TWENTY-SIXTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., THURSDAY AFTERNOON, DECEMBER 7, 1939

FIVE NEW TAX PLANS FOR DEFENSE REVENUE STUDIED AT CAPITAL

Flat Boost Current

Existing Exemptions Would Also Be Low-Defense Tax Armaments Levies Proposed; Tax Is Also Mentioned.

> Dec. 7.—(AP)— Conan election year.

of existing exemptions

ose special high rates on

in excess of those a cor-

nad made in a designated

Dutch Deny Claims Of Germans About **Export Blockades**

Hague, The Netherlands, Dec. P)—A high official of the nds government too issue ith German attacks on neutheir lack of strong meascombat Great Britain's sea

e nations, the official de-

to answer with violence German U-boats or unlong detention by Gerorities of numerous Dutch hips out of the Baltic.

Benton, of Swansboro, secre-

Georgia Road Head Ejected

ction writ had been ser- Helsinki. gripping both ankles. ol guards had not ejected

funds by executive order of

THE LESS PERRY MEMORIAL

PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY

Levy Talked

erts are studying five designed to raise projected record denext year. All would rage American pocket jolt, and it is prother any of them could ins which will be subngressional committees ense levies are deemed percentage increase in

e "little fellows" under tax structure, and imhigher rates on middle

s and armaments manufac-tuch a tax was enacted in t yielded only nominal re-

as been criticized by Chair-. Democrat, North Carthe House Ways and Means tee, and presumably would

are under no obligation to "violence."

se, he said, "there is no

BAPTIST MINISTERS PICK NEW OFFICERS

Bern, Dec. 7.—(AP)—The Baptist Ministers Associalected the following offi-J. L. Mauney, Polloskcesident; Rev. H. B. Hines,

Seat First fense Lines.

ejected bodily, seat first, dred and thirty Finnish Americans, Finland before, arrived today to encound time since Governor list in the Finnish army to fight against Russia. A spokesman for the chairman.

New York, Dec. 7.— (AP) — A vengeful person with a racial or person december of the bludge of the chairman's office of the some of whom never have been in

today and walked into They saided for Norway, and then issued to the British been in the consular service nearly

to Saturday night, three reached them as they were waiting Saturday night, three reached them as they were waiting. The temodatement that the blows "with an axe or some other bed before the slender in a railroad station in Sweden. The president and premier of France heavy weapon" were so severe the has dragged from his of- group expects to be sent to the north

previous morning scuffles, low as soon as possible, they said. Rumors circulating in the capital overnor Rivers and Miller, today that Russian forces had broken in Lakeland, Ga., be- through the Mannerheim line—the anged over diversion of system of defenses on the Karelian meet other obligations of isthmus—were discounted. Reiiable

(Continued on Page Four)

King George Visits France



Central Press Radiophoto

At an unnamed port in France, King George of England, followed by Gen. Viscount Gort, commander-in-chief of British forces, disembarks from a destroyer after a rough Channel passage. Ignoring mud and cold, the King spent eight hours on the Western Front, touring trenches

higher rates on middle hoomes. Spending to Hit New Top had made in a designated year. pecial levy on the profits of Pext Year; No New Taxes

Routine.

Bureau, Inc.

Washington, Dec. 8. — Quarters which are usually "in the know"

here in Washington are convinced

that the 1940 session of Congress will

be brief, routine and uneventful.

books-notably the Wagner Labor

economics that will result in a

years—unless the President drives

them to it. Mr. Roosevelt has never

prodded Congress on this point in

an off-year. Why expect him to do

Economy Talk The Bunk

(Contnued on Page Seven.)

King George Host

To Dignitaries At

Admiralty, at lunch "somewhere in

in the Chamber of Deputies.

Weather

FOR NORTH CAROLINA.

day; warmer tonight; somewhat

colder in north and west por-

tions Friday afternoon and night.

