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ESTABLISHED 1867

Nazis Cross Kuban River At 2 Points

Russians Admit New Gains
But Claim Army Holding
At Kletskaia

REDS ON INITIATIVE

Declare Themselves On Of-
fensive In Voronezh
Sector In North

MOSCOW, Tuesday, Aug. 18.—(P)—The Russians acknowledged early today that the Germans had succeeded in crossing the Kuban river at two new points near Krasnodar in the Caucasus, but indicated the Red army was holding firm in the Kletskaia area of the Don bend near Stalingrad where 5,000 Germans were reported killed during the past few days.

Fierce fighting was said to be in progress in both these sectors, as well as around the Caucasian railway town of Mineralnye Vody and northeast of Kotelnikovski on the Stalingrad front. More than fifty German tanks were reported destroyed in various sectors.

The Red army continued to hold the initiative in the Voronezh sector to the north, the midnight communique said, but the Germans were said to have thrown large reserves into the fight to halt the Russian threat to the German flank.

Throwing Reserves Into Battle
Soviet fortifications in the Kletskaia region were reported grinding down increasing numbers of Nazi men and machines, but Marshal Fedor V. Bock sent fresh reserves prodigally into the gamble to cut Russia's main waterway before winter comes again.

The southern arm of the twin drive against Stalingrad and its ed northeast of Kotelnikovski. Of that fighting, the Soviet midday communique said:

"Our troops repulsed several
(Continued on Page Two; Col. 6)

BAHR ESPIONAGE TRIAL UNDERWAY

Nation Charges Defendant
Tried To Smuggle Invisi-
ble Ink Into U. S.

NEWARK, N. J., Aug. 17.—(P)—The government opened its espionage case against Herbert Karl Friedrich Bahr today by asserting the scholarly defendant tried to smuggle into this country on his person an ingeniously hidden device for making invisible ink.

The former Buffalo (N.Y.) citizen went on trial before a jury of six men and six women and a male and a female alternate.

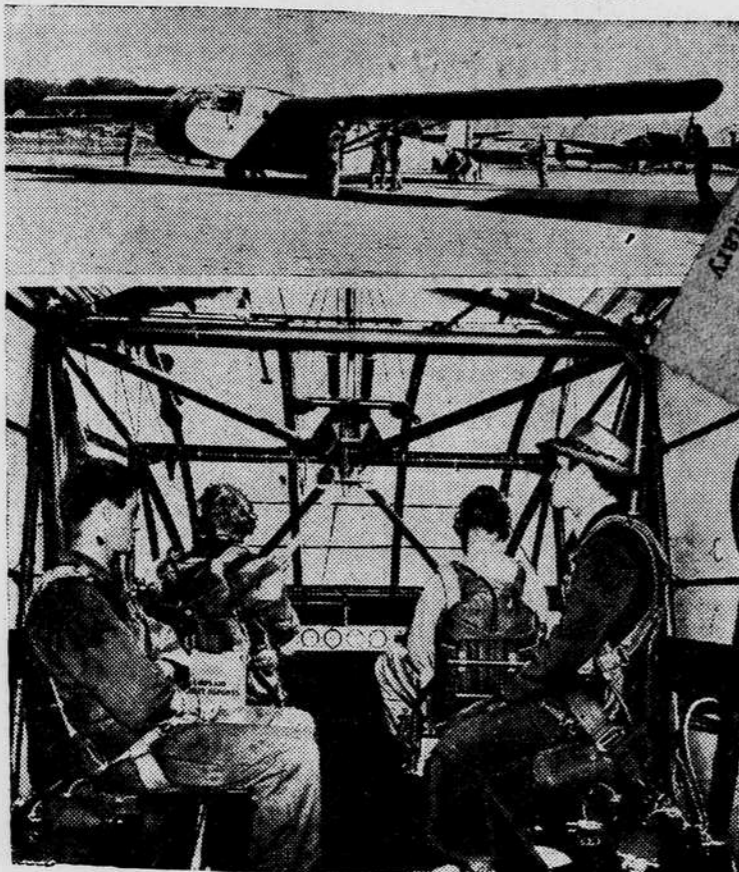
He was charged with conspiring with eight men in six foreign nations to forward to Germany information vital to the American war effort.

Assistant U. S. Attorney John Morrissey in opening his case said the government intended to prove "every charge in the indictment." Conviction would leave to the place and in a manner to be designated by the attorney general.

