TWENTY-SIXTH YEAR

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HENDERSON, N. C., THURSDAY AFTERNOON, OCTOBER 26, 1939

FIVE CENTS COPY

# Senate Would Ban American Flag For Foreigners' Ships

Provision in Neutrality Bill Seeks to Avoid Custom of British in World War: Provided Penallies Are Relaxed.

oston, Oct. 26.—(AP)—The serted into the neutrality provision designed to ips of foreign nations from der the American flag after old that British vessels used during the World War to ubmarine attacks ent was advanced by Republican, New who disclosed that he the matter up with Sec-Hull. The secretary, he said, thim that there had been no

that the British were

ilar use of the flag in the

who originally proposed the although the Senate acted s severe subsitute put for-Majority Leader Barkley, hat the use of the flag by vessels would endanger lives and property. ig issue came up a sthe Sen-

ped along toward a final vote neutrality act tomorrow. ley objected to penalty procluded in the Tobey amend d his substitute relaxed the Under it, any foreign veshich flew the American flag uld be prohibited from entering an territorial waters or ports period of three month. Any veswhich violated this regulation could be seized and its master fined up to \$20,000 and imprisoned for not

#### Birmingham Steel Industry Strikes

Birmingham. Ala., Oct. 26 .-AP) - World War pr duction levels were surpassed by the giant steel and iron mills of this southern industrial capital today as mills reached their capacities. Prodded by an unprecedented flow of domestic orders, which began immediately after the outbreak of European hostilities

September 1, heavy industries in this district have added 15,000 employees, upping payrolls more than \$1,250,000 per month, competent sources estimated. That production facilities were running at peak levels was well illustrated today by reports that the Ensley rail mill, with an unprecedented backlog of orders

#### totaling 140,000 tons, would be shut down this week-end because full ingot capacity is being used in other finishing units. Juggling To Replenish

Federal Fund

Washington, Oct. 26.—(AP)—Secretary Morgenthau announced today that the Treasury would add \$250,-000,000 to its cash fund. It will accomplish this by helping the Reconruction Finance Corporation to orrow that much money to pay off

Is debts to the Treasury.

The Treasury head said the date and details of the financing had not een settled, but the operation would up all indebtedness of the R. F. C. to the Treasury. At the beng of this year, the R. F. C. owed the Treasury \$754,000,000, most

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#### Tells Legion Stand



Raymond Kelly

National American Legion Commander Raymond Kelly, of Detroit, on visit to New York, declares "The Legion is against war." He made it plain, however, that the Legion would fight if the United States were invaded, the Monroe Doctrine violated, or our national integrity threatened.

(Central Press)

### Philippines Big Frontier World War Stride For States

One of Best Trade Offer Sources and Fine Solution for Un- Fireworks Blast employed Problem Here, Babson Says After Visit.

BY ROGER W. BABSON, Copyright 1939, Publishers

Financial Bureau, Inc. Babson Park, Mass., Oct. 26.—Ever since I visited the Philippine Islands last month, I have been wondering why the United States government sent several hundred "unemployed" farming families to Alaska instead of the Philippines. I confess that I am not an authority on the islands, having stayed there only four days. Certain visionaries however, have not spent even four minutes in this locality. Hence, for those interested in 1940 "pioneering".

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#### Pope Pius Issues First Encyclical Of Reign Friday

Vatican City, Oct. 26.—(AP)— Prelates today said that Pope Pius XII had decided to issue the first encyclical of his reign

tomorrow. Previous reports in Vatican circles had indicated the en-cyclical would be postponed until

next week. The pontiff's views on war troubled European conditions were expected to be set forth in the letter, which by long tradition will take its name from the

Latin word with which it begins.

# Farm Creditors Blamed For Speedy Marketing

ve no tobacco to sell. State Senafor John Dd Larkins, Sr., of Jones l

Daily Dispatch Bureau, in the Siz Walter Hotel.

Oct. 26.—Creditors of rolling's tolerand Groupers of rolling's tolerand Groupers.

of marketing.

