

WEATHER

Mostly cloudy, rain in extreme eastern section today, clearing over west portion this afternoon and in the east tonight; cooler in east portion today, slightly warmer.

The Shelby Daily Star

- State Theatre Today - "RIVER GANG" Starring GLORIA JEAN

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TELEMAT PICTURES

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WARD'S AGAIN ENTERS TROUBLED LABOR PICTURE

Japs Reluctant To Obey Order For Their Diplomatic Isolation

Income Tax Reductions In Proposed New Bill To Be Last Until 1947

By Francis J. Kelly

WASHINGTON, Oct. 26.—(P)—Income tax reductions which go into effect next January will be the last until 1947. Chairman George (D-Ga) of the senate finance committee said so today as he and other conferees got together to adjust differences in house and senate versions of tax-cutting legislation.

"Whatever is done in this bill regarding individual income taxes undoubtedly will stick through 1946," George told reporters.

"Any further change that might be made in the long-range post-war revenue bill we propose to write next year would not be applicable before 1947."

The senate bill cuts individual income taxes \$2,644,000,000, all taxes \$5,788,000,000. In the house bill, \$2,627,000,000 of the \$5,350,000,000 total reduction is in individual income levies.

MAJOR POINTS

George said only four major points are in controversy:

- 1. Excess profits tax on corporations. The house voted to cut the rate from 85.5 to 60 percent next year, repeal the levy in 1947. The senate wants to repeal the tax next January 1.
2. Individual income taxes. Both

houses agreed to extend to payers of the 3 percent normal tax the more liberal exemptions allowed surtax payers. The house voted to cut each of the graduated surtax rates by 4 percentage points, and to assure every taxpayer a minimum 10 percent tax reduction. The senate chose to trim each surtax rate by 3 percent, then reduce the total normal and surtax by 5 percent.

The relief is the same in both bills for persons in the first \$2,000 surtax brackets. From \$2,000 to \$20,000 the senate provided more relief than the house. Above \$20,000 the house cut deeper than the senate.

SMALL CORPORATIONS

3. An amendment by Senator Vandenberg (R-Mich) to help small corporations by stipulating

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Association Holds Second Day Sessions

Officers To Be Elected, Next Meeting Place Selected This Afternoon

The final session of the ninety-fifth annual Kings Mountain Baptist association was underway this afternoon, in the second day of the meeting being held at Waco Baptist church. The first day of the meeting was held yesterday at the Fallston Baptist church.

Democrats Given Ups In Probe Of Pearl Harbor

By JACK BELL

WASHINGTON, Oct. 26.—(P)—President Truman has signed an order which Republicans said today gives the Democratic members of the Pearl Harbor Committee a stranglehold on the investigations course.

The order provides that witnesses and records may be summoned only by majority action of the ten-member Senate-House group. Six members are Democrats.

At the same time the President rejected a proposal that individual committee members be permitted to interview prospective army and navy witnesses and to look over official records.

Republican protests may explode in the Senate and House unless some compromise is reached. They are keeping silent now in the hope they may force approval of procedure similar to that of the Senate War Investigating Committee.

RECORDS OPEN

When Mr. Truman headed that committee as a senator, each member was free to poke into any government records he wanted to see. He could take to anybody who might have information on the war program.

Then he could report to other members and if they decided an investigation was warranted, it was so ordered.

Sensors said this system produced many worthwhile leads. It

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Dutch Governor Invites Soekarno For Conference

BATAVIA, Oct. 26.—(P)—H. J. Van Mook, acting governor of the Netherlands East Indies, was reported today to have invited President Soekarno of the Indonesian Republic to meet him at the home of the British military commander for informal talks looking toward settlement of the Indonesian independence dispute.

THEY ALSO STALL TO KEEP MONOPOLIES

\$2,500,000 Worth Of Radium Confiscated By Allied Forces

POLICY DISCUSSIONS

TOKYO, Oct. 26.—(P)—The Japanese foreign office today showed reluctance to obey General MacArthur's unprecedented orders for the diplomatic isolation of Japan.

Domei agency quoted unnamed informed sources as reporting that the government would "exercise great care" in following the order, but that foreign office officials "would sound out" allied authorities on whether the directive "conforms to the Potsdam declaration."

