

ALLIES AND GERMANS FIGHT FOR 'GATE' TO OSLO

Guffey Leads In Pennsylvania Vote



Imperial Wizard James A. Colescott (right) shows how the Ku Klux Klan will dress, after his recent order to unmask. Old regalia, with sinister, eye-slit hood (left) was abandoned coincidentally with trials of 17 Georgia Klan members for flogging. Colescott denied any connection between trial and new Klan regalia.

Wheeler Says Farm Debt Problem Must Be Solved

TALKS AT CHAPEL HILL

Deplores Farm Credit Policy Which Creates Many New Tenants

CHAPEL HILL, April 23.—(AP)—Senator Wheeler (D-Mont) held up the farm debt tonight as one of the nation's principal problems and said that unless it were settled by "liberal action" now, "drastic action, fascist or communist" would follow.

Addressing the Carolina Political Union, he deplored a "farm credit policy that creates new tenants through foreclosure faster than any government agency can rehabilitate them" and called for "a new philosophy of agricultural credit" that would keep the farmer on his farm and afford him a "measure of security."

Wants Interest Cut
He urged the passage of a bill introduced by himself, Senator Bankhead (D-Ala.) and Senator La Follette (Prog-Wis) which would reduce interest rates on government loans to farmers and provide a

BROCKWELL VIEWS UNSAFE BUILDING

Board Stated To Consider Front Street Structure Problem Today

Following an inspection yesterday by Sherwood Brockwell, state fire marshal, the city commissioners will today give further consideration to the problem of the reportedly unsafe condition of the building at 22-24 North Front street.

WEATHER

FORECAST
North Carolina: Showers, slightly warmer in east and central portions Wednesday; Thursday fair, cooler in east and central portions.

Takes Early Margin Over Walter Jones

Count From 702 Precincts Gives Guffey 42,126 Votes; Jones, 34,512

G. O. P. ALSO BALLOTS

Democrats In 272 Districts Give F. R. 16,820 Votes, No Write-Ins

PHILADELPHIA, April 23.—(AP)—Pennsylvania's junior senator, Joseph F. Guffey, built a steadily increasing lead tonight in his fight for the democratic nomination for a second term.

In the Pennsylvania primary campaign's hottest contest, he started with a margin over his chief opponent, Walter A. Jones, fellow Pittsburgher, in the first Philadelphia districts reported. His gains increased as tabulations came from other parts of the state.

The Count
Unofficial count from 702 of the state's 8,105 districts for democratic nomination for senator gave:
Guffey 42,126.
Jones 34,512.

In a less spirited republican contest, Jay Cooke, 43-year-old Philadelphia city chairman, supported by the state organization, led rivals for senatorial nomination by a wider margin.

Unofficial count from 684 districts for republication senatorial nomination gave:
Cooke 84,364.
Ladner 19,852.

In a presidential preferential vote that is not binding on delegates to the national conventions, democrats in 272 districts gave Franklin D. Roosevelt 16,820 votes, with no write-ins reported.

Republicans put spaces on their ballot for a presidential preference write-in, but filed no names. Scattered write-ins were reported, but they were not tabulated in the early vote count.

Only Name
Mr. Roosevelt's name was the only one on the democratic presidential preference ballot. His consent was not necessary, and his name was filed by the democratic state committee which endorsed him for a third term. Republicans filed no names but left spaces for write-ins.

Republican leaders said the preference write-in on their ballots probably would be split among a half-dozen favorites, but counted on their registration of 2,572,100 voters to the democrats' 2,046,129 to keep their totals elsewhere on the ballots heavier than the Roosevelt vote.

Democrats, however, had the only free-swinging scrap—a contest on which hinged leadership of the state organization.

This was the fight for renomination of Pennsylvania's junior senator, Joseph F. Guffey, opposed by Walter A. Jones, Pittsburgh oil operator who had the support of Democratic State Chairman David L. Lawrence and several other party leaders.

Third man in the race was former Mayor William N. McNair of Pittsburgh, who opposed the New Deal. Both the others cited their records of New Deal support, and Guffey said if he was defeated "the press of the nation would hail that

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Lei Day Queen



Barbara Smythe
A senior at the University of Hawaii, comely Barbara Smythe has been selected as Lei Day queen in Honolulu.