Morrissey said that U. S. customs agents at Jersey City, where Bahr was arrested aboard the diplomat exchange liner Drottningholm July 9, discovered the middle woman had been removed from his coat and thread used to replace it

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Army's New Commando Glider



These are the first pictures of the new troop-carrying glider, the CG-4A, which can carry fifteen fully equipped men, including pilot and co-pilot, forty-eight feet. Top, you get a good idea of the glider's size by comparing it with the size of the men. Bottom, interior view showing pilot and co-pilot at the controls. Note the width and clearance.—(Official U. S. Army Air Force Photos.)

'SECRET SOURCES' DENIED BY KUNZE

Former Bund Leader Dis-
claims Foreknowledge Of
Jap Attack On U. S.

HARTFORD, Conn. Aug. 17.—(P)—Gerhard Wilhelm Kunze, former "fuhrer" of the German-American Bund, denied today a charge by a government attorney that he knew from "secret sources" that the Japanese were going to attack the United States "months in advance" of the December 7th raid on Pearl Harbor.

Kunze, under cross-examination as a defense witness at the espionage conspiracy trial of the Rev. Kurt E. B. Molzahn, appeared amused at the accusation made by Prosecutor Thomas J. Dodd, Jr., and asserted that while he "knew of no attack" he had "reason to fear" that there would be war between America and the Axis.

The 36-year-old ex-Bundist insisted that the sole reason he sent his wife and child to Germany in January, 1941, was to save his son from "suffering the same experiences I had in 1917."

The confessed member of a spy ring that the Philadelphia Lutheran pastor is accused of aiding asserted that he worked with the Rev. Aleksip Pelypenko, a Ukrainian Roman Catholic priest employed by the FBI as a counter-espionage agent, because he believed he was "an anti-Bolshevik patriot."

He said that that was the reason he wrote a letter to Mr. Molzahn, which the defendant has denied ever receiving, introducing the priest to him. The letter was written at Father Pelypenko's request, Kunze testified.

"How did you know Mr. Mol-
(Continued on Page Three; Col. 6)

American Troops In India Molested During Outbreaks In Gandhi's New Campaign

KARACHI, India, Aug. 17.—(P)—American troops stationed in India were molested during recent disturbances connected with Gandhi's passive resistance campaign for independence, Brig. Gen. Francis Brody, their commander, said today.

There were no reports of Americans being injured, however.

Gen. Brody did not explain the nature of the disturbances affecting the U. S. troops.

As a result, the town in which the incident occurred was placed out of bounds for U. S. troops and they were forbidden to enter it.

Letters Written By U. S. Soldiers Before Capture In Bataan Are Delivered

WASHINGTON, Aug. 17.—(P)—Letters written by American soldiers in the Philippines before the fall of Bataan and Corregidor, and recovered from the Pacific after the ship bringing them to the United States was sunk, are now being delivered to the soldiers' families, the War department reported today.

The recent receipt of mail from men who had been fighting in the Philippines led some of the recipients to think that communications had been re-opened with the islands, the department said, but the letters actually started their long journey in March.

The mail left the islands probably by way of a submarine, which transferred it in a mail pouch in a small freighter," the department reported. "Subsequently, the ship was torpedoed. The mail bag floating at the scene was pulled from the sea and its contents were forwarded to the Army postal service of the War department, which send the letters on to the addressees."

5 BRAZILIAN SHIPS SUNK BY U-BOATS

Destruction Includes Big
Troop Transport Car-
rying Soldiers

RIO DE JANEIRO, Aug. 17.—(P)—Axis submarines, preying on coastal shipping, have sunk five more Brazilian passenger and cargo ships recently, including the 4,801-ton Baependy which was carrying soldiers, the government announced tonight in a statement which bitterly criticized the Axis and promised the "crimes" would not go unpunished.

The loss of the Baependy, the 1,905-ton Annibal Benevelo and the 4,872-ton Araraquara was first announced. Later the statement was amended to include the 1,075-ton Arara and the 2,169-ton tagiba.

The first three were torpedoed in the last three days, the announcement said. The time element was missing in the case of the others. All went down between Bahia and the State of Sergipe on the coast below the big eastern bulge of Brazil.

