

REPRISALS ON FAIR DENIED BY REICH

**Finances Held Sole Reason for
Withdrawal, but Fear of Riots
by Anti-Nazis Is Admitted**

BORCHERS GIVES REGRETS

**Explains Situation to Whalen
—Six Nations in Line for
Space Left Vacant**

Wireless to THE NEW YORK TIMES.

BERLIN, April 27.—The German Government announced here today that the invitation to exhibit at the 1939 World's Fair in New York would not be accepted because a return commensurate with the cost would be unlikely. Suggestions that American hostility to the present political regime or other factors might have influenced the decision met categorical denials.

Whatever part such matters as the failure to get helium and the Senate's inquiry into breaches of treaties might possibly have played, it has been known for some time that the question of mobilizing efficient foreign exchange to build a really imposing pavilion in New York had been worrying the Reichsbank. It is many years since Germany has had any reason to be particularly enthusiastic over German-American trade and it was felt that the heavy investment in foreign exchange that would be necessary would never repay itself.

In the discussion of the question, the fact also had not been overlooked that hostile demonstrations very likely would occur at a German fair pavilion that would involve both the German and American Governments in constant diplomatic difficulties.

Borchers Explains to Whalen

The official explanation of the German withdrawal was contained in a letter sent to Grover A. Whalen, president of the Fair Corporation, by Dr. Hans Borchers, German Consul General here.

"Fully appreciating the important task that the New York World's Fair 1939, Inc.," it said, "has set itself through its endeavors to promote a better understanding among the different nations of the world and to simultaneously further a more extended and better world trade, my government has from the very beginning followed with great interest the remarkable and successful development of your enterprise. Always willing to actively cooperate to achieve an ideal such as yours, the German Government sincerely desired to accept your kind invitation and to participate in the World's Fair in a truly representative form.

"As you know, several obstacles originally stood in the way, most of which were successfully overcome, due to the splendid cooperation of the officials of the World's Fair. However, the most important one remained, namely, the foreign exchange problem.

"The German Government has made an earnest effort to make available the considerable amount of foreign exchange necessary for its participation in the World's Fair. In due consideration of the general situation all possibilities have been carefully explored with a view of finding a solution, but just as our former mutual efforts here of finding at least a partially satisfactory answer did not bring about the desired result, unfortunately all later endeavors have been in vain.

"Because of this situation my government very much regrets its inability to actively participate as originally planned, which decision includes the Austrian option.

"Permit me to take this opportunity to thank you and your collaborators personally for the spirit of friendliness and understanding shown in our various negotiations, which will always be a pleasant memory to me."

Six European, South American and Asiatic countries are in line for the space made available by the withdrawal of Germany, Fair authorities disclosed yesterday. The six countries whose requests for space had been put on a "waiting list" are Chile, Venezuela, Portugal, Switzerland, Hungary and China.

Culture Not Out, Mayor Says

By The Associated Press.

ST. LOUIS, April 27.—Mayor F. La Guardia of New York said today that "real German culture" would be evident at the 1939 New York World's Fair, despite the decision of "official Germany" not to participate. In a prepared statement, the Mayor, noted for his anti-Nazi pronouncements, said:

"The school of German thought personified by the present regime would, I believe, have little to contribute to the arts and sciences, and perhaps that accounts for their action in withdrawing from the fair. Brute force will not be featured at our fair at all."

He said that the World's Fair opera season would feature the works of German composers and that the "fine contributions" of German scientists, medical men and others would be "evident all over the fair."