TRAIN IS STORMED BY MEXICAN GANG

Crowd Frightens American Tourists And Threatens Two Generals

NOGALES, Ariz., April 23.—(AP)—A yelling, pistol-shooting crowd stormed a United States-bound Southern Pacific train at Hermosillo, Sonora, today, frightening American tourists and threatened two Mexican air force generals.

Gen. Gustavo Leon and Gen. Alfredo Lezama charged upon arrival that the demonstration was instigated by supporters of Avila Camacho, pro-government candidate for President. The generals are leaders in the campaign of the anti-administration candidate, Juan Almazan.

Lezama reported the train was surrounded by 300 men at it pulled into the Hermosillo station about 4 a. m. After firing pistols in the air and screaming insults, some of the men boarded the train, seized luggage, and damaged property, he said.

None of the cars occupied by Americans was entered, however. Ben R. Meyer, Los Angeles business man, said he was awakened by

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GREATER SPREAD OF WAR IS SEEN

Danger Of Sweden, Yugoslavia Becoming Involved Talked By Allies

PARIS, April 23.—(AP)—The dangers of a spread of the European war into two new neutral spots—Sweden and Yugoslavia—were reported to have been brought into sharp relief at the two-day, eighth meeting of the Allied war council ending today.

Sources close to the French foreign office said the French military leaders of Great Britain and France, joined for the first time by representatives of German-occupied Poland and German-occupied Norway, considered the present state of the war and studied preliminary plans for the future.

Earlier in the day French military commentators reported there

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British Adopt Huge Budget, Heavy Taxes

Gear Spending To Same Total As Spent In Last Year Of The World War

\$9,334,500,000 IS TOTAL

War Costs Will Amount To \$230 For Every Person In The Nation

By EDWIN STOUT

LONDON, April 23.—(AP)—Great Britain, less than eight months at war, today geared her spending for the 1940-41 fiscal year to virtually the same staggering total which she paid in the final, exhausting year of the World War, imposed heavy new taxes to meet part of the cost and gave official impetus to a revolutionary economic scheme under which the British consumer is expected to rigidly "do without."

The total of the budget which Chancellor of the Exchequer Sir John Simon drew from his little red dispatch case in the house of commons is £2,667,000,000, or \$9,334,500,000 at the New York exchange rate of approximately \$3.50 and considerably more at the British "pegged" rate of \$4.02-\$4.04.

\$230 Per Person
It amounts to the New York rate) to \$230 for every man, woman and child in Great Britain. More than half must be borrowed.

Moreover, this budget figure, (which, naturally, is an estimate very likely to be exceeded by supplementary war expenditures), compares with expenditures in the 1917-18 fiscal year of £2,696,221,000.

That per capita bill for carrying on both the government and the war is more than three times the per capita cost of the United States federal government in 1939—\$70.

As for the cost of the war itself, Sir John told the house that Great Britain spent \$905,000,000 (about \$1,167,000,000) in the first seven months of the conflict.

He declared that figure indicated an annual war expenditure at the rate of about £1,250,000,000, but that the estimate was rising and the rate of annual expenditure would be £2,000,000,000 (about \$7,000,000,000) by the end of the fiscal year next March.

Large Increase
The budget represents an increase in the expenditure of £850,000,000 (\$2,975,000,000) over the 1939-40 year.

Under the government would spend almost the equivalent of the output of all the factories in this industrial kingdom. The factory production under the 1935 census was valued at £2,806,000,000 (then about \$14,030,000,000, when the pound was valued at \$5.00.)

The amount to be raised entirely by taxation, heaviest in British history, is estimated at £1,234,000,000 (\$4,319,000,000), but the government's still must borrow £1,433,000,000 (\$4,635,500,000) to make both ends meet in the 1940-41 fiscal year.

The British national debt already is £8,931,000,000 (\$31,258,000,000), or about \$800 per capita as compared with the United States national debt of \$308 per capita in 1939.

Wholesale Sales Tax
Sir John announced a proposed new wholesale sales tax the rates of which have not been determined and which would "reduce the demand for supplies and conserve manpower."

