

consideration of these relationships that the Japanese Government have carried on negotiations with America and Great Britain in accordance with the spirit expressed above. And it is in the spirit of this policy that we wish to deal with all other countries, especially with our neighbour States, with which we are anxious to foster good will and fraternal sentiments without any mutual menace.

"We have been guided wholly by the same spirit in all our negotiations with the Soviet Union," Mr. Hirota went on.

The present negotiations on the transfer of the North Manchurian Railway have made further progress since I last spoke, and it will not perhaps be long before agreement is reached. If the transfer serves to eliminate a source of such disputes as have occurred hitherto so frequently along that railway, and to strengthen the friendship between Japan, Manchukuo, and the Soviet Union, the prime objective of the present negotiations will have been attained.

Our Government are planning to accelerate the peaceful development of Soviet-Japanese relations by redoubling their efforts for a solution of other pending problems. To that end hearty cooperation on the part of the Soviet Union is, of course, essential. In this connexion I cannot but hope that the Soviet Government will give special consideration to the question of military works in the Far East, especially along the Soviet-Manchukuo frontiers, with a view to promoting mutual trust and assurance.

GOOD WILL TO CHINA

Mr. Hirota said that in the Chinese political situation many serious possibilities were still latent.

While fortunately the main strength of the Red armies in the region of Kiangsi and Fukien appears to have been driven away from those territories by the expeditionary forces sent by the Government (he said) remaining units of these armies are said to be establishing contact with their allies in Kweichow and Szechwan and thereabouts and moving westward into remoter regions. In view of this fact, coupled with reports of the Sovietization of Sinkiang, the Japanese Government will be obliged to continue to watch with concern the activities of the Communist Party and armies in China.

Again, it is to be regretted that even now in certain localities of China anti-Japanese agitation has not yet been completely brought to an end.

Japan attaches great importance to her friendship with other States in Eastern Asia, and counts on their participation in bearing the serious responsibilities for the maintenance of peace and order in this part of the world.

I fervently hope therefore not only that China will soon recover her stability but that she will awaken to a realization of the whole situation of Eastern Asia and undertake to meet the genuine aspirations of our country. In view of our position as China's neighbour and the stabilizing force in Eastern Asia it is our policy to try to assist China in the attainment of this goal. I may add that the Japanese Government are glad to acknowledge the fact that, as has been indicated in the gradual solution of various long-pending questions, there is to-day a growing trend among the Chinese people to appreciate the true motive of Japan.

While we will do everything to encourage that tendency, I hope that China will collaborate with us further in that direction.

FOREIGN TRADE

Turning to Japan's trade relations Mr. Hirota said that the policy of trade restriction exemplified in the promulgation of high Customs tariffs, import restrictions, exchange control, and exchange compensation duties, &c., was as prevalent as ever among foreign countries.

Some of them have even gone so far as to abrogate their commercial treaties with our country (he continued). Such a situation is extremely regrettable not only for the sake of Japan, but also from the broader point of view of the world's economic rehabilitation. Our Government are endeavouring to come to a fair agreement with each one of the Powers concerned in order to have such measures of trade restriction either modified or removed as far as possible, and to promote the mutual interests of both.

For a country like Japan, with a vast population on the one hand and meagre natural resources on the other, foreign trade constitutes an important peaceful means of livelihood. The advance of Japanese commodities on the markets of the world to-day is only the fruit of our nation's united and indefatigable labours for

FROM OUR CORRESPONDENT

BUDAPEST, JAN. 21

The trial of Mathias Rakosi, one of the members of the short-lived Hungarian Soviet Government of 1919, was opened before a special Senate of the Budapest Criminal Court to-day.

Rakosi escaped from the country after the fall of the Communist régime in August, 1919, and spent a few years in Russia, but in 1925 he returned under a false name as an emissary of the Third International, charged with the mission of fomenting a Communist revolution in this country. Soon he fell into the hands of the police and was sentenced to eight years' imprisonment. His term expired last spring.

In the meantime perusal of the minutes of the Hungarian Soviet Government's sittings satisfied the State Attorney that Rakosi was responsible jointly with some of his former colleagues for the authorization given to the revolutionary tribunals to order summary executions, and for having sent the late People's Commissar Samuely on a "Bloody Assize" into several districts in order to extinguish counter-revolutionary movements. Besides the instigation to the scores of murders thus committed Rakosi is also held responsible for an issue of unauthorized bank notes.

KENYA SETTLER KILLED BY RHINOCEROS

IMPALED BODY CARRIED THROUGH FOREST

FROM OUR CORRESPONDENT

NAIROBI, JAN. 21

Mr. Heban Carpenter, a European farm manager in the Nyeri district of Kenya, has been killed by a rhinoceros.

He went out on horseback and crossed the Usaonyiro River to inspect the farther bank, but did not return in the evening, whereupon African servants informed a neighbour, who organized a search. A riderless horse was found with its saddle underneath and later the mutilated and almost unrecognizable body of Carpenter was discovered in a grassy glade on the edge of the forest, stripped of all clothing except boots and socks. The tracks of a rhinoceros were discovered leading from the forest. Along the trail were parts of Carpenter's clothing hanging from branches. It is assumed that the horse shied and threw its rider, who was attacked on the ground by the rhinoceros, which impaled him, carrying him through the forest until it reached a clearing, where it deposited the body.

