

# Henderson Daily Dispatch

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## MORGENTHAU WOULD RAISE DEBT LIMIT

### Russian Troops Taking Terrific Punishment

#### Casualties Said To Be In Thousands

Russian Baltic Fleet Has Lost Two Destroyers, Number Of Auxiliary Vessels And A Battleship, Dispatches State.

Washington, Jan. 23.—(AP)—Russian troops northeast of Lake Ladoga are taking a terrific punishment. The Finnish army communications were reported to have been cut in thousands.

At the point alone, the communications said, the enemy lost upward of 10,000 men in the last two days.

On the Karelian Isthmus front, the fighting from both sides continued. The war was brought to a halt again this afternoon by Russian bombing planes.

The planes were driven off by anti-aircraft fire.

According to dispatches from Helsinki, the Russian Baltic fleet has been heavily punished in the first few weeks of the war, especially during the fact that naval activity has been practically frozen during the past two weeks.

The Russians have lost two destroyers, a number of auxiliary vessels and a battleship, these dispatches said, and the battleship *Revolucion* was damaged and a cruiser was put out of commission.

Washington, Jan. 23.—(AP)—The White House announced today that President Roosevelt of a special government committee to prevent conflicts from arising over purchases of American military and naval supplies by foreign governments.

S. T. Early, a presidential secretary, said the committee was organized with the duty of protecting the interests of the United States in preventing the conflicts with the interests of this country and its interests in the market.

At the capital, meanwhile, Chairman Vinson, Democrat, Georgia, of the House naval committee, asked the special department to submit plans for a two-year instead of a three-year building program.

The bill raised the possibility of an extensive reduction in the expansion program already reduced by the administration.

It was said that fewer cruisers and destroyers would be built if the two-year program was adopted but said the bill would provide for three years of carrier construction.

Those asked naval officials to submit details for the new program today.

#### New Group To "Protect U. S. Interests"

Washington, Jan. 23.—(AP)—The Dies committee was accused of unfairness to "many outstanding men and women" and defended its investigators of "various subversive groups."

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#### Learning Army Air Secrets



Secretary of the Treasury Henry Morgenthau, Jr. (center) inspects an 825-horsepower bombardment plane motor as ranking government officials visit Washington's Bolling Field for a demonstration of the army's latest aircraft developments. With him are Col. Edmund W. Hill (left), commander of the field, and Gen. George H. Brett, chief of the air corps material division. (Central Press)

### McNutt Is Assailed By John L. Lewis

#### Storm Warnings For East Coast

Washington, Jan. 23.—(AP)—The weather bureau warned today that northeast or east winds would reach "gale force" tonight in the area between North Carolina and Atlantic City, N. J.

It ordered storm warnings displayed in the sector, saying: "Disturbances of moderate intensity over northeastern Gulf of Mexico will move northeastward with rapidly increasing intensity and it will be attended by increasing northeast winds reaching gale force tonight and shifting to north and northwest by Wednesday."

#### Dies Group Is Attacked And Defended

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#### CIO Chieftain Says Presidential Candidate Hopes to "Buy Enough Votes to Make Him President Of The United States"

Columbus, Ohio, Jan. 23.—(AP)—John L. Lewis declared today that Paul V. McNutt, federal social security administrator, hoped with the help of a "motley crew of 2 percent voters" to "buy enough votes to make him president of the United States."

The CIO chief, opening the convention of the United Mine Workers of America described McNutt as "a political adventurer."

McNutt's name was brought up as Lewis recalled what he termed oppressive legislation against labor and displacement of mine workers by strike breakers by the King and his troops in England, Lewis added:

"The king sent in his troops like when a governor whose name was McNutt sent troops to protect the workers whose wives were sick and whose children were hungry."

"A political adventurer whose name was McNutt who was accompanied by a motley crew of two percent bachelors who he hoped would be able to buy enough votes to make him president of the United States so that he would have some soldiers to play with so that he could protect more strangers."

