance leaders predicted that when the Subcommittee reports tomorrow it will recommend that only 100 million dollars additional be granted for relief. But they believed the figure would be raised—perhaps to 125 million dollars—on the floor of the house.

If the House approves of the 250 million dollars for farm benefits in the face of Mr. Roosevelt's failure to recommend such an item, it would be a blow to business appeasement plans, as the appropriation of so large an unbudgeted sum would make it increasingly difficult to repeal "business-deterrent" taxes. It also would strike at the already-stumbling Congressional economy drive and give the White House a weapon against the Hill critics of Administration spending.

G. O. P. Opposed

House Republicans conferred late yesterday on the farm benefit appropriation and their leaders said not more than 25 minority members would vote for it.

The House voted, 352 to 27, yesterday in favor of an investigation of the WPA by the Appropriations Committee, but Chairman Edward T. Taylor (D. Colo.) said he would make no plans for an inquiry until after the 150-million-dollar request is acted on.

All 12 Indiana Congressmen voted for the WPA probe; Rep. Louis Ludlow (D. Ind.) is a member of the Appropriations Committee, which will carry it out and of the Subcommittee which is to report on WPA funds today.

Most of the Hoosier delegation indicated they will support whatever WPA appropriation finally comes from the committee. It appeared a majority, including all seven Republicans, are prepared to vote against the 250 million dollar parity payments for farmers.

Meanwhile the Senate Interstate Commerce Committee prepared to open hearings on two bills for the suppression of liquor advertising.

WKRC POWER RAISED

WASHINGTON, March 28 (U. P.).—The Federal Communications Commission today authorized station WKRC, Cincinnati, to increase its power to 5000 watts, unlimited time.

Strauss Says:

Peace Move Hinted At U. A. W. Session

CLEVELAND, March 28 (U. P.).—The C. I. O. endorsed U. A. W. went into executive session suddenly today to hear Philip Murray, C. I. O. vice president, plead for the convention to drop "disagreements."

Acting President R. J. Thomas called the closed session after announcing that several U. A. W. officers had discussed "disagreements" existing within the convention.

Sidney Hillman, another C. I. O. vice president, followed Mr. Murray before the secret session.

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