Carpenter was a friend of Mr. T. C. Powys, who met his death in October, 1931, and was employed for some time as manager of Lady Eleanor Cole's farm, where Powys worked.

DUKE OF GLOUCESTER'S TOUR

FROM OUR OWN CORRESPONDENT

LYTTELTON (N.Z.), JAN. 21

The Duke of Gloucester's official tour in New Zealand ended to-night. Amid scenes of great enthusiasm he left here in H.M.A.S. Australia for the Bay of Islands.

His Royal Highness conferred the K.C.V.O. on Mr. Alexander Young, Minister of Internal Affairs, who accompanied him on the tour, and the C.V.O. on Mr. Malcolm Fraser, Secretary of the Department.

payments on the standstill credits were maintained. The foreign claims which could not be transferred and remained as frozen balances in Germany amounted to 400,000,000m., of which 150,000,000m. represented the increase in the foreign balances at the Conversion Bank. Deducting 150,000,000m. of foreign debt repayment actually made during 1934 from this total of 400,000,000m., the Statistical Department calculates that "German foreign indebtedness increased during the year only by 250,000,000m., which is a relatively small sum, in view of the sums transferred and of the economic successes achieved at home."

The statement nevertheless adds that "if the foreign exchange control is to come to an end, in the interest of all countries, Germany will have to level out and achieve a surplus in her balance of payments in order to reduce her still substantial foreign indebtedness and to form foreign reserves, without which normal economic foreign relationships cannot be permanently maintained."

FRANCO-GERMAN TRADE DISCUSSIONS

FROM OUR OWN CORRESPONDENT

BERLIN, JAN. 21

An economic delegation of French official representatives and specialists, headed by M. Bonnefon-Cramponne, of the French Ministry of Commerce and Industry, has arrived in Berlin to continue the Franco-German trade negotiations. The question of the adjustments in Franco-German economic relationships, made necessary by the reincorporation of the Saar in the Reich, plays an important part in the discussions.

FINNISH STUDENTS' "STRIKE"

LINGUISTIC NATIONALISM

FROM OUR CORRESPONDENT

HELSINGFORS, JAN. 21

The Finnish-speaking students of Helsingfors University carried into effect to-day their resolution, passed at mass meetings at the week-end, to abstain from attending lectures, and to establish a strike at laboratories and hospitals, as a protest against the Cabinet's Bill now before the Diet regulating the use of Swedish as the language of the minority in university instruction. The Finnish students, who are extremely nationalistic, demand that the University be entirely purged of the Swedish language.

Last night a big crowd of students and sympathizers demonstrated against the Minister of Education, M. Mantere, and other persons and burned outside Parliament House a papier-mâché effigy of a cow, alleged to symbolize bartering between political parties. Four students were detained for interrogation. The Swedish-speaking students are to-day almost alone in continuing work.

GENERAL WEYGAND

FROM OUR OWN CORRESPONDENT

PARIS, JAN. 21

General Weygand, whose retirement from the post of Inspector-General of the Army became effective to-day, paid a series of farewell visits to his colleagues this morning. This evening he left for Madrid on his way to Morocco, where he will stay for a month.

It is reported from SOFIA that the military Court of Cassation has confirmed the death sentences recently passed on nine former members of the dissolved Macedonian Revolutionary Organization who had been convicted of murder. They will be executed at an early date.

the Labour Front, sp. premises of a firm of clock makers' suppli. assembled by means cast, is said to have 3,000,000 workers concerns.

Dr. Ley spoke first Saar, and then of the Rome over Carthage. parison between the city, the surrender enslavement of its l. lapse of Germany in sand years later and up its arms for Carthage, and that n. He then went on to of Germany's reawak years of National-Sc

At the end he ca. visible audience to at a three-fold victory Führer, for German

HAUPTMANN

TREASURY EVIDENCE

FROM OUR OWN

NE

At the Hauptmann offered evidence thro alleging that although work after the night (£10,000) was paid for his net worth in (£8,890) between the and the day of his arage accounts, it w losses meanwhile of \$5,729 (£1,140) resp

Over the week-end curiosity seekers brav to visit the Fleming Rotary Club for the signs at the principa room indicating "chair," "Hauptmann." Hawkers did a good foot long meant to be much-discussed kidn

In contradiction to mann's that he had found Fisch entrusted to him (a few weeks before he wa 1934), Mrs. Cecilia Ba testified that he gave her ransom notes) on the 1933. She took specia plained, because he ar throwing the money in was "positive" in Hauptmann.

AMERICAN CANADA

FROM OUR OWN

WASH

The State Dep to-day that a formal addressed by the A to the Canadian Gov. of the vessel I'm American revenue took the form of a tary of State to the Washington.

* The international inquired into United States and Can sinking of the I'm Alor Government and the ship \$50,666 damages and decided that th apologize to the Canad