Generally fair tonight and Fri-

Ouarters at Front

general sales tax. This sug- Big British Ships Sink In Collision

Halifax, N. S., Dec. 7.—(AP)— Loss of the 5,989-ton British freighter Manchester Regiment, with an unannounced number of her crew, and of the 4,607-ton freighter Chancellor in collisions at sea was disclosed today with arrival here of survivors. Both collisions occurred in "pea soup"

The Manchester Regiment was rammed Monday by the 14,118-ton British passenger liner Oropesa, crew members said as they reached here aboard the Oropesa. The Oropesa also brought 42 members of the Chancellor's crew. The Chancellor went down Saturday after being rammed by the British tanker Athelchief, and her crew were aboard the Oropesa when the Manchester Regiment was struck.

230 Finns Of U.S. Arrive

Will Enlist in Finnish so in an election year? Russia; Finns Deny Talk The Bunk
Here and there we may see a little paring down of budget estimates Soviet Army Has Broken Through De-

Helsinki, Dec. 7.—(AP)—Two hun-

uccessor, Lawson L. Pat- News of the Russian invasion was dragged from his of-gubernatorial aide S. Mar-gubernatorial aide S. Mar-central sector of the front. More Finnish-Americans will fol-

Its Rights In Blockade

Will Not Surrender to British Claims in Barring German Exports, Some of Which Are Badly Needed in This Country.

Washington, Dec. 7.—(AP)—The United States, it was learned today, has reserved all its rights under international law in connection with Great Britain's order in council to stop German exports from being made through neutral countries.

It is understood this reservation has been communicated to the Brit-

ish ambasador, Lord Lothian, for transmission to his government. The reservation of rights which were said to be strictly not in the nature of an open protest, was based on two points.

One, a question of principle under international law. In the World War, the United States, as long as it was a neutral, refused to accept the British commercial blockade of

Germany.
Two, the United States really needs some of the articles it used to purchase in Germany Among these are fine precision instruments. Officials are interested in seeing that these continue to come to the United States.

Government Not To Assume Local Relief Problems

Washington, Dec. 7 .- (AP)-Agriculture Department officials indicated today that they had no intention of relieving states or local communities of relief problems by increasing distribution of surplus food among the needy in areas hard pressed for funds to aid the jobless.

Philip Maguire, vice-president, said the Federal Surplus Commodities Corporation would adhere to a policy of making supplus commodities available to state and local welfare agen-Economy Talk Is cies as a supplement for aid provided by those agencies.

Bunk, Babson Says; eity claiming a shortage of relief Administration funds to appeal for an increased allotment of surplus commodities. It Pledges to Cut Costs would be unfair to cities and states meeting their share of the relief load, Pure Mockery; Con. he said, for the corporation to ingress to Be Brief And crease food distribution in areas not meeting their share of the burden.

The corporation expects to spend about \$135,000,000 this fiscal year on surplus commodities for distribution By ROGER W. BABSON,
Copyright 1939, Publishers Financial this money will be spent under the among the needy. Perhaps half of stamp plan-a system under which persons receive stamps with which to purchase surplus products at regular grocery stores. The grocers in turn get cash from the government for the stamps.

There will be no new reform legisla-NAVAL TRAWLER OF tion. In fact, if any new laws are ground out of the legislative mill, BRITAIN GOES DOWN they will be in the direction of a-

mending reforms bill already on the London, Dec. 7.—(AP)—The Admiralty announced today that the British naval trawler Washington. act. The spotlight will be focused on defense appropriations and the bud-209 tons, was sunk by a mine yes get, but John Q. Citizen need not terday in the North Sea with the worry about paying any new taxes loss of eight lives.

There has been a lot of talk in FBI PROBING INTO administration circles recently about HELD GERMAN SHIP

slash in the nation's deficit for 1940. This is sheer nonsense. There is no Washington, Dec. 7.—(AP)—Athope of reducing expenditures next torney General Murphy said today year. The only question is how much that the Federal Bureau of Investhe deficit will be increased-not tigation was looking into the case of the Yakala, which was seized by decreased. History shows that congresses do not cut expenses or enact new taxes—especially in election N. C., Tuesday.

