

HITLER TO MAKE NO MORE PEACE OVERTURES

Garner Asserts His Influence To Effect Compromise

Provisions Of Shipping Is Obstacle

Vice President Urges Acceptance of One of Three Compromise Proposals Offered, One of Them By Senator Josiah Bailey.

Washington, Oct. 13.—(AP)—Vice President Garner was reported authoritatively today to be asserting his influence to effect a compromise on the shipping provisions of the administration's neutrality legislation in an effort to bring debate to an early close.

Garner, informed persons said, had urged administration leaders to accept one of three compromise proposals made by Senators Johnson, (R) California; White (R) Maine; and Bailey (D) North Carolina, in order to clear away one obstacle ahead of a final vote on the arms embargo repeal bill.

The three proposed amendments were delivered today to Chairman Pittman, Democrat, Nevada, of the Senate's Foreign Relations Committee for his study. Details were not revealed immediately but among other things exemption of shipping to belligerent nations in the Pacific is involved.

The administration bill now contains a clause which would prohibit any American vessels from carrying materials to belligerents to any part of the world.

Senator Nye, Republican, North Dakota, told his colleagues that the administration's pending neutrality bill should be remodeled both to re-

(Continued on Page Four)

Six Convicted Of Collusion

Cleveland, Oct. 13.—(AP)—Five members and the secretary of the Cleveland Plastering Contractors Association were convicted today of colluding with the United States government by collusive bidding on school repair contracts, financed by federal funds.

A federal court jury acquitted the defendants on two other counts contained in a joint indictment. These accused the men of arranging separate bids on contracts and with meeting in December 1935, to tamper with bids.

The defendants were Charles S. Bonnell, Patrick J. Homes, Merion H. Deter, George F. McKenny, Harry Dalton, members of the association, and Ira S. Gifford, secretary.

U. S. District Attorney Emerich B. Freed at the opening of the trial Sept. 26 before federal judge Robert N. Wilkin, said prosecution was linked with the national campaign of the Department of Justice against alleged restraint of trade in the building industry.

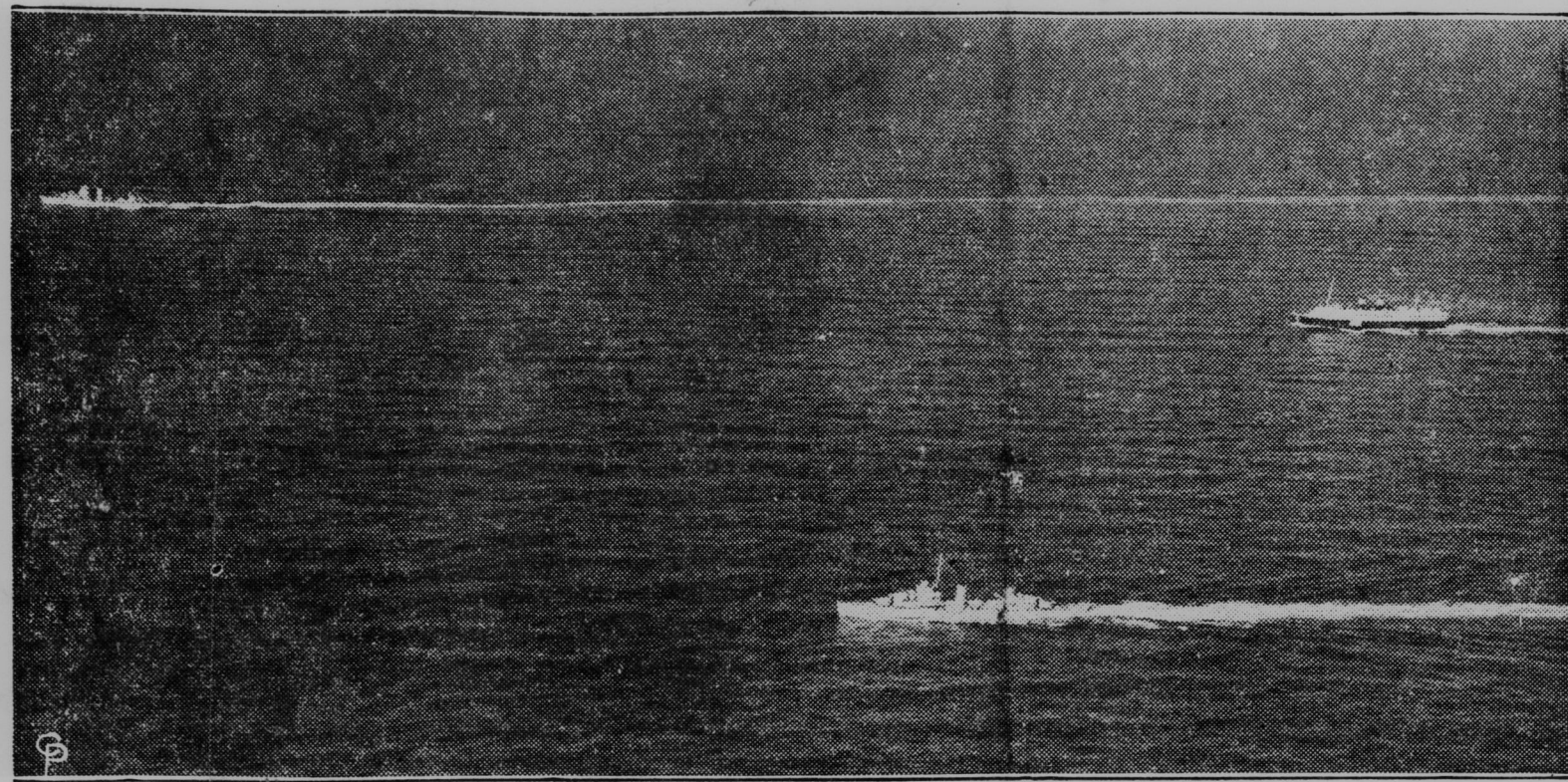
Babson Sees Japan, China Biggest U. S. Competitors