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WEATHER

FORECAST:
NORTH CAROLINA—Little change in temperature today. Occasional thundershowers.
(Meteorological data for the 24 hours ending 7:30 p. m. yesterday):
(By U. S. Weather Bureau)
Temperature:
1:30 a. m. 78; 7:30 a. m. 80; 1:30 p. m. 84; 7:30 p. m. 79; maximum 86; minimum 73; mean 80; normal 78.
Humidity:
1:30 a. m. 90; 7:30 a. m. 81; 1:30 p. m. 74; 7:30 p. m. 82.
Precipitation:
Total for the 24 hours ending 7:30 p. m., 0.82 inches; total since the first of the month, 5.96 inches.

TIDES FOR TODAY:
(From Tide Tables published by U. S. Coast and Geodetic Survey):
Wilmington High 1:53a. 9:03a.
2:41p. 9:53p.
Sunrise 5:54a. 8:54a.
Moonset 12:18p. 6:38p.
Sunrise 5:35a. sunset 6:56a. moonset 11:55a.
Cape Fear river stage at Fayetteville on Monday at 8 a. m., 13 feet.

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FIRST PHASE OF NEW PACIFIC WAR ENDS IN VICTORY FOR AMERICANS; U. S. BOMBERS HIT ROUEN, FRANCE

L SHIPS RETURN TO BASES SAFELY

Foray Led Personally By
Gen. Eaker; Hit Heart
Of Their Target

ONE NAZI DESTROYED

Little Gunner Knocks Down
Enemy Fighter Which
Tried Fight

AN AMERICAN BOMBER STATION IN BRITAIN, Aug. 18.—(P)—Powerful Flying Fortress crews led personally by Brig. Gen. Ira C. Eaker dropped tons of explosives by daylight today on the railway yards at Rouen in France in the first full-fledged all-American bombing blow against the Nazis.

The Americans met and mastered the latest-type German fighter planes. Not a single American bomber was lost, and their bombs hit "the heart of the target."

"They carried out their mission nonchalantly and coolly," said Toger, cigar-smoking General Eaker proudly of his men as he climbed out of his "Yankee Doodle" craft which made the historic high-level precision run over Rouen.

"We will bomb Germany as fast and as often as possible until we win the war," declared Maj. Gen. Carl Spaatz, commander of the U. S. Air Forces in the European theater. General Eaker heads the bomber command on General Spaatz's staff.

Bag One Nazi Fighter
One American bomber gunner bagged one of the Nazis' newest fighter planes, a Focke-Wulf 190, during the flight, and scoring Allied fighters got two more. The Allies lost two fighters.

"A great pall of smoke and sand was left over the railroad tracks," General Eaker said. He did not disclose the number of American
(Continued on Page Two; Col. 4)

SENATE APPROVES DEPENDENCY BILL

Will Permit Immediate Pay-
ment Of Living Allow-
ance To Families

WASHINGTON, Aug. 17.—(P)—The Senate approved today a House bill permitting immediate payment of living allowances to dependents of service men, but delayed action until Thursday on legislation to allow soldiers and sailors to vote by mail.

Majority Leader Barkley of Kentucky raised doubts as to the constitutionality of the voting measure.

The Dependency Legislation wiped out a provision in the original allotment bill which barred any payments until after November 1 on the plea of War Department officials that it would be a physical impossibility to make necessary computations and write checks before that date.