Murphy said at his press conference that it was being investigated, and that he could not discuss the case.

Vengeance Is Theory For German Death

New York, Dec. 7.— (AP) — A

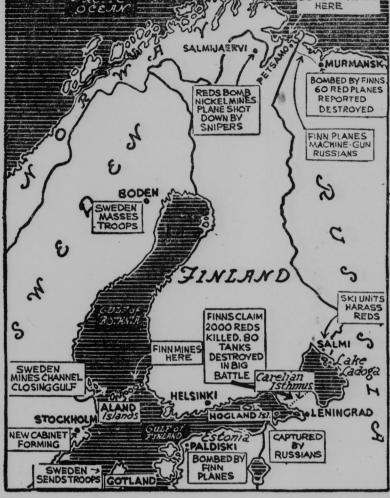
day entertained President Albert Lebrun, Premier Daladier, Generalissimo Gamelin and Winston They sailed for Norway and then to be produced by train across Sweden to Churchill, first lord of the British book in the consular service cerely. twenty years, had been struck at least three times while asleep, and that First announcement that the the blows "with an axe or some other were visiting the British king came man was "practically decapitated." No weapon was found in Engelberg's Brooklyn dwelling, which neignbors called "Hitler House," and which is on a dead end street that winds up at a Jewish burial ground.

Engelberg's battered body, clad in a bloody night shirt, was found in a second story floor bedroom yester-

(Continued on Page Four)

U.S. Holding MOSCOW CLAIMS BREAK ACROSS FINNISH LINE BUT FINNS DENY LOSS

The War in the North



The map is self-explanatory. The legends, based on Heisinki reports, tend to show that Finland has played David to Russia's Goliath.

Republicans Divided On 1940 Convention Dates

He said it would be useless for a Big Netherlands Liner Torpedoed

Amsterdam, Dec. 7--(AP)-The 8,159-ton Netherlands motor ship Tanjandoen, with 68 persons aboard, was torpedoed and sunk in the English channel today. It was not immediately known whether there were any casualties Fourteen of those aboard were passengers, all Hollanders, including several children, and the crew numbered 54.

The Tanjandoen sailed from Amsterdam November 29 for the Netherlands East Indies, and had stopped at Antwerp, Belgium, and a British blockade control port on the east coast of England.

(A life boat containing 28 members of the crew and six passen-gers of the Tanjandeen were picked up, advices received in London

It was the eighth Netherlands ship sunk during the war, and the second reported a submarine

Japan-Russia Seeking Pact Against War

Tokyo, Dec. 7.—(AP) — It was earned on reliable authority today hat conversations looking toward a French Soldiers non-aggression pact with Soviet Russia now are in progress, although observers expressed belief they might be intended by Japan merely for ef-ect abroad—particularly in the Unit-

Despite official denials, it was said that both sides had made tentative proposals while seeking to avoid the appearance of taking the initiative. 'ending to support obscrvers' belief, the Japanese news agency Domei published a report yesterday that the United States attitude toward Japan would affect to some extent the 1u-

(Continued on Page Four)



000 Party Deficit; ing.) High Praise Given GOVERNORS DISCUSS note Address Last Night.

presidential nominating convention. Opinions ranged from that of R. B. Creager, of Texas, who favored a date in July or early August, to that of Mrs. John E. Hitlman, of Coloado, who declared that she personally was for a meeting at the usual time in June. Although it will not be decided un-

til the full Republican National Committee meets here in January or February, the convention date proved to be a topic sharing interest among the executive committee members of the national committee with discussion of Thomas E. Dewey's initial presi-

and now its general counsel.