Taxes were hiked on several other items, but the heavy income tax

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BITTER WARSHIP-PLANE WARFARE IS BELIEVED RAGING IN SKAGERRAK

CONVOY IS ATTACKED

Warplanes And Warships Engaged In Two Battles In Passageway

DESTROYERS SIGHTED

Powerful Allied Force Reported Advancing In Direction Of Hamar

BY THOMAS F. HAWKINS

STOCKHOLM, April 23.—(AP)—Fierce sea-and-air warfare, sparked by an attack on a German transport convoy, was reported raging in the Skagerrak tonight while Allied troops in Norway threatened Nazi positions on three fronts.

The Stockholm newspaper Nya Dagligt Allehandan reported from Sweden's west coast that warships and airplanes were engaged in two battles in the Skagerrak.

From the roar of gunfire off the coast, it said, the fighting seems likely to prove the most severe in the two weeks since Germany invaded Norway.

Destroyers Sighted

Many fighting planes were involved in the battles and at one coastal vantage point, 10 destroyers could be seen speeding past, all of them with their guns spotting.

On land, meanwhile, the newspaper Aftonbladet reported a battle in progress "at the door of Oslo," in the sector from Elverum to Hamar and Lillehammer, about 60 miles north of Norway's Nazi-held capital.

These reports said a powerful Allied force is advancing in the direction of Hamar. The Allied forces, already engaged in a widening series of encounters with the Germans, apparently are heading toward a decisive clash there.

The Germans' effort seems to be concentrated on cutting the railroad between Hamar and Andalsnes, Norwegian west coast debarcation point for the British forces, to isolate the Hamar sector.

Important Junction

Dombas, which the Germans have subjected to heavy bombardment and near which they dropped parachute troops, is an important junction on the Andalsnes-Hamar line.

(Reuters, British news agency, said in London that British and Norwegian troops are reported attacking the "gateway" to Oslo through the Great Gudbrandsdal valley, and that British-Norwegian pressure is forcing the Germans back from Elverum, further east.)

Another Major Battle Seems To Be

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The European War Situation

(By The Associated Press)
LONDON—British battle for "gate" to Oslo; other sharp struggles north of Trondheim and in central Norway; tax increases required for 10-billion-dollar budget; war on whole German people—not Hitler alone—is urged by Duff Cooper.

STOCKHOLM—Sea-air war reported raging in Skagerrak, and Allied land forces threatening German positions on three Norwegian fronts.

BERLIN—Germany claims fresh successes at sea and in air while acknowledging that British are fighting on Norwegian soil.

PARIS—Allied war council, with Polish and Norwegian leaders attending, studies possible spread of war to Sweden and Yugoslavia.

TOKYO—Japanese foresee Allied concessions in return for "benevolent neutrality" to aid Pacific blockade; U. S. complains of Japanese-enforced hardships on Americans in Tientsin.

As the total war He called the nation to a total war against the "whole German people"—not only the nazis—declared "the German people" must be beaten in battle and warned they need expect no sympathy if, afterwards, they come "whining and groveling" as he said they did at Versailles.

But of more immediate concern to every one of Britain's people was the £2,667,000,000 (\$9,344,500,000) war budget for the next fiscal year, as unfolded by Chancellor of the Exchequer Sir John Simon in the house of commons.

While another uncommunicative communique from the war office pictured British and Norwegian troops as fighting together and resisting "enemy pressure" in the south of Norway, unofficial British and neutral military observers pieced together this picture of the land war:

Major Battle Starts
1. The first major battle of the campaign is beginning at the gate near Lillehammer where the Great Gudbrandsdal valley enters the southern plain. It is at Lillehammer that the Allied columns must debouch from the valley if they are to strike across the plain at German-held Oslo.

2. A flying column of Norwegians and British has thrust southward from the Britons' central-west coast landing places and, flanking

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NORWEGIANS FACE NEW NAZI THREAT

Swift German Troops Reported Moving In On Forces North Of Oslo

OSLO, April 23.—(AP)—A portion of the Norwegian forces fighting north of here were described in military reports reaching German-held Oslo today as threatened both from the north and south by swift German troops.

