

WEATHER

North Carolina—Fair and continued cool today and tonight; Thursday, increasing cloudiness and not much change in temperature.

The Shelby Daily Star

CLEVELAND COUNTY'S NEWSPAPER SINCE 1894

TELEPHONES 1100

State Theatre Today - "The Brighton Strangler" JOHN LODER JUNE DUPREZ

VOL. XLIII-244

ASSOCIATED PRESS NEWS

SHELBY, N. C.

THURSDAY, OCT. 11, 1945

TELEMAT PICTURES

SINGLE COPIES—6c

RETURN OF SOLDIERS FROM PACIFIC TO SPEED UP

MacArthur Outlines Wide Social And Political Reforms For Japan

LIBERALIZATION OF EDUCATION IS ORDERED

Votes For Women, Labor Unionization Are Also Listed

MEETS SHIDEHARA

TOKYO, Oct. 11.—(P)—General MacArthur met the new head of the Japanese government—Premier Baron Kijuro Shidehara—for the first time today and gave him instructions for wide social and political reforms which will require liberalization of the Japanese constitution.

MacArthur likewise put it squarely up to Shidehara to take prompt and "vigorous" action to see that the Japanese people are clothed, fed and housed during the coming winter.

The meeting came shortly after the Allied supreme commander had directed the Japanese government to report within 90 days all foreign exchange assets, including private holdings and foreign properties of the imperial household.

Allied headquarters also announced revocation of permission to the Japanese to operate an air courier and liaison transport service. The job will be taken over by American airmen.

Cost of the war to Japan from July, 1937, to its end was indicated by the commercial daily paper, Nippon Dango, which said the Japanese funded borrowings at the end of July, 1945, amounted to 114,289,000,000 yen (\$8,619,268,666).

REFORMS The reforms which MacArthur told Shidehara must be made in carrying out surrender terms included votes for women, labor unionization, liberalization of education, abolition of all secret government police and revision of industrial monopolies.

Obviously allied investigators are on the search for war loot and for the tieup of Japan's big industrialists with the military and imperialism.

Today's announcement said the Japanese government has been ordered to report all foreign exchange assets, including private holdings and foreign properties of the imperial household, within 90 days.

Previous directives had:

Forbidden import and export of foreign exchange.

Forbidden foreign exchange transactions within Japan.

Closed wartime imperialistic banks and ordered seizure of assets.

See LIBERALIZATION Page 2

ARMED JEWS SEIZE WEAPONS

JERUSALEM, Oct. 11.—(P)—The Palestine military headquarters announced today that a large number of armed Jews raided the Palestine training depot early this morning, overpowered the guard and fled with a quantity of weapons and ammunition.

The raid resulted in a sudden increase in tension which had been reported lessening last night following the arrival of several thousand British reinforcements and the withdrawal of police cordons around the village of Beth Oren and Yagur.

Police had encircled the towns in an effort to capture 200 Jews who killed one British constable and injured an Arab and a Jewish policeman as they fled from the clearing camp where they had been detained for illegal entry into Palestine.

Meanwhile, in Tel Aviv, a police communique said police were stoned by "large mob" when they sought to carry on "a routine search"

Four Injured In Emergency Landing JACKSONVILLE, FLA., Oct. 11.—(P)—Three passengers and the stewardess were slightly injured today, National Air Lines announced when its flight 23, New York to Miami plane made an emergency landing about a mile south of the Banana river naval area Melbourne, Fla.

The plane carried 13 passengers and a crew of three.



MEDAL FOR OBJECTOR — Pfc. Desmond T. Doss (above) of Lynchburg, Va., will receive the Congressional Medal of Honor from President Truman Oct. 12, to become the first conscientious objector so honored. The 26-year-old hero with the medical corps of the 77th Infantry division already has the Bronze Star and Oak Leaf Cluster, and the Purple Heart.—(AP Wirephoto).