Lewis' reference to the "two percent bachelors" presumably referred to the political campaign assessments while McNutt was governor of Indiana.

Washington, Jan. 23.—(AP)—E. F. Arnold, secretary of the State Farm Bureau Federation, said today that he expected Congressmen and agricultural leaders of tobacco growing states to meet in Washington in about ten days to decide on a legislative program to aid tobacco growers.

Arnold and farm bureau leaders had just returned from a series of conferences in Washington.

The conferences will discuss amendments to the AAA agricultural adjustment act to make long range programs of crop control, better provisions for enforcement of penalties

### Paderewski Heads Polish Council

World Famous Pianist And Former Premier of Poland Elected by Polish Leaders In Exile; Calls For Polish Freedom.

Paris, Jan. 23.—(AP)—Ignace Jan Paderewski, world famous pianist, today was unanimously elected president of Poland's national council—the organization of the Polish government in exile.

It is Paderewski's first return to politics since he resigned as premier of Poland in 1913 after leading his country's long fight of independence.

In a colorful ceremony in the grand ballroom of the Polish embassy the former premier was acclaimed by Polish leaders.

In replying the aged musician brought tears to the eyes of his countrymen with a call for Polish freedom.

After Germany's conquest of Poland last fall, the Poles set up a government in exile at Angers, France.

Paderewski was prominently mentioned for the presidency but was believed to have declined nomination for that post because of his health. He is 79.

#### No Chance Of Nye's Being Nominated

By CHARLES P. STEWART  
Central Press Columnist  
Washington, Jan. 23.—Senator Gerald P. Nye of North Dakota took an entirely unnecessary precaution the other day when in declaring his preference for Senator Arthur H. Vandenberg of Michigan as the Republicans' 1940 presidential nominee, he added that, so far as he himself is concerned, isn't a candidate.

He's perfectly safe; the G. O. P. won't name him—not at the head of its ticket, anyway.

Not that Nye wouldn't make a good president. His geography is what's the matter with him; not his quality.

North Dakota hasn't enough convention votes to wad a shotgun and it already is dependably Republican. There's no need for the party to make a bid for its wee little handful of ballots by picking Gerald as its national standard bearer.

It's true that he's been presidentially mentioned but not vociferously and

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#### HEADS POLES



Ignace Jan Paderewski has been elected president of Poland's national council. He declined nomination for the presidency of his country's government in exile, with headquarters in France.

#### Mentioned to Succeed Borah



One of these four persons is expected to serve the balance of the late Senator William E. Borah's term, which expires in 1943. Top left, Ezra Whitla, national Republican committeeman. Top right, Gov. C. A. Bottolfsen of Idaho. Lower left, Donald A. Callahan, unsuccessful candidate in 1938; and Mrs. Borah, widow of the Idaho senator.

#### England Replies To American Objection

London, Jan. 23.—(AP)—A spokesman for the ministry of economic warfare said today that the reluctance of American shippers to cooperate in supplying advance information and guarantees concerning their cargoes was responsible for delay in passing ships through contraband inspection ports.

Referring to complaints of the United States government that American ships were being detained at contraband points for an average of 12 days, three times as long as Italian ships—the spokesman said these additional points figured in the situation.

Italian ships for the most part carried bulk cargoes whereas American cargoes often include as many as 300 items, thus requiring the longer time for examination; American ships usually touched at various ports all around the Mediterranean whereas Italian are going only to Italy.

United States Secretary of State (Continued on Page Four)

#### Walker Signs New Contract At Wake

Wake Forest, Jan. 23.—(AP)—President Thurman Kitchen of Wake Forest college said today that Charles Walker, head football coach, had accepted a new three-year contract.

Walker agreed to devote his full time to college work and give up managing baseball teams in the summer.

President Kitchen said that Murray Greason, assistant football coach for several years, would become varsity baseball coach, continue in charge of varsity basketball, and assist in coaching freshman football.