The Germans, striking from Honefoss, northwest of Oslo, were said to be at Lillehammer, 85 miles north of the capital. Another German group, swinging up the west shore of Mjosa lake from Eidsvoll, yesterday reached Gjøvik, about 60 miles north of the capital, and Norwegians caught between the two forces were reported to have but one avenue of escape left—westward toward Fessegjortness and the Vaidres valley.

The main Norwegian force north of Oslo appeared to be closer to the Swedish border, between Elverum and Rena, and likewise in danger of being trapped.

Germans extending their line

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Germany Admits Direct Fighting Within Norway

TWO TRANSPORTS HIT

Germans Report British Are Driven Into Woods By Fire Of Their Planes

BERLIN, April 23.—(AP)—The first admission of direct fighting between British and German land forces in central Norway came from authorized German sources today but German officials, analyzing reports of additional air and naval engagements, adopted the attitude that "the more the British attempt to land in Norway the better we like it."

Nazi confidence was bolstered by news of the German bombings of Andalsnes and Namsos, British debarcation points south and north of German-held Trondheim; Grono, railway point 30 miles west of Namsos, and Dombas, another strategic rail point 60 miles south of Andalsnes. The Nazis said that Andalsnes had been destroyed by an all-day air raid Sunday.

Transporters Hit
In addition, DNB, the German official news agency, in reporting today's activities of the German airforce said two British transports were hit by bombs of heavy calibre before reaching the Norwegian coast and "probably were unable to unload their cargo at their place of destination."

In central Norway, the news agency said British troops again were targets of Nazi airmen with

COOPER GIVES VIEWS

English Leader Calls For Total War Against 'The Whole German People'

WAR BUDGET IS GIVEN

First Major Battle Of Norwegian Campaign Beginning Near Lillehammer

By DREW MIDDLETON

LONDON, April 23.—(AP)—The tide of war on the hard northern battleground boiled tonight into southern Norway and found Allied British and German troops, alike far from home, engaged in a battle of seeming decision for the "gate" to Oslo and, perhaps, command of the invaded nation's destiny.

At home, on the day of St. George, Britain's patron saint, the war front hardened, too. Alfred Duff Cooper, former war secretary and first lord of the admiralty, gave voice to the increasing sentiments of the "treat Germany rough" school of highly-placed British thought.

As the total war He called the nation to a total war against the "whole German people"—not only the nazis—declared "the German people" must be beaten in battle and warned they need expect no sympathy if, afterwards, they come "whining and groveling" as he said they did at Versailles.

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ANNENBERG PLEADS GUILTY TO INCOME TAX CHARGES BUT JUDGMENT DELAYED

CHICAGO, April 23.—(AP)—M. L. Annenberg, affluent publisher who once dominated a nation-wide racing news empire, pleaded guilty today to a charge of evading \$1,217,296 in income taxes but final disposition of the case was deferred for a month.

The delay in pronouncing judgment afforded time for a settlement of civil claims in negotiations through which eventually the government hopes to collect approximately \$9,000,000 from the Philadelphia and some of his many corporations.

Annenberg, tall, gaunt and grave, entered a plea of guilty to evasion of \$1,217,296 in levies on his 1396 incomes. That constituted one count of a six-count indictment alleging failure to pay \$3,258,809 altogether on his earnings from 1932 to 1936, inclusive. The addition of \$2,289,574 in penalties and interest brought the total sought to \$5,548,383 and made it the largest criminal tax case on federal records.

The maximum penalty on the count involving the guilty plea would be five years imprisonment or a \$10,000 fine, or

both. But Annenberg's counsel, Weymouth Kirkland, intimated he had hopes for leniency when Judge James H. Wilkerson acts upon the plea on May 23.

At the same time, however, U. S. District Attorney William J. Campbell stated that "the government has not agreed to make any recommendation as to the sentence to be imposed."

Attorney Kirkland outlined his client's position this way: "Mr. Annenberg was influenced by the fact that any alternative would involve years of trying and expensive litigation. . . . He hopes to dispose of the civil claims for taxes that have been made and will be made against him and the companies in which he is interested. He further hopes that by taking responsibility upon himself so far as he can, this will be taken into consideration by the government and the court in connection with the charges pending against his associates and employees.

"In the proceedings upon the imposition of the sentence, we feel confident that the absence

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