Adjustments Must Be Made In American Industrial System If It Is to Survive; Big War Business for U. S. Likely.

By ROGER W. BABSON. Copyright 1939, Publishers Financial Bureau, Inc.

San Francisco, Oct. 13.—The first sign of the war to be noticed on the Pacific ocean is the big increase in activity along the commercial lines. The European war has hogged three of the leading trading nations of the world, Japan and the United States are falling heir to part of Germany's world commerce. However, with England and France unable to hold their present trade, the United States and Japan will get the lion's share of the immense increase in world commerce which any extended European war inevitably means. America's mer-

The Iroquois Home Safe—Under Navy Convoy



Into American waters comes the liner Iroquois (right) with a U. S. Naval destroyer convoy, nearing New York harbor after the most spectacular ocean crossing since war's outbreak. German Government had warned the liner, carrying 584 refugees from Europe, would be sunk near U. S.

Finns Optimistic Over Chance of Settlement

President Decrees All Civilians Hold Themselves in Readiness to Aid in Non-Military Pursuits; Finns to Fight, If Necessary.

Helsinki, Oct. 13.—(AP)—President Kyoesti Jallio issued a decree today ordering all Finnish civilians to hold themselves in readiness to aid the government in non-military pursuits as required by the present emergency.

The decree was issued as Finnish leaders continued to express optimism concerning their chances of receiving acceptable terms from Soviet Russia as the second day of Finnish-Russian talk began in Moscow. They hoped their country would fare better than Baltic neighbors which have become virtual Russian protectorates as a result of Kremlin parleys.

The decree put into effect regulations previously drawn, providing for wartime emergencies. The services of all citizens may be required for work applied directly or indirectly in connection with national defense.

The nation stepped up preparations to fight if necessary for its in-

TWO GERMAN SUBS SUNK BY BRITISH

London, Oct. 13.—(AP)—The British Admiralty announced today that the British navy's patrols had sunk two Germany submarines today.

Jewelry Salesman Is Kidnap Victim

Cincinnati, Oct. 13.—(AP)—Cincinnati police broadcast today that three robbers had kidnaped a New York gem salesman and fled with diamonds valued at \$120,000.

Identity of the victim was not immediately available. Police broadcast a description of the robbers with the information they had fled in a sedan bearing Indiana licenses.

Big Tanker, Freighter Of Allies Sunk

New York, Oct. 13.—(AP)—The American steamship President Harding radioed today that she had rescued the crew of 36 of the British freighter Heronspool while proceeding to aid the French tanker W. Emile Miquet. The Heronspool was sunk off the Irish coast. The Harding said it found the tanker in flames. The crew apparently had drowned.