As a concrete step, he suggested that the maturity date of all farmers of sell their crop as soon as anly possible, and the net re- by just the length of time that the that these farmers are get- markets were closed. For instance, markets were closed. For instance, he pointed out, a note for a ferbuld be the case were they able market it in a slower, more or-That, at least, is the opinion of many competent observers of present conditions, observers who in most cases have no personal interest in the matter because they have no tobacco to sell. State Sena-

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# By Soviets

Hull Calls On Russia To Turn Over Crew And Cargo of City of Flint Also; Germany Claims She Will Take Possession.

Bergen, Norway, Sept. 26 .-(AP)--Reports received here today indicated that the American radio operator of the City of Flint, United States ship captured by the Germans, escaped the craft at Tromzo, where survivors of the sinking of the British steamer Stonegate were put

The reports said he mixed with members of the British crew and wandered off the City of Flint unnoticed by the German prize crew as the Britains were sent ashore. The present whereabouts of the radio man and his name were not immediately available.

Washington, Oct. 26.—(AP)— Secretary Hull announced today the American government had demanded of Soviet Russia the return of the City of Flint and her cargo to ner American crew

The demand, Hull said, was presented by Ambassador Laurence A. Steinhardt and no reply has yet geen received.

The American demand, he said, was based on the United States conception of international law. (In Berlin, authoritative persons declared that Soviet Russia had agreed to permit the vessel to leave the Russian port of Murmansk in charge of her German prize crew as soon as they considered the vessel seaworthy.)

Hull said this country's views of he international law on the matter embraced a United States Supreme Court decision in the case of the British steamer Appam, which was sent by a German raider into Hampton Roads, Va., in 1916, with a German prize crew aboard.

The Supreme Court's decision called for release of the vessel on the grounds that Germany had no

(Contnued on Page Seven.)

#### At Zebulon Kills One, Injures Two

Zebulon, Oct. 26.—(AP)—One man was killed, another was seriously injured, and another was shaken up in terrific blast at a fireworks manufacturing

concern here today.

Dr. Charles E. Flowers said that the dead man was Philip Reglia, 49; that George Wells, 20, was injured so badly he was rushed to a Raleigh hospital, and that William Ceglia, 20, son of Philip Ceglia, suffered slight

The three, Dr. Flowers said, were mixing powder outside the plant of the Dixie Fireworks Company, when it "accidentally"

The doctor said the blast was "terrific." "It shook practically all the windows in town," he said "We all wondered what had happened. We thought maybe it was an earthquake or that the Germans were coming."

#### Liberals In Quebec Win War Voting

Quebec, Oct. 26.—(Canadian Press) -The Liberal party swept into power in Quebec province today with an election victory acclaimed by sentative Voorhis, Democrat, Califor-Dominion officials as an endorsement of the Canadian government's war

The vote overturned the Union Nationale government of Quebec's Premier Maurice Dublessi, who had called the election after challenging war expenditures approved by the

Ottawa administration.

Dublessi, who carried his own constituency to retain a seat in the pro-vincial legislature, will be succeed-

Mackenzie King, under whose Liberal government Canada went to war at the side of Great Britain, said at Ottawa that it was "impossible to exaggerate the significance" of the voting vesterday.

Sinking of the German patrol boat Este 7 off the Danish coast October in the capital after their rival confighting ships went ahead today with the most active phase of the ventions in Cincinnati and San Francisco.

Their energies are being poured into other channels—law suits, grand to other channels—law suits, grand to other channels—law suits, grand to other channels—and higger or the war's total to 45—amounting to the coast October in the capital after their rival confighting ships went ahead today with the most active phase of the ventions in Cincinnati and San Francisco.

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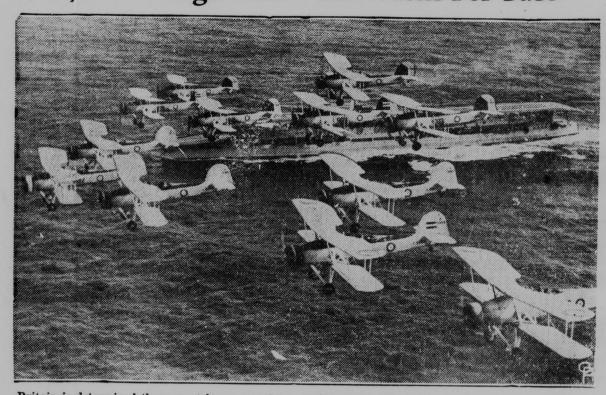
Their energies are being poured in the capital after their rival confighting ships went ahead today with the most active phase of the capital after their rival confighting ships went ahead today with the capital after their rival confighting ships went ahead today with the capital after their rival confighting ships went ahead today with the capital after their rival confighting ships went ahead today with the capital after their rival confighting ships went ahead today with the capital after their rival confighting ships went ahead today with the capital after their rival confighting ships went ahead today with the capital after th voting yesterday.