Last summer Walker managed the Snow Hill team of the Coastal Plains league.

Walker will name his assistant coach to succeed Greason.

Washington, Jan. 23.—(AP)—The Treasury secretary told members of the House appropriations committee during hearing on his department 1941 supply bill:

"I think it (the debt limit) should be raised to \$50,000,000,000."

"Do I think the budget should be balanced? Yes. Do I think expenditures should be cut down? Yes. Do I think taxes should be increased? Yes. But if you say, 'Morgenthau, what kind of taxes should there be?' I cannot answer that because I do not know."

### Would Also Balance The Budget

Treasury Secretary Says Expenditures Should Be Cut Down, Taxes Should Be Increased; See No Danger In Raising Debt Limit.

Washington, Jan. 23.—(AP)—Secretary Morgenthau contends that the limit on the federal debt should be raised to \$50,000,000,000 and that budget should be balanced by reduced expenditures and increased taxes.

Answering a barrage of questions, the Treasury secretary told members of the House appropriations committee during hearing on his department 1941 supply bill:

"I think it (the debt limit) should be raised to \$50,000,000,000."

"Do I think the budget should be balanced? Yes. Do I think expenditures should be cut down? Yes. Do I think taxes should be increased? Yes. But if you say, 'Morgenthau, what kind of taxes should there be?' I cannot answer that because I do not know."

The report of the hearing was made public today.

Morgenthau said that if it were up to him he would recommend raising the debt limit from the present \$45,000,000,000 and that he "would take another look at the situation when the figure reached \$49,000,000,000."

"I am willing to say now, gentlemen, that there is no particular danger involved if Congress should raise the debt limit to \$50,000,000,000," Morgenthau told the committee. "Beyond that I would not venture an opinion."

He also advanced the opinion that all federal expenditures such as public roads and reclamation projects should be trimmed or dispensed with temporarily in view of prospective heavy expenditures for defense.

Morgenthau said that his guess is that business conditions should be "at least as good in 1940" as they were last year, although war conditions in Europe and Asia made the condition uncertain.

#### Browder Is Speaker At Lenin Meet

New York, Jan. 23.—(AP)—The government, pursuing its drive against federal law violations that might have foreign implications, added to its list today the conviction of Earl Browder on passport fraud charges.

Browder was silent yesterday as he left the courtroom where he had been sentenced to four years in prison and fined \$2,000 but he went to a Madison Square Garden Lenin to lash out against the government after pleading in court that he was the victim of a federal campaign against "evil rights."

Browder, a native of Kansas and head of the American communist party, heard the verdict after a four-day trial and a jury deliberation of only 45 minutes. He was convicted on each of two counts that might have brought him ten years in prison.

At the Lenin mass meeting Browder termed his conviction a "great honor." "The verdict is but one movement in the drive toward war," he said.

#### Weather

FOR NORTH CAROLINA. Cloudy and colder tonight and Wednesday. Snow in the interior: rain mixed with snow on coast tonight and probably over north portion Wednesday morning.

League Of Municipalities And Commissioners Assn. Plan To "Gang Up"

Executive committees of the two organizations met some weeks ago, it has been learned, and decided to make every effort to unite forces behind a unified legislative program. Early in March the two bodies will begin a series of a dozen regional meetings in all parts of the State to

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Broughton Opponents Are "Promoting" Grady As Gubernatorial Candidate

Daily Dispatch Bureau, In the Sir Walter Hotel. By HENRY AVERILL.

Washington, Jan. 23.—They (the opponents) are still trying hard to promote Grady, of Kenly into the gubernatorial race, and there appears to be some possibility that the county man will succeed in his ambition, coupled with the fact that he is always present in the candidate-prospective.

Analysis of the situation, coupled with the information, makes it seem that the race will be extremely doubtful, especially in view of the certainty that much of the pressure will be put on Grady's supporters which are not in the majority. On the contrary, if they had the Johnston county man, they would have a remote chance to win.

It is a fact that the Devil from the South.

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