HOUSE WORKS ON TAX BILL

Body Hopes To Pass Tax Cutting Measure Before Nightfall

By FRANCIS M. LE MAY WASHINGTON, Oct. 11.—(P)—The house called its members to work two hours earlier than usual today in an effort to pass before nightfall a \$5,300,000,000 tax cutting bill.

The measure, which also must be approved by the senate, would do this beginning January 1:

1. Guarantee every individual income taxpayer a reduction of at least 10 per cent. Total cuts for individuals would amount to \$2,627,000,000.

2. Sweep 12,000,000 low income tax rolls completely. When the war ended there were approximately 50,000,000 individual taxpayers.

3. Lower corporation tax burdens \$1,888,000,000 by trimming the effective rate of the war-imposed excess profits tax from 85 to 60 per cent; reducing the combined corporation normal and surtax from 40 per cent to 36; and repealing next July 1 the declared value capital stocks tax. The bill calls for repeal of the excess profits tax Jan. 1, 1947.

4. Cut back next July 1 the high wartime excise levies on such things as liquor, furs, jewelry, luggage and cosmetics, at a savings of \$535,000,000 to customers in the last half of 1946. Some \$160,000,000 in taxes on floor stocks under excises also would be refunded to business.

5. Repeal the \$5 automobile use tax next July 1, relieving the burden on automobile owners by \$140,000,000.

The legislation also freezes the Social Security tax in 1946 at one per cent each on employees and employers. Without the freeze this tax would jump January 1 to 2.5 per cent.

The bill came to the house floor at 10 a.m. (EST) under a rule virtually barring any changes. At the request of the ways and means committee which wrote the measure the rules committee laid out procedure prohibiting amendments unless approved by the ways and means group.

As the house made ready to act, the bill came under vigorous attack from the CIO and 14 other organizations including the farmers union.

The 15 organizations addressed letters to each house member declaring the legislation would "grant huge windfalls to the most prosperous" but permit "only meager relief to low and middle income groups" of individuals.

The letter urged outright repeal of the three percent normal tax on individuals and increased exemptions to put much softer burdens on low and middle income groups.

See HOUSE Page 2

Typhoon On Okinawa NEW YORK, Oct. 11.—(P)—John Adams, CBS correspondent, said in a broadcast from Manila today that 90,000 soldiers had been left without quarters five killed and a score wounded in the typhoon which struck Okinawa Island Tuesday.

CHIANG MAO ARE VIRTUALLY IN AGREEMENT

Leaders Of Two Factions Agree On Basic Principles Of Peace

OUTLOOK OPTIMISTIC

By Clyde Farnsworth CHUNGKING, Oct. 11.—(P)—Chinese nationalist and communist negotiators for a unified China issued a communique today agreeing upon basic principles of political peace in a nation split for decades of bloody fighting for government control.

The communique also set forth the negotiators' willingness to continue the talks which have been underway during a five-weeks-old truce in the fighting, and to submit complex military and political questions still unsettled to a military subcommittee and a broadly constituted political consultative council.

The statement indicated the determination of Nationalist Leader Chiang Kai-Shek to achieve "unity of political authority" immediately.

Mao Tse-Tung, leader of the communist forces, said "the outlook is optimistic" as he boarded a plane in Chungking to return to his headquarters at Yenan, Shensi province. He conceded that some points remained to be settled.

The communique originally was scheduled to be issued yesterday, China's big national holiday of the double ten, tenth day of the tenth month, but it was held up for a final, personal polishing by Mao and Chiang.

GUEST OF CHIANG Mao was a guest last night at Chiang's Shantung home. They had a 10-minute chat yesterday

See CHIANG Page 2

Senators Would Barter For War Surpluses

By JACK BELL WASHINGTON, Oct. 11.—(P)—Senators will ask Secretary of State Byrnes this week to put some Yankee horse trading policies into effect in the disposal of American war surpluses abroad.

Chairman Mead (D-NY) said the senate war investigating committee will call on the secretary in a few days with some complaints and suggestions.

Specifically, the committee wants: 1. Certain "tangible" rights for this government—such as oil concessions, military bases and airplane landing fields—in return for the trucks, jeeps, supplies and equipment other nations want.