#### Weather

FOR NORTH CAROLINA. Cloudy and unsettled; possibly light rain in the mountains and in southwest portion tonight and Friday; slightly warmer southwest portion Friday.

# U.S. Seeks Chamberlain Declares Britain Ship Return Is Ready For Germany's Worst

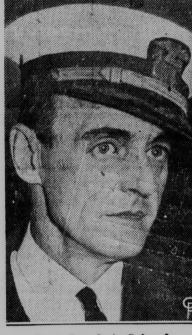
Eyes of King's Fleet-On Watch For Subs



Britain is determined there must be no repetition of the carrier Courageous' submarine torpedoing, so maintains eternal vigilance for sea raiders. This picture, cleared by the British censors, then flown to U. S. by Clipper, shows a group of British planes in flight above the Glorious, an English aircraft carrier.

## Germans Are Fully Prepared For Big Push On West Front

His Ship Seized



Capt. Joseph A. Gainard

Captain Joseph A. Gainard, skipper of the City of Flint, reported interned with his crew in the Russian port of Kola Bay, is a veteran of international sea incidents. In World War he was officer aboard a vessel sunk by the Germans and recently his ship rescued survivors of the torpedoed Athenia.

#### Dies Group Draws Fresh **Criticisms**

Washington, Oct. 26.—(AP)—The Dies committee encountered fresh criticism from one of its own members today for publishing what it termed a "membership and mailing list" of the Washington branch of the American League for Peace and

In the wake of a dispute on the nia, told reporters that the committee to which he belongs had done

(Continued on Page Four)

#### Germany at Last Admits Sinking of Patrol Boat Este

Berlin, Oct. 26.—(AP)—The first public announcement here of the and the CIO appear to be getting litsinking of the German patrol boat the attention from labor leaders, back

mebers of the crew were lost and

washed ashore on the Danish island Moorn, and 22 still were missing. pressed thanks to the Danish navy ers to settle jurisdictional matters. It had slipped through the North Sea for its "magnanimous and comradely support" in rescuing survivors.

#### French Scouting Planes Return With Data On Huge Concentrations of Troops: 1,500,000 German Soldiers At Front.

Paris, Oct. 26.—(AP)—French land and air patrols were reported today to have returned from reconnaissance assignments with information indicating the Germans were fully prepared for a big push on the western

The French said their scouts told of huge troop concentrations and supply arrangements, usually regarded as forerunners of a major offensive. They estimated the Germans now have 1,500,000 men on the front and in support areas.

Actual fighting, meanwhile, was limited to minor patrol clashes between the lines on the northern flank the only sign of action along the front since the German counter drive into the Saarland ten days ago.

French military sources said their patrols were seeking to take prisoners for questioning on the possibility of an enemy attack. German patrols, they said, were met with firm resistance in attempts to filter through French outposts and barbed wire. For the first time since the start of the war, snow fell in the Vosges mountains as rain and cold swept the entire front, hindering infantry operations and grounding air forces.

#### Death Decreed For Alsatian Leader by Courts of France

Nancy, France, Oct. 26.—(AP)
—Dr. Karl Roos, 60-year-old Alsatian autoonomist leader, was condemned to death by a Military court today on charges of having turned over French military secrets to German spies.

(Dr. Roos, a veteran of home rule for Alsace, was arrested February 7 when French officials accused him of being in close touch with Nazi party of-ficials in Berlin.)

#### Labor Party Dropped By Rival Groups

Washington, Oct. 26.—(AP)—Proposals for peace between the AFL

(Danish official spokesmen said 71 jury investigations and bigger or- the war's total to 45—amounting to ganizing campaigns—and the pro- 399,319 tons, by the government's blem of a labor truce seems to be own figures—the British navy scan-

The AFL's chief concern now is a Federal court injunction which has sea indicated that at least one of Grand Admiral Eric Raeder ex- tied up the federation's basic pow- Germany's three pocket battleships

(Continued on Page Seven.)