MacArthur yesterday ordered Japan to transfer all of her diplomatic and consular properties and archives everywhere in the world to the allied powers, to cease relations with foreign governments, and to recall her diplomatic and consular representatives from abroad. The directive was prepared by the joint chiefs of staff in Washington.

The allies, immediately after the cessation of hostilities, had requested Japan to cease relations with neutral powers. At that time some quarters of the government erred on any phase of the request was inconsistent with the

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STARVATION STALKS EUROPE

Bevin Says Hunger May Cause Further "Prolific" Loss Of Life

LONDON, Oct. 26.—(P)—Foreign Secretary Bevin declared in a house of commons debate today that hunger and privation in Europe may bring "a further prolific human loss more devastating than the gun or the atomic bomb."

Bevin said conditions in devastated Europe resulted from a policy Hitler imposed. When the Nazis discovered they could not win the war, Bevin said they decided to leave Europe in a state of "complete anarchy."

"We had studied the situation for months and when we saw what had happened, we had to alter all our plans and revise the system," Bevin continued.

He said Great Britain alone could do "very little" to relieve conditions in Europe.

Although everything was being done to feed the people in the British occupation zone, Bevin said it had to be "balanced against the resistance of our people to the cutting of their supplies."

He said grain was being burned in the Argentine because of the lack of oil and that it would be common sense to send oil to Argentina in return for the grain there again politics intervenes.

"More wheat must be supplied if a disaster is to be avoided this year," the stocky foreign secretary added.

Unparalleled Armaments Race Has Already Begun

By JOHN M. HIGHTOWER WASHINGTON, Oct. 26.—(P)—The world is beginning an armaments race without parallel in history.

Half the world does not trust the other half. The United States and Britain know how to get along; but Anglo-America and Russia simply haven't had the combination.

Washington and London shared virtually all their top war secrets—not all but 90 or 95 percent. Russia would not trade.

Nor were the United States and Britain inclined to give secrets away to the Soviets. There it was—they did not trust each other.

sons—official Washington thinks—to help protect them against the capitalist west.

The United States, while professing to love everybody, began staking out claims on strategic bases in the Pacific. Into this brew of suspicion dropped the atomic bomb.

The Russians haven't said anything about the policy of keeping it more or less "secret." But diplomatic and scientific Washington are convinced that Soviet physicists and engineers are working 24 hours a day to catch up.

Army, navy and political leaders say this means the United States must be so powerful that no other country will dare attack. And Russia feels she must be so powerful that no nation will dare attack her.



POLICE SURRENDER IN REVOLT—Hands on head in surrender, policemen of Caracas, Venezuela, are marched to the Miraflores Palace at Caracas where they were imprisoned in a garage by soldiers revolting against the regime of President Medina.—(AP Wirephoto).

Relations Between U. S., Russia Better

Russia Seems Ready To Agree To U. S. Authority On Control Council For Japan

By Graham Hovey

WASHINGTON, Oct. 26.—(P)—Relations between the United States and Russia seemed on the mend today in an atmosphere of better understanding.

These were the developments:

1. State department disclosure that the two governments were discussing the Soviet proposal for a four-power council (U. S., Russia, Britain, China) to govern Japan.

2. Indications Russia would agree that when differences arose in the council, the U. S. position should govern.

3. Timely delivery of Russia's United Nations ratification documents, which permitted the world security organization to become a fact Wednesday.

Washington officials hoped the week-end might bring at least one more air-clearing event: an announcement that Russia had decided to participate in the allied far eastern advisory commission, which will meet here for the first time Tuesday.

UNDER DISCUSSION Announcement yesterday of the continuing four-power council discussions climaxed a day in which government officials and newsmen debated this question:

When Foreign Commissar Molotov first proposed the council for Japan, did he mean one like that set up to govern Germany, or one like those established to administer former

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"The responsibility rests entirely with your side," declared Gen. Fu Tso-Yi, commanding China's 12th war zone, in making the charge. He said:

Chinese communists soldiers have attacked central government troops at points between 150 and 250 miles west of Peiping. The communists are sending more than 100,000 reinforcements into the area.

"The approach of invading forces" has necessitated the evacuation by government troops of five cities "to avert civil war."

"There's a limit to our patience," General Fu messaged Mao. "Further armed assaults by communist troops will place us with our back to the wall. Communist forces must be responsible for any crisis that may result."