2. An over-all coordination of economic and diplomatic agreements with foreign nations.

President Truman recently transferred to the State Department the problem of disposing of all surpluses abroad.

Mead told a reporter, however, that members of his committee are not satisfied that anything much has been done about the matter yet. With Byrnes at the London foreign ministers conference, the New York senator said members couldn't find anyone who talked their swapping language.

Total Of Battle Casualties Down

WASHINGTON, Oct. 11.—(P)—The count of battle casualties in the war dropped 371 today to a total of 1,070,153 as more names were stricken from the columns Army casualties, as reported to the War department through Oct. 7, were 922,583—an increase of 107 over last week. The navy's total is 147,570, a decrease of 478.

Army figures for this week and for a week ago: Killed 207,754 and 206,622; wounded 671,490 and 671,664; missing 21,510 and 22,552; prisoners 121,829 and 121,638.

The navy figures: Killed 55,449 and 54,986; wounded 80,240 and 80,247; missing 9,763 and 10,259; prisoners 2,118 and 2,556.



CHILEAN PRESIDENT VISITS U. S.—President Juan Antonio Rios of Chile waves to well-wishers from the rear platform of the train as he leaves Miami, Fla., for Washington to visit President Truman in the White House. He and his party flew from Chile to Miami. With him are Brig. Gen. Milton Hill, military aide, (left), and Capt. George E. Metz, naval aide.—(AP Wirephoto).

IN BRITAIN:

Cabinet Called To Study Dock Strike

Food Supply In Islands Imperilled; Government May Intervene

LONDON, Oct. 11.—(P)—Prime Minister Attlee summoned his labor cabinet into executive session today to consider the dock strike which spread to Glasgow and threatened Great Britain with a hungry week-end.

All major docks faced imminent tieups and delivery of food in these tightly rationed islands was imperilled.

No. 10 Downing street issued no immediate announcement, but the question of government intervention appeared certain to be raised when the House of Commons assembles this afternoon.

The huge docks at Glasgow were closed down when 4,000 Scottish stevedores joined the strike.

In all more than 46,500 strikers are out. Some 2,500 more walked out during the morning at London and Newcastle—on Tynes. Thousands more London dock workers were reported planning to strike later today for higher wages.

Well over 50,000 tons of needed food was tied up at miles of idling wharves. Much of the food is perishable.

SKIMPY RATIONS The skimpy British ration of meat, butter, eggs, bacon, lard and oranges was threatened with drastic curtailment. Warehouse reserves dropped to a menacing low. Hopes for an immediate settlement of what union leaders called a "wildcat strike" diminished.

Strike leaders in Liverpool where the walkout started nearly three weeks ago asserted: "The fight goes on and the battle."

See CABINET Page 2

Around 450,000 Idle As New Strikes Offset Returns

By The Associated Press LONDON, Oct. 11.—(P)—It is estimated 7,400,000 German soldiers were killed or permanently incapacitated during the war, Prime Minister Attlee informed Commons today.

The nation's strike lines held at around 450,000 mark today, only a small decrease in 24 hours, as fresh labor disputes almost offset the return of 42,000 workers to jobs in textile plants.

As new shutdowns in the six-state soft coal strike area forced additional thousands to the ranks of idle, bituminous operators and United Mine Workers union representatives failed to agree on a compromise proposal to end the 21-day expanding work stoppages.

Secretary of Labor Schwellenbach again summoned the conferees into session today to attempt to settle the dispute between the operators and John L. Lewis' United Mine Workers. The disputants, he said, are not far apart in their controversy over recognition of the UMW foremen's union, and he expressed hope that "they should be able to agree."

REPORT TODAY The secretary was expected to report to President Truman today on the progress of the negotiations. Failure of settlement is expected to see a further spread of

SENATE BLUNT ON LOANS TO RUSSIA, BRITAIN

Committee Proposal To Withhold Loans Gets Endorsement

ASK POLICY CHANGES

By Clair Johnson WASHINGTON, Oct. 11.—(P)—Congress reacted warmly today to a house committee's proposal that America withhold loans to Russia and Britain until they make certain policy changes.