Captain James E. Roberts sent the following message to the United States lines of New York: "At 2:10 p. m. (New York time) Thursday responded to S. O. S. from French tanker W. Emile Miquet x x x. At 1:50 a. m. sighted and rescued crew of 36 in boat from British steamer Heronspool. None missing. Reached W. Emile Miquet afloat. No sign of crew."

The Emile Miquet left Houston, Texas, Sept. 17 with \$136,007 of crude oil. Her tonnage of 14,115 made her one of the largest oil tankers afloat.

Rothstein's Loan To Furriers Union "Bought" Police

Washington, Oct. 13.—(AP)—A former charter member of the American Communist party told the House committee investigating un-Americanism today that Arnold Rothstein, slain New York gambler, loaned the Communist dominated Furriers Union about \$1,750,000 in 1926, some of which went to New York policemen.

The witness, Maurice L. Malkin, Russian born nationalized American citizen, testified that \$110,000 was paid to policemen in a 17 week period during the 1926 furriers' strike for keeping away from the union "sluggers."

Malkin, who testified he was a member of the Communist party from its inception in 1920 to 1936, said he was sent to Sing Sing upon conviction of felonious assault growing out of the furriers strike in which several persons were injured.

Patrols Of Germans End French Say

Little Activity on Western Front; French Speculate on Major Offensive; Germans Plant Mines And Traps.

Paris, Oct. 13.—(AP)—German patrols were reported today suddenly to have abandoned attacks in which they had failed in five days to capture any French prisoners.

Military advisers said the French army was keeping sharp watch on the front wondering why on a "magnificently clear day" it was calm except in the Warndt forest region where a communique said small enemy patrols were repulsed.

French observers speculated on whether the Germans intended to launch a major offensive.

They said the Germans from their attempts to take prisoners despite adverse weather appeared equally anxious to know French intentions.

The reported halt in the German raids was ascribed to the possibility that they were too costly.

The Germans, sources said, were sowing woods and hills of the front with mines and traps of all descriptions compelling the French to advance only "step by step" with utmost caution.

President Albert Lebrun gave added emphasis to Premier Daladier's speech Tuesday rejecting peace on Hitler's terms. The president thanked the premier for "expressing so clearly and firmly the unanimous feeling and will of the French nation"

Both Sides Fear Great Aerial War

By CHARLES F. STEWART Central Press Columnist

Washington, Oct. 13.—Aviation hasn't figured as much thus far in western European warfare as generally was expected. In the eastern area, to be sure, German planes have bombed Warsaw and other Polish cities into ruins, but London, Paris and Berlin haven't been raided from the heavens, as was anticipated. They've been scared half to death, as their nightly blackouts have proved. However, nothing much has happened.

American flying experts, though,

(Continued on Page Four)

Weather FOR NORTH CAROLINA. Generally fair, slightly warmer in the mountains tonight; Saturday partly cloudy and unsettled, cooler by night and in the mountains in afternoon.

Olson Seeks Liberation Of Billings

San Francisco, Oct. 13.—(AP)—Governor Gilbert L. Olson, wrote the California Supreme Court today urging that it make a recommendation which would permit him to grant a pardon to Warren Billings, serving a life term at Folsom prison for the 1916 preparedness day bombing.

Governor Olson's first official act was the granting of a full pardon to Tom Mooney, also convicted of the bombing.

He repeatedly has stated his belief in the innocence of both Mooney and Billings, who always insisted they were "railroaded" to prison for the bombing by elements opposed to their labor leading activities.

A state law blocks an outright pardon for Billings. It says a governor may not pardon a man with a prior criminal record without the approval of the state Supreme Court. Billings had a previous conviction against him for transporting dynamite.

Sweden Looks To Defenses

Stockholm, Oct. 13.—(AP)—The Swedish government ordered tonight the strengthening of military defenses in upper Norrland—northeast Sweden, near the Finnish border.

KING GUSTAF CALLS FOR CONFERENCE IN STOCKHOLM

Stockholm, Oct. 13.—(AP)—King Gustaf today invited and received acclamations from the kings of Denmark and Norway and the president of Finland to meet him in Stockholm October 18 presumably to discuss the Finnish-Russian question. Foreign ministers of the Scandinavian nations will accompany their rulers.

The specific questions to be discussed were not immediately disclosed but it was understood that the Finnish situation in the face of Russian expansion in the Baltic would predominate.