He added "I must make it crystal clear I have received no order from Generalissimo Chiang Kai-Shek to return fire."

WASHINGTON, Oct. 26.—(P)—The senate war investigating committee turned today to an inquiry about gambling among navy men in connection with asserted sale of ship supplies on Hawaiian black markets.

Senator Ferguson (R-Mich) said the investigators would keep an eye on navy action against personnel responsible for misuse of food described by witnesses at a committee hearing.

"It is up to them to push it ahead," he told a reporter, "but we are going to watch it." Ferguson estimated about \$1,000,000 of government-owned supplies had reached the black market around Pearl Harbor. Chairman Mead (D-NY) fixed illegal sales at perhaps half a million.

PRESIDENT TO REPORT WAGE, PRICE POLICY

Government Formulating Plan In Attempt To End Strikes

TUESDAY BROADCAST

WASHINGTON, Oct. 26.—(P)—President Truman Will announce his proposals for wage and price stabilization in a radio address Tuesday night as part of a fast-developing government attempt to end strikes.

The President will broadcast (10 p.m. EST) the outline of a policy he and his advisers hope will at least head off further walkouts for pay increases.

Mr. Truman made known his plan at a news conference yesterday. He also:

1. Spoke reports that his chief price adviser, reconversion Director John W. Snyder, would resign.

2. Announced appointment of a seasoned labor trouble-shooter, Dr. John R. Steelman, as a presidential special assistant.

3. Said he had not encouraged Charles E. Wilson, president of General Motors, to propose a national 45-hour work week, as Wilson did after a White House visit last Friday.

4. Made public the agenda for the labor-management peace conference beginning Nov. 5 and letters from leaders who planned it.

5. Renewed his demand for enactment of the so-called full employment bill now bottled up in a house committee.

Airmen In U. S. To Be Discharged With 44 Points, 2 Years

WASHINGTON, Oct. 26.—(P)—All AAF pilots, navigators and bombardiers who are in the United States, have 44 points and two years of service now are eligible for discharge.

The same is true of other AAF officers with less than 44 points but with two years or more on active service, if their services no longer are needed.

The exceptions, an army air forces announcement yesterday said, are personnel in the air transport command, the army air ways communications system and the weather service assigned to foreign duty.

WHAT'S DOING

TODAY

7:00 p.m.—Executives club meets at Hotel Charles.

7:30 p.m.—Kings Mountain-Cherryville football game in local ball park.

7:30 p.m.—Regular communication of Cleveland Lodge 202 A. F. & A. M.

Nationwide Strike By 75,000 Mail Order House Workers Is Authorized

By The Associated Press

Further labor trouble for Montgomery Ward and Company was threatened today.

A nationwide strike by some 75,000 employees of the huge mail order house, which in the last few years has been involved in numerous labor disputes, was authorized yesterday, by the general executive board of the CIO United Retail, Wholesale and Department Store employees.

TRUMAN TO SPEAK IN N. Y.

Called "Most Important" Since He Entered White House

WASHINGTON, Oct. 26.—(P)—President Truman expects to deliver tomorrow in New York "the most important speech from a news standpoint" that he has made since entering the White House, a presidential secretary said today.

Marking Navy Day, it will follow a 25-minute address, the second the president will make while all networks at 1:30 P. M., E.S.T. in New York, will be broadcast on.

The first speech, a nine-minute affair, will be at 11 A. M., E.S.T., aboard the new aircraft carrier Franklin D. Roosevelt at the Brooklyn navy yard. Eben Ayres, assistant press secretary, labeled the second address, to be made in Central Park, the most important since the president took office.

Although only 83,654 of General Motors' 325,000 eligible employees took the trouble to vote, the nearly 6-to-1 majority in favor of authorizing a strike was considered the workers' sentiments. The totals showed 70,853 for a strike, 12,437 against and 364 ballots were voided.

OTHER DISPUTES Elsewhere along the country's labor front, major disputes concerned the prolonged strike of the CIO United Automobile Workers' fight to gain a 30 percent wage rate increase for a half million motor industry workers. The various labor troubles in industry and business kept 223,000 workers away from their jobs 2,000, less than were reported idle yesterday.

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New Venezuelan Government Hopes For Recognition

By PHILIP CLARKE

CARACAS, Oct. 26.—(P)—Spokesmen for the Venezuelan government expressed hope today that the announced recognition extended by Cuba, Ecuador and Paraguay would lead soon to universal recognition of the revolutionary regime.