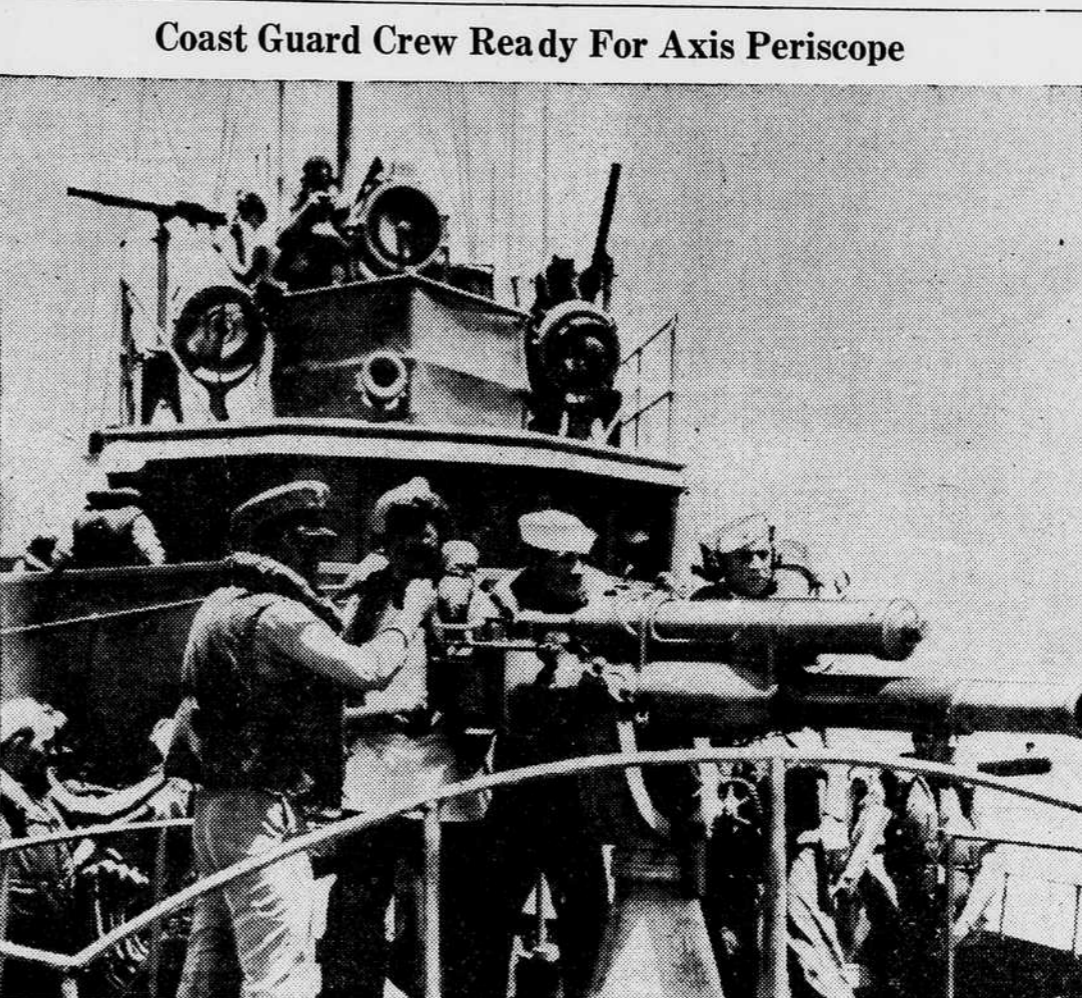
Chairman Reynolds (D — NC) of the Military Affairs Committee warned his colleagues that passage of the bill would lead only to "confusion, dissatisfaction and disappointment" among the beneficiaries.

Senator Clark (D — Mo), arguing for passage, said some service men's dependents were forced to rely on charity for their living expenses, and quoted James V. Forrestal, Undersecretary of the Navy as having informed Representative Bulwinkle (D — NC) the Navy could make its payments immediately.

"Let the Navy make its payments now," Clark said, "and the Army when it can."

Senator Thomas (D — Utah) said that by adopting the amendment, the Senate would be "holding out a promise to the people of this country that can not be fulfilled."

Dependents of privates, first class privates, corporals and line
(Continued on Page Three; Col. 4)



Coast Guard Crew Ready For Axis Periscope

A gun crew of the United States Coast Guard is shown at stations aboard an escort vessel taking a convoy through dangerous waters on its voyage to Europe with war supplies. These boys are constantly on the alert for the tell-tale feather that betrays the presence of a submarine periscope, a real menace to the convoy. This is a phonephoto.—(Official U. S. Coast Guard Photo.)

2nd Front Agreement Believed Reached Now

LONDON, Aug. 17.—(P)—The war decisions which the United States, Britain and Russia have reached in the Moscow conference of Prime Minister Churchill and Premier Stalin were regarded by observers tonight as answers to the Soviet cry for "deeds, not words" from their Allies.

It was believed that the conference, heavily weighted on the military side, was aimed at knitting the major United Nations into an integrated fighting force and that a formula upon how, when and where to
(Continued on Page Two; Col. 7)

W. P. B. INTENSIFIES BLACK MART PROBE

No Evidence Found That
Higgins Shipbuilders Vi-
olated Regulations

WASHINGTON, Aug. 17.—(P)—As a direct result of the "black market" charges made by officials of Higgins industries, Inc., New Orleans shipbuilders, the War Production Board today announced an intensified investigation into the operations of steel warehouses.

WPB's compliance division summarized a 2,000-word report on its inquiry into recent assertions of Frank Higgins, general manager of the New Orleans firm, in two paragraphs:

"1. No evidence was developed to show directly that steel products had been shipped to the Higgins company in violation of WPB orders:

"2. However, there is evidence to indicate that some steel warehouses, in addition to the 22 penalized last spring in other cases, may have violated WPB quota regulations."