But several key officials said they wished the committee had not been so blunt. They expressed fear that what they termed "undiplomatic language" would place added strains on relations between the United States and its war time Allies.

The suggestions concerning American lending policy came from the postwar economic policy committee headed by Rep. Colmer (D-Miss).

Just returned from a two-month tour of Europe the group urged specifically that before any loans are made:

1. Russia be required to adopt an "open door" attitude toward American technicians and the press.

2. Britain unlock trade barriers "inimical" to United States interests.

Congressmen questioned were unanimous in approving the committee's views.

NOT DIPLOMATIC However, Chairman Bloom (D-NY) of the house foreign affairs committee told a reporter:

"They said what most congressmen probably believe, but that's not the way to promote good relations. You can't fight your way through this world. You have to sit down and talk things over with your neighbors."

A high administration official, asking that his name not be used said in an interview: "I can't say this for attribution, but the feeling is almost unanimous in congress for cracking down on Britain and Russia. It's too

See SENATE Page 2

U. S. May Have To Relax Its Wage Controls

By STERLING F. GREEN WASHINGTON, Oct. 11.—(P)—Many reconversion officials are "pretty well agreed" today that the government soon must loosen its wage controls.

This is reported by one of Director John W. Snyder's advisers, although there is no indication that the conclusion is shared by Snyder himself or by President Truman.

Snyder, however, is under strong pressure to set forth a revised wage policy to check the wave of work stoppages that threatens to delay reconversion.

NEW POLICY Three officials of Snyder's Office of War Mobilization and Reconversion—all of whom asked anonymity—said the economy were nearly unanimous in support of a new government policy declaration.

They have suggested that wages could be increased perhaps as much as 15 per cent (OPA officials say something nearer 10 per cent is likely) without increasing the cost of goods more than 2 or 2½ per cent.

Such a government policy would carry assurance to employers that OPA would consider prompt price increases to cover the 15 per cent wage boost. If a higher increase—say 20 per cent—were granted, all the extra 5 per cent would have to come out of the employer's pocket.

Duke Of Windsor Leaves For Paris LONDON, Oct. 11.—(P)—The Duke of Windsor left for Paris today. During his six-day visit with his royal family, he talked with Prime Minister Attlee, Foreign Secretary Ernest Bevin and Winston Churchill.

See AROUND Page 2



PERON QUILTS—Col. Juan Domingo Peron (top) has resigned as vice president of Argentina under Army pressure. Gen. Edelmiro Farrell (bottom), the president, is still in office, but is dominated by Gen. Eduardo Avalos, commander of Campo de Mayo garrison near Buenos Aires.—(AP Wirephoto).

TRUMAN FACES MANY PROBLEMS

Returns To White House Today After Week-End Trip

By ERNEST B. VACCARO WASHINGTON, Oct. 11.—(P)—President Truman faced spreading mine strikes as well as international problems upon his return to his desk today from a five-day vacation.

He put out the welcome mat for President Juan Antonio Rios of Chile who will arrive at the White House to be an overnight guest.

Secretary of Labor Schwellenbach, to whom the president delegated the task of solving reconversion labor disputes, may visit the White House soon to discuss his efforts to get an agreement from John L. Lewis and soft coal operators to end the mine walkouts.

Mr. Truman outwardly was optimistic over what he called "our little troubles."

Termining them "just a blow-up after a let-down from war," he told an audience at Gilbertsville, Ky., yesterday "we still have a few selfish men who think more of their own personal interests than they do of the public welfare."

NOT IDENTIFIED The chief executive did not identify the "few selfish men" in his impromptu remarks which followed a formal speech dedicating the Tennessee Valley Authority's Kentucky dam, but he said:

"They are not going to prevail. You are not going to let them prevail."

He concluded: "Now lets all go home and go to work. Cut out the foolishness and make this country what it ought to be—the greatest nation the sun has ever shown upon."

