

TRIAL REVEALS SOVIET WAR ON FOREIGN FIRMS

London, England, Aug. 25—The virtual impossibility of foreign and privately owned business to function in the Soviet Union while officials there entertain their present theories is being demonstrated in the arbitration court here. This court is considering charges brought by the Lena Goldfields Company, British owned, of violation of its concession by the Moscow government, which retaliates in like manner.

The Lena Goldfields Company whose shares are held by Americans, Germans and Czechs as well as Britishers, is explaining its hardships to this court, which was constituted under the concession agreement with the Soviet government in 1925. Owing to the Soviet Union's refusal to participate in arbitration and its aloofness from international tribunals such as The Hague, this hearing becomes inevitable an academic affair.

The Lena Company airs its woes and thereby warns potential conces-

sionaires, if such there be any more, what they may expect in their dealings with the Soviet Union.

The Lena story is merely a large scale version of what concessionaires of other nationalities have experienced when the Soviets concluded that their usefulness had been outlived. Under one pretext or another, and with varying degrees of plausibility, the government has seized enterprises and operated them in its own interests, using such technical staffs as were persuaded to remain, but generally reducing the wages of ordinary employees and imposing less favorable working conditions.

Firms Lose Everything

Several concessionaires, including that of the American Pencil manufacturers, Armand Hammer, have been liquidated on satisfactory terms, but others, notably the Australian Knitting Works, called the Altmanns, lost heavily and like the Lena concern, is

without resource against the all powerful government.

It should be understood, however, that American and German firms supplying technical services or machinery and commodities to the Soviet government generally report fair and even generous treatment. Contracts are promptly and honorably fulfilled by the Soviets and presumably continue thus.

The Bolsheviks put private business on their soil in an entirely different category. Having abolished virtually all Russian-owned private business, they are now determined to clear out foreign concessions dating from the new era, when generous contracts were entered upon freely. The methods of breaking those contracts offend capitalists abroad, but they are deemed incidental to the class war by the Soviet officials directly responsible.

Doubtless the Soviet Union has a case against the Lena firm. My cables from Moscow last winter recounted charges of espionage and violations of labor laws voiced by the Soviet press against the Lena Company. The London arbitration develops only the Lena case against the Soviets.

CAPITAL CITY OF HONDURAS, TEGUCIGALPA IS LACKING IN RAILWAY FACILITIES

Tegucigalpa, Honduras, Aug. 26—A traveler's curiosity to see this capital is whetted when he is told of the difficulties to reach it. With Tirana in Albania it holds the record of being the only world capital without a railroad. For that reason most persons imagine it still is as difficult of access as when the ailing Columbus landed at the mouth of the river Tinto, Aug. 17, 1502, or during the half century which followed when Honduras was the center of a government stretching from the isthmus of Tehuantepec to the isthmus of Panama. The name comes from an exclamation of gratitude by Columbus that he had again crossed the depths, "Honduras, meaning depths." Tegucigalpa signifies "silver hill" in Indian.

Tegucigalpa, like a lot of other things, is inaccessible only to those who do not try to find it. In Mexico City the traffic manager of the Pan-American Airways had no suggestions to make and the guidebook mentioned a motorbus which made regular trips from somewhere. One ride on a motorbus in the tropics is an interesting experience, but two are a hardship, for the bus is crowded from running boards to roof with perspiring passengers, chickens, bundles, baskets, eggs which spill on defenceless heads, and there is always a gambling chance that the driver will speed around a curve in the midst of a conversation and will keep right on until he goes over a cliff.

Easy from the Pacific

From the Caribbean coast Tegucigalpa is reached by a varied trip by rain, launch and automobile, but from the Pacific side it is quite easy. A launch takes the passengers arriving by steamer at Amapala, the harbor on Tigre Island in the Gulf Fonseca, to San Lorenzo, where he will not need to swelter long before finding an automobile which will take him to Tegucigalpa, cool with 3,200 feet of altitude, in four or five hours.

Our plane left Ilopango field, seven and one-half miles outside San Salvador, at 10.14 a. m. and at 11.40 it landed at San Lorenzo on the big new field which the aviation company has built. The air is free and expensive right of way and rails are saved, but aviation fields and equipment are a costly necessity. Two Belgian nuns were the other passengers, bound for Managua, Nicaragua, two and one-half hours by plane, compared to two days by steamer and train. Lake Ilopango was below the ridge of volcanoes which stretches from Guatemala to Costa Rica detoured out to sea, then came Fonseca, which belongs to three nations and where the navies of the world anchor. La Union on the edge and Amapala in the haze beyond.

Pressure Dooms Companies

Without attempting to judge the guilt from the evidence offered, it does warrant the conclusion that once the Soviets conclude that a concession is undesirable it is doomed. All machinery from local trade unions, transportation organizations, distributors of raw materials and foodstuffs, to the police, join hands to paralyze the undesirable company.

With the best intentions in the world, such a firm could not fulfill its contract that combination. No court within or without the Soviet Union can protect its rights or assure conditions for fulfilling its contracts. Unless internal necessities or a shifting of communist policies convince authorities that the concession can serve Soviet ends, business is doomed.