Daniel E. Fomeroy, of New Jersey, the national committee vicechairman, said he thought the first the Firth of Forth, strategic inlet on speech Dewey has made since an-

(Continued on Page Four)

Beat off Attacks

Paris, Dec. 7.—(AP)—French advance positions withstood repeated shocks of savage German patrol attacks along the entire flank of the western front today after a night of activity in which the French reported inflicting heavy losses with automatic and artillery

German strategy was reported by French military reports. After being halted during the night by deadly French fire, the German patrols, instead of retreating as usual, dug in on bare no-man's-land. The French countered by raining shells on them and then dislodged them with infantry attacks.

A company of German infantry attacked near Wissembourg, which lies a short distance west of the Rhine, where the river flows into Germany.

Other units were active near Bitche in the region west of the Vosges. The high command com-

munique said: "During the night marked activity of patrols on either side. Consequent artillery reaction.

Russians Die ByWholesale In Assaults

Finns Mow Down Advancing Lines of Enemy on Karelian Isthmus; North Sector in Arctic Area Is Reported Quiet.

Moscow, Dec. 7.—(AP)—A Soviet Russian army has smashed the main Finnish defense line on the Karelian isthmus, the Leningrad command announced today, and is thrusting north

The Leningrad communique said that "Soviet troops, after artillery preparations broke through the main defense line of the Finns along the Vuoksi water system, known among Finnish white guards as the "Maginot

(If this were really the main Finnish line on the Karelian isthmus, and if the Russians actually have broken through, the Leningrad communique marks a victory over what in Finland is called the Mannerheim line. A Swedish woman newspaper correspondent reported to Stockholm that the Finns were exacting a tremendous price for the invasion of the isthmus. "Whole companies advancing in line were moved down by Finnish artillery and infantry in thousands," the correspondent wrote. "Many Russians had no luggage, only overshoes, which were filled with

straw and bound with cord.")
In the Petsamo region, northernmost Finland, the Russians reported no new advances. (Finnish reports to Helsinki asserted that all attacks of the red army had been repulsed yes-Gathering in Wash- terday, and that eight tanks were ington Studies \$700,- destroyed among 80 wrecked since the war started last Thursday morndestroyed among 80 wrecked since

Tom Dewey's Key- FREIGHT STRUCTURE

Asheville, Dec. 7.—(AP)—Governors of North Carolina, Tennessee, Georgia and Alabama were executive session here today with Washington, Dec. 7.- (AP) -A a score of representatives of the score of Republican leaders, meeting Southern Traffic League and Utilto discuss ways of wiping out the ities commissioners of the four party's \$700,000 deficit, voiced vari- states for the purpose of laying ous dissimilar views today on the plans for the southeast's fight for question of when to hold the 1940 freight rates on a parity with those

Driven From English Base

London, Dec. 7.—(AP)—German dential campaign speech in Minneapolis last night.

War planes raided the vital Firth of Forth area shortly after noon today. "It was a spiendid speech," said but the air ministry said they were Henry P. Fletcher, of Rhode island, driven off by British fighting planes, former national committee chairman, and "one of their aircraft was seen

None of the Nazi planes reached land, and there was no bombing on which lie the city of Edinburgh and the Rosyth naval base.

It was authoritatively reported that in two North Sea encounters yesterday, German flying boats were badly damaged. British reports on the

(Continued on Page Four)

By German Troops G-Men Still Seek Slayer Mattson Boy

Tacoma, Wash., Dec. 7.—(AP)—J. Edgar Hoover, director of the Federal Bureau of Investigation, revealed today that the FBI still listed 500 suspects in the fiendish kidnap-slaying of ten-year-old Charles Mattson.

Hoover, replying to questions on the Mattson case submitted to him by The Associated Press, said agents were still assigned to the almost three year-long quest for the man who kidnaped the son of a prominent Tacoma doctor, and left the boy's mutilated body in a snow-covered thicket near Everett, Wash., 60 miles north of

Fletcher Mattson on December 27,

(Continued on page two)

"Since the abduction of Charles