Allies Ready For Anything

London, Oct. 13.—(AP)—A war office spokesman declared today that British and French military forces are "ready for anything" from Germany, now that Britain's main expeditionary forces has moved across the channel to France.

He indicated the British-French strategy was to wait for the Germans to attack. With the approach of bad weather making military operations difficult until spring, military spokesman said the British and French could afford to wait until then but "Hitler may not be able to."

War Secretary Leslie Hore-Belisha told the same press conference that the movement of the British expedi-

(Continued on Page Four)

Fuehrer Awaiting Neutrals Response Reichstag Speech



Russia's lightning seizure of Baltic control has overshadowed news on the Western front. Under pacts concluded with Estonia, Latvia and Lithuania, the Soviet has acquired naval bases (triangles) all along the southeast coast of the sea. Lithuania regains Vilna, which it had lost to Poland, under its new treaty with Moscow. Finland called out its army and navy as its delegation, under threat, discussed a pact with Russia.

Chamberlain Rebuff Seen Inadequate

Lloyd George's Council Asks Government To State Its Willingness to Negotiate for Peace.

London, Oct. 13.—(AP)—The Council of Action for Peace and Reconstruction, headed by David Lloyd George, Britain's World War prime minister, today characterized Prime Minister Chamberlain's rebuff of Nazi peace overtures as "quite inadequate."

Actions by the council and organization of different liberals came on the heels of widespread newspaper and private comment praising the firm stand against Adolf Hitler taken by Chamberlain in his House of Commons speech yesterday.

Informed Britons said they believed the speech had finally convinced Germany that France and Britain were determined to fight to the bitter end. But the Council of

American Gold To Stabilize Latin Banks

Washington, Oct. 13.—(AP)—President Roosevelt said today that plans to use part of this country's idle gold to stabilize the credit facilities of Latin American financial institutions had been under study for some time.

In one or two instances he told the press conferences such plans were almost in the negotiation stage. He made this statement when asked to comment on a suggestion

(Continued on Page Six)

Press Claims Chamberlain Rejected "Hand of Peace" Extended by Hitler; Only U. S. Intervention Can Prevent Gruesome "Blood Bath"

Berlin, Oct. 13.—(AP)—Informed quarters reported tonight that Germany was exchanging views with Soviet Russia and Italy through her ambassadors, following Prime Minister Chamberlain's rejection of Reich fuehrer Hitler's peace proposals.

It was indicated Germany's next major war move would be taken after these consultations which were understood to have started today.

Berlin, Oct. 13.—(AP)—Authorized Nazis said today Germany was through with Prime Minister Chamberlain and Premier Daladier, but still was waiting for a neutral response to Adolph Hitler's Reichstag speech of last Friday.

Any such action by neutral nations—among whom they said they regarded the United States as the only one powerful enough to do something effective—however must come from them and not as a result of any diplomatic action on request by Germany, they reported.

These interpretations of Germany's position were made after two developments:

1. Dr. Otto Dietrich, Germany's press chief and one of Hitler's closest advisors, told a small group of foreign correspondents thought that only the United States yet could intervene to prevent "the most gruesome blood bath in history."

2. An official press release on Chamberlain's speech yesterday said the Briton had "rejected the hand of peace stretched out to him by the fuehrer", and Britain's war aims meant "war against the German people, war against the German Reich unto annihilation."

It was pointed out authoritatively that Germany through Dr. Dietrich and others once more had warned what would be in store for

(Continued on Page Four)

Winborne Signs an Order Naming Of Washington Station

Raleigh, Oct. 13.—(AP)—Utilities Commissioner Stanley Winborne said today he had signed an order designating the new bus station now being built at Washington, N. C., as a union bus station.

The new station is to be leased jointly by the Norfolk-Southern Bus Corp., the Seashore Transportation Co., and Southernland Brothers Bus Lines.

Agreement Of Soviets And Turks Likely

Moscow, Oct. 13.—(AP)—Amid reports that some form of agreement would be signed by Russia and Turkey within the next day or two, the Turkish foreign minister Sukru Saracoglu was received at the Kremlin today.

In the absence of any official comment from either side, observers believed the prospective pact would settle questions in relation to the Black Sea and the Dardanelles and would define the attitude of each nation toward the other in the current European war.

Little Finland's position for dicker-ing with big Soviet Russia has been improved by the diplomatic back-

(Continued on Page Six)