The speech marked the last stop on a trip which began Saturday morning when Mr. Truman drove to Berryville, Va., to attend the wedding of Judge Bennett Champ Clark. He returned to Washington for a plane trip to Blytheville, Mo., county fair and a two-day, rest on Reelfoot lake in West Tennessee.

WHAT'S DOING TODAY 7:00 p.m.—Regular meeting of Kiwanis club. 7:30 p.m.—CAP cadets meet at armory.

FRIDAY 12:30 p.m.—Rotary club meets at Hotel Charles. 7:30 p.m.—Called meeting of Cleveland Lodge 202 for work in first degree, at lodge room.

Two Americas Nearer Continental Unity Says President Rios RICHMOND, VA., Oct. 11.—(P)—President Juan Antonio Rios of Chile said today events occurring in Argentina were bringing the hemisphere closer toward the goal of continental unity.

The president arrived here early today by train from Miami, Fla., enroute to a meeting with President Truman at the White House in Washington at 4:36 p.m. today.

60,000 COMBAT TROOPS TO BE KEPT IN JAPAN

Will Be Sent Home At Rate Of 200,000 Monthly For 6 Months

ESTIMATES LOWERED

By James Lindsley TOKYO, Oct. 11.—(P)—American G.I.'s will be returned to the United States from the Pacific at the rate of more than 200,000 a month for the next six months, allied headquarters announced today.

By the end of March a total of 1,250,000 men will have been returned to the states, leaving approximately 400,000 men in the occupation forces and units manning army installations in the Pacific theater.

In Japan, four divisions (approximately 60,000 men) of combat troops, air service troops and special occupation units will remain. The Pacific forces will include, 200,000 in Japan and Korea; seven thousand in the Philippines and 36,000 in Okinawa and the rest of the Ryukus islands. The rest of the 400,000 will be troops and service forces in Hawaii, the Marianas and other Pacific bases.

PREVIOUS ESTIMATE General MacArthur estimated previously that 200,000 men would be needed for the occupation of Japan six months after surrender; today's announcement cuts that figure by the two divisions (approximately 30,000 men) which will be deployed to Korea from the total of 200,000 for the dual Korea-Japan occupation area.

The mass movement from the Pacific will be handled through eight big processing centers at Honolulu, Okinawa, Saipan, Tacloban, Jenson and Manila. Before any divisions are sent home the low point men will be screened out to remain with the occupation forces replacing high point men from the units in the field, General Headquarters said.

THOSE TO STAY As of January 1, the divisions in the Pacific will be located as follows:

On Japan, 11 divisions—the 11th Airborne, First Cavalry, 77th, 81st, 25th, 97th, 32nd, 41st, 24th, 98th and 93rd.

Korea, 7th, 40th and 6th. Philippines: 93rd, 96th, 86th. The divisions which will finally remain as occupation troops are the 11th Airborne, 24th, 25th, and First Cavalry on Japan; the 7th and 6th divisions in Korea and the 86th in the Philippines.

Reynaud Joins Others In Demanding New Trial For Laval PARIS, Oct. 11.—(P)—Former Premier Paul Reynaud, condemned and imprisoned by the Vichy government during the German occupation, today headed a list of prominent French figures demanding a new trial for Pierre Laval, his political arch-enemy.

Laval, dressed in a condemned man's suit or burlap sack, was transferred yesterday to a cell in death row at Fresnes prison and chained to a wall with leg irons.

Reynaud, the last pre-Vichy premier, was quoted by the newspaper L'Ordre as saying that "if the verdict could be submitted to the court of appeals there is not the slightest doubt it would be reversed."

Two Americas Nearer Continental Unity Says President Rios RICHMOND, VA., Oct. 11.—(P)—President Juan Antonio Rios of Chile said today events occurring in Argentina were bringing the hemisphere closer toward the goal of continental unity.

The president arrived here early today by train from Miami, Fla., enroute to a meeting with President Truman at the White House in Washington at 4:36 p.m. today.