The last hopes of the forces loyal to deposed President Isaias Medina Yangarria collapsed Wednesday, after a week of exciting intrigue during which his followers had rallied an army of barefoot, machete-wielding Andinos from the hills near San Cristobal in far western Venezuela.

Japs Ask Permission To Import Foods

TOKYO, Oct. 26.—(P)—The Japanese government asked permission of allied headquarters today to import 4,350,000 tons of food-stuffs next year.

Former Chief Of Nazi Labor Front Hangs Self In Nuernberg Jail Cell

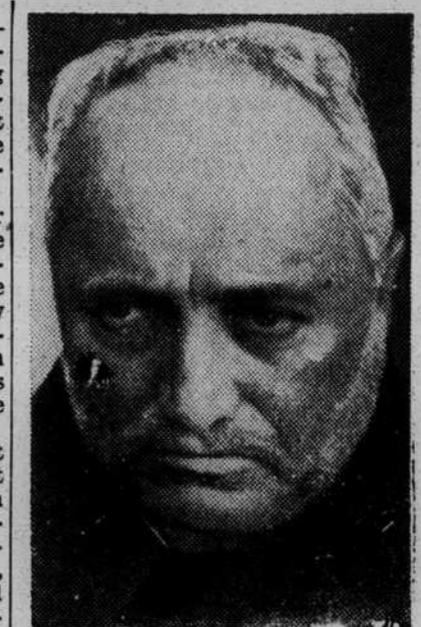
By GEORGE TUCKER

NUERNBERG, Oct. 26.—(P)—Bull-necked, lugubrious Dr. Robert Ley, one-time luxury loving chief of Hitler's labor front, hanged himself in his cell last night at the Nuernberg jail, where he was awaiting trial as a war criminal.

His suicide may mean major changes in preparations for the trial of the 22 other leading Nazis incarcerated there. With the opening of the trial only a few days away, Ley's death was believed to exclude the use of certain documents with high value as evidence, pertaining only to the ex-labor boss.

Ley was pronounced dead at 9:10 p.m. (2:10 p.m., EST) last night, after efforts to revive him failed. The official announcement, issued by prison commandant Col. C. B. Andrus of Denver, Col., said the body was discovered when Ley remained seated motionless in his cell for more than two minutes.

MOUTH STUFFED The sentinel called the prisoner by name and received no



DR. ROBERT LEY

answer," the announcement said. "They (the guard and the corporal of the guard) entered the cell and discovered Ley was on the

CHERRY URGING WAR FUND LIFT

Blackley Asks Workers To Complete Drive By Monday

Governor R. Gregg Cherry, in a telegram this morning to Shem K. Blackley as United War Fund chairman, urged redoubled efforts toward raising this community's part of the National War Fund.

"I am greatly concerned that North Carolina raise its full United War Fund quota," the governor said. "To meet war-created needs and maintain our state's reputation in every form of war campaign this Victory campaign must be successful, and I wish to call upon you and your co-workers to renew your efforts until the goal has been reached."

Mr. Blackley in turn called upon his campaign workers to press solicitations and get final reports in not later than Monday. A number of church groups expect to complete their drives Sunday.

Appreciation for the excellent work done to date, especially by the industrial division, was expressed by Chairman Blackley.

The War Fund campaign will close 7th Monday since by agreement here it was to be terminated prior to the Victory Loan and Memorial Community Center campaigns. If any individuals willing to give have not been contacted they are urged to take voluntary gifts to Paxton Elliott, treasurer, at the First National bank. Mr. Blackley stated.

Most Naval Men In ETO Returned To U. S.

LONDON, Oct. 26.—(P)—U. S. naval headquarters said today that of 18,200 naval officers and men stationed in the European theatre Aug. 15, a total of 16,900 had been sent home for inactive duty or discharge by Oct. 15. A further decrease of 52 percent in personnel was planned by Dec. 1.

DEFENDANTS NOT TOLD The 22 other top-ranking Nazi defendants were not informed of Ley's death. His body was removed to the prison morgue.

Ley was indicted Oct. 18 with 23 other defendants. One of them, Deputy Fuehrer Martin Bormann, will be tried in absentia. His whereabouts are unknown and he is believed to be dead.

The leader of the labor Bund

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