Apart from impossible price-ceiling evasions, the compliance branch reported finding no evidence of a Black market, in the accepted use of the term, in information furnished by three members of the Higgins family—Frank, his brother, Andrew J. Higgins, Jr., and their father and the president of the company, Andrew J. Higgins, Sr.

Frank Higgins had testified before a subcommittee of the House Merchant Marine committee at New Orleans early this month that a back market existed for steel and iron products in this country, and that warehouses were bulging with all kinds of steel.

The subcommittee hearing was convened with the cancellation by the Maritime Commission of a contract for construction by the Higgins firm of a shipyard and 200 Liberty cargo vessels. Construction on the shipyard at Michoud, La., already had begun when, on July 18, the contract was cancelled on
(Continued on Page Three; Col. 1)

MARINES WELL SET IN SOLOMON HOLDS

Campaign Not Won With-
out Losses For Allies;
Japs Lose Heavily

NO DAMAGE REVEALED

Operations Are Continuing,
Says Navy Spokesman;
Positions Secured

WASHINGTON, Aug. 17. (P)—The first phase of the American invasion of Japanese-held territory in the southwest Pacific has ended victoriously, the Navy disclosed today, with Marine occupation forces in the Guadalcanal-Tulagi area of the Solomon islands holding "well established" positions.

The victory was not won without losses, a Navy communique made clear, but the Japanese, in addition to being forced to relinquish territory of great strategic value, lost at least 36 aircraft, suffered damage to their naval forces and had "a number" of troops taken prisoners.

The Navy carefully refrained from announcing the extent of damage to American forces, saying that such information would be of value to the enemy, but it had previously announced that one U. S. cruiser had been sunk and two cruisers, two destroyers and one transport damaged.

Campaign Is Continuing
A naval spokesman said the campaign "is continuing," the Marines' immediate problem apparently being to make their initial positions secure while vigorously hunt down such scattered Japanese forces as remain in the islands occupied. These islands were not named, but presumably included both Guadalcanal, with its air
(Continued on Page Two; Col. 1)

CALCUTTA SCENE OF NEW RIOTING

Demonstrators Pull Down
Telephone Poles, Burn
Street Car

BOMBAY, Aug. 17.—(P)—Eands of demonstrators pulled down telephone and telegraph wires and burned a street car in Calcutta today, but quiet prevailed for the fourth successive day in populous Bombay as the issue of Indian independence appeared no nearer solution than it did a week ago.

While the working committee of the Muslim league was meeting here in closed session, fourteen Nationalist newspapers in Calcutta voted to suspend publication indefinitely "in protest against the latest restrictions on newspapers imposed by the government of India."

The publishers decided to close shop Aug. 21. The papers include both English and Indian vernacular, among them the important Amrita Patrika which has a circulation of
(Continued on Page Two; Col. 2)

Owners Of Beach Houses Asked To List Property

A resolution calling on owners of beach properties to list houses when available was adopted by the Defense Housing committee of the New Hanover County Defense Council at a meeting held Monday afternoon in the Homes Registration office at the post office to survey the housing situation in connection with the defense program.

The group authorized the chairman, Henry R. Emory, executive director of the Housing Authority of the city of Wilmington, to appoint a committee to follow through and see what can be done to get people to offer their property for rent and encourage them to equip the homes with heating facilities where necessary.

Another resolution requesting authorities at Camp Davis to sug-
(Continued on Page Two; Col. 2)



CD Needs
MESSENGERS: 258

Duties: Carry messages to and from Control Center, Wartens posts, Casualty Stations when other communications fail.	
Training: General Course, Fire Defense A, First Aid, 10 hours.	
Enlisted to date: 142. Quota: 400.	
Enlistments Yesterday	
Air Raid Wardens	1
Medical	16
Food and Housing	2
Messengers	1
Demolition	1
Filter Center	11
Auxiliary Police	1
Total	33

(Continued on Page Three; Col. 1)

Nation's Meat Supply May Soon Be Rationed

CHICAGO, Aug. 17.—(P)—Meat may be rationed to ensure a fair distribution of a short supply in the United States, a government official reported today.

And the American people, he added, may be asked to observe meatless days before any rationing system would be put into operation.

Roy F. Hendrickson, administrator of the Agricultural Marketing Administration, asserted action along those lines should be taken because a 3,000,000,000 pound shortage of meat for civilian consumption would develop in the months ahead.

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