The Lena Attorney, recounting its difficulties to the court, which consists of a German president and English associates described a raid carried out by the Gay-Pay-Oo, or Soviet secret police, after midnight on all the Lena offices and homes of its employees. Books were seized and the Russian staff, which escaped trials for treason, unanimously resigned lest imprisonment later befall them.

The English executives were given heavy fines or sentenced to imprisonment for their shortcomings, which, they claim were deliberately created by obstructing trade union and other officials. They were powerless to stop thievery, which cost them \$5,000,000 worth of gold.

The prospects of salvaging the \$17,000,000 Lena investment are exceedingly dubious.

The Spanish commander came on horseback to propose a truce and when Lempira appeared to negotiate a soldier, hidden behind the horseman for that purpose, killed the chief with a shot from an arquebus.

Has Pistol, But No Shoes

The old fighting spirit is not extinct, whether over domestic politics or with the neighbors, for Indian blood is the heritage of most of the population. A pistol is a part of masculine adornment and it is no unusual sight to see a pearl-handled silver mounted revolver in the belt of a man who has no money to buy a pair of shoes. The little country has always resisted territorial encroachments of its more powerful neighbors. It will be a surprise to most Americans to know that it is the only country which has an unsettled boundary dispute with the United States.

In this atmosphere where lives are pawns of politics the spectacular career of William Walker ended. He was a prominent San Francisco lawyer called as an adviser by one of the short-lived unions of Central America. Like others who have seen the mirages of the tropics, a dream came to him of being an emperor. He almost made it come true, but the margin by which he lost meant death. He fitted out two expeditions. The rotting ribs of one of his ships are in Nicaragua, and in Costa Rica April 11 is a national holiday commemorating the capture of a house which some of his men were defending. He surrendered with his last ship to the British gunboat Icarus on the pledge of Capt. Nowell Salmon that he would be a prisoner of war and sent to the United States. Instead the captain delivered Walker to Honduras and he was shot at Truxillo September 12, 1860. The approach of the American civil war overshadowed that act of English perfidy.

It is disillusioning to hear that when ordered to hand over his money, Douglas Fairbanks did so, without running up the wall and falling on the burglar's head.

YOU CAN PREVENT FOREST FIRES

Check

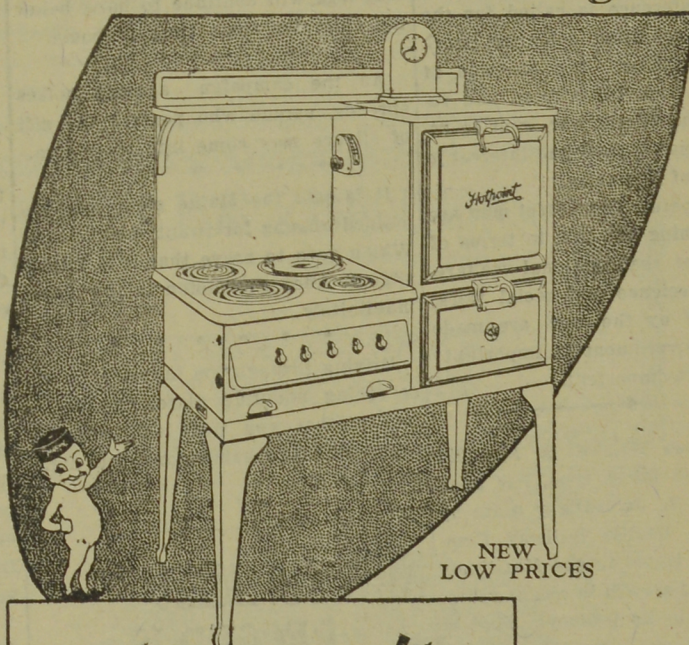
FOREST DESTRUCTION

Canadian forest industries add five hundred million dollars annually to the national wealth. Their very existence is threatened by forest fires, which directly or indirectly affect every citizen through their menace to the national prosperity.

Every Canadian should be careful with fire while in the woods.

Save the
FORESTS
Millions depend on them/
FOREST SERVICE
DEPARTMENT OF INTERIOR

SPEED
that surpasses every
other electric range



**Hotpoint
HI-SPEED
RANGE**

HOTPOINT offers extra speed for hurry-up meals... extra speed for boiling water and scores of every-day cooking operations. In repeated tests Hotpoint's Hi-Speed Elements have proved from 25 to 50 per cent. faster than any other electric range elements... and far more economical on current.

Other exclusive features of the new Hotpoint Hi-Speed Range include Super-Automatic Oven Control... rugged All-Steel Construction... the sensational Economy Cooker... and Stain-resisting Enamel Finish. Hotpoint Ranges are priced as low as \$85 and you may buy on easy terms.

HR-10-D

DESIGNED by WOMEN for WOMEN



FOR SALE BY

Maritime Electric Co., Limited.

CANADIAN GENERAL ELECTRIC Co.

Head Office  Toronto