#### Finns May Refuse New Red Demands

Helsinki, Finland, Oct. 26 .-(AP)—An authoritative source declared today that Soviet Russia's new modified demands on Finland still contained points on which Finland refused to yield.

After Dr. Juho Paasikivi had spoken for an hour today with

President Kyosti Kallio, the foreign minister and prime minister. a foreign office spokesman said there was "no doubt" negotia-tions with Russia could be con-tinued, and that Finnish delegation headed by Dr. Paasikivi, would go to Moscow for the third

Dr. Paasikivi and the entire delegation returned to Helsinki this morning, bringing the new demands with them.

#### Berlin Warns Britain Of Red Protest

man press today interpreted Soviet Russia's rejection of Britain's contraband list as a "sharp protest against blockade warfare" which might lead

Joseph Goebbels' newspaper, Der time of the Versailles conference. Angriff, said: "Moscow's note conunless it is observed."

The paper declared Britain had

two alternatives-either to alter her contraband list or take the conseeizures of Russian ships.

quences which might result from any (Russia, in her protest, called the British contraband list a violation of

(Continued on Page Four)

#### British Navy Hunting For Sea Raiders

London, Oct. 26.—(AP)—British

The supreme German navy command announced 28 bodies had been awaiting some new move by the Roosevelt administration.

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(Continued on Page Four)

# Finish War In Prospect In Struggle

Commons Is Told Ribbentrop's Distortion of Truth Is Deceiving No One; Premier Says England Has Not Challenged Germany.

London, Oct. 26.—(AP) — Prime Minister Chamberlain told the House of Commons today that "there can be but one reply" to German declarations of war to the finish, and

we are prepared to give it.' He referred specifically to the Danzig speech Tuesday of German Foreign Minister von Ribbentrop. "Ribbentrop has announced an in-

tention of seeing the struggle through with all their (Germany's) energy and strength," Chamberlain said. "If that is indeed their decision, there can be but one reply, and we are

"No one in this country will be decived by its distortion of the truth, and there is already abundant evidence that Herr von Ribbentrop has been no more successful in his attempts to mislead impartial observers

in other parts of the world.
"Indeed, I even cherish the hope that, despite all suppressions and falsifications, there are still some in Germany itself who see where the real truth lies. One of the questions which the historians of the future will have to consider is how far-the great tragedy of our time was due to the failure of Herr von Ribbentrop to comprehend either the policy or the character of the British people.

"It is not England that has challenged Germany. It is the German government, who by their persistent acts of aggression, pursued in the face of our repeated warnings, have forced us at last reluctantly to take

"It is the German government, who, by their reckless disregard of their pledged word and of the rights and liberties of other peoples, must bear the responsibility for this war, and for all its consequences."

#### Soviet Grab Excused By The British

London, Oct. 26.—(AP)—The British government partly excused Russia's share in the partition of Foland today, as it pressed in both neuses of Parliament to seek once

Foreign Secretary Lord Halifax declared that Russia had occupied eastern Poland only after Germany to serious trouble between the two had "started it and set the ex-Commenting on what to Germany is one of the war's most serious aspects, Propaganda Minister Paul ample," and that the new fron-While Halifax was speaking in tains a clear warning susceptible of the upper House, Prime Minister causing far-reaching consequences Chamberlain was declaring in

(Continued on Page Seven)

#### Leche Might international law and objected to inclusion of foodstuffs, fuel and Try To Get Office Back

Baton Rouge, La., Oct. 26. —(AP)-—State police kept guard at the State Capitol today as Governor Earle Long feared former Governor Leche, who resigned in June, might try to regain the office. Leche, now under several

State and Federal indictments, himself expressed doubt at the time of his resignation as to its legality, since there is no State law covering such a contin-gency. Long, then lieutenant governor, stepped into the gov-

ernorship.

Long brought the military into the State political scene Monday and removed from office Attorney General David Ellison. It was the first such use of militia since the dicta-torial regime of the late Huey Leng, Earl's brother. Long as-serted Ellison was in office "illegally," and ordered the militia

to remove him.