

# Henderson Daily Dispatch

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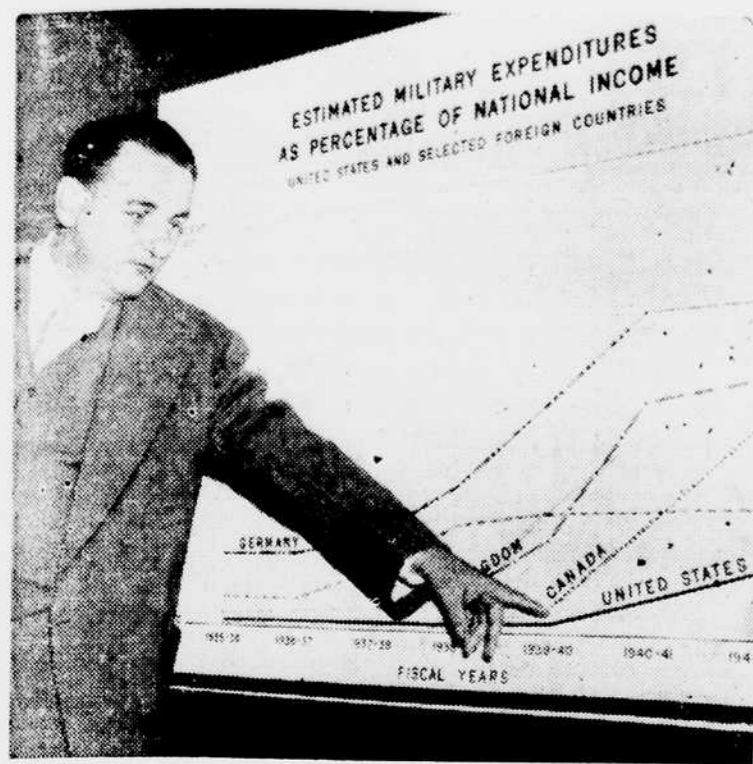
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## Asks Tax Program Revision



Leon Henderson, Federal Price Administrator, displays a chart showing estimated percentages of national incomes of America and other countries that are going into military expenditures, during an appearance before the House Ways and Means Committee. Henderson declared much of the Treasury's revenue program is "deflationary and unnecessary" and urged revision of the proposed tax program. (Central Press)

## Barrage Balloon School For Davis

Eighty Officers and 750 Men to be Trained at North Carolina Camp in New Defense Technique; Colonel Arthur to Command.

Washington, May 9.—(AP)—The Army announced today it would begin training of 80 officers and 750 men at a barrage balloon training center and school at Camp Davis, N. C.

The new type of army installation, the school will conduct experiments with newly developed equipment in addition to training personnel.

The third barrage balloon squadron from Fort Lewis, Wash., was ordered transferred to Camp Davis by auto convoy and rail on or about May 15.

The ball on barrage technique is used in protection of fleet anchorages and vital military installations, particularly against dive bombers. The balloons force the attackers to maintain a high altitude.

Colonel Robert Arthur of the

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## Desert Heat Hampers War

Cairo, May 9.—(AP)—British reinforced forces, operating in a desiccated and hot desert, were reported pursuing Egyptian raids today against the stalled axis forces in the Sudan sector of the Egyptian-Libyan frontier.

Some idea of the blistering heat in which the operations were carried out could be had in Cairo, where the thermometer registered 117 degrees in the shade.

In parts of the desert it was even hotter with no shade to be found except that offered by the sand dunes around by the same Sudanian south wind which caused the heat.

The middle east command said that at Tobruk, British-held port 30 miles from the Egyptian border, the combined sand and heat blitz had forced a halt in operations altogether.

Higher Gas Tax Opposed

Representatives of Petroleum Industry Appear Before House Committee.

Washington, May 9.—(AP)—Representatives of the petroleum industry, presenting arguments against increasing the federal gasoline tax one cent a gallon, asserted today that the burden of the present impost "falls upon the masses of American people including especially the very low income groups."

Their first spokesman, before the House ways and means committee, Fayette B. Down of Washington,

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# Air War Intensified

## Nazis Protest Ship Seizures

### German Note Raises Two Points

American Aid to Britain Challenged by Germany for First Time; Secretary Hull Says Note Not Yet to His Attention.

Washington, May 9.—(AP)—The German government was reported today to have challenged American aid to Britain for the first time, in a formal note in connection with pending legislation authorizing requisitioning of foreign ships.

Secretary of State Hull said a new German note sent by the German embassy to the State department last night had not yet come to his attention, but that he would study it soon.

Officials made no comment on the note but from reliable sources it was reported that Germany made two points in objecting to the pending legislation:

1. That it would permit confiscation of private property owned by foreigners.

2. That President Roosevelt could not properly claim the existence of a natural emergency in shipping because the scarcity of ships resulted from the release of American vessels to the British.

This was understood to be the first time the German government had ever referred to aid to Britain in a formal communication to the American government.

The new German note was reported to have contended that the requisitioning of two German ships now in protective custody, even though carried out under new legislation, would violate international law and also a 1923 treaty of commerce and navigation between the United States and Germany.

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### Nazi Sailors Seized in Nation-Wide Roundup



Striking in a series of raids, squads of police and immigration inspectors seized more than 100 German seamen in New York as part of a nationwide roundup. The Germans were arrested on charges of overstaying their 60-day visas in the country, and it was reported unofficially that they would be sent to a western internment camp to join the group of Italian seamen already interned. Some of the Nazi sailors were captured at the New York home office before being sent on to Ellis Island.

## Nazi Raider Is Sunk

Vessel Believed to Have Been the Liner Hansa Sent to Bottom of Indian Ocean.

London, May 9.—(AP)—A German raider, believed to be the 21,131-ton liner Atlantic liner Hansa, has been sunk in the Indian ocean by a British warship, the admiralty announced today.

The Hansa well known to the trans Atlantic trade, created a havoc in New York harbor in August, 1937, when an outbreak of typhoid was found among her crew after her 1,000 passengers had disembarked and scattered to their homes. Health authorities notified the passengers but there were no reports of the malady having spread from the crewmen.

On January 8, 1939, Chinese pirates fired on a ship identified as the Hansa within a few miles of Shanghai, but the ship put on full steam and escaped up the Wusong toward Shanghai.

The British announcement said that a raider identified as the 10,000-ton Corvair, owned by the German merchant marine, was captured and seized 35 of the raider's German crew.

## More Aliens Rounded Up

Arrests of Several Italians and Search for Other Aliens Follows Nazi Roundup.

New York, May 9.—(AP)—Federal immigration operatives who seized 160 German seamen, into custody early Wednesday suddenly launched another roundup of aliens today, arresting several Italians and searching for scores of others accused of overstaying permits to remain in the country.

The immigration inspectors arrested four alien Italians, working in midtown hotels, and other agents, supplied with warrants, went to the Hotel Ritz Carlton to arrest six Italian waiters.

Still other immigration officers and city detectives launched a third

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## Installment Sales Curb Is Proposed

Russia Recognizes Nazi Conquest

Federal Reserve Board Ready to Take Action Limiting "Buying on Time" of Automobiles and Other Goods.

Washington, May 9.—(AP)—The Federal Reserve Board disclosed today that it is prepared to curb installment selling of automobiles and other consumer goods in order to prevent inflation and to conserve industrial resources for the defense program.

The board and a staff of experts, headed by Dr. Carl Parry, has made a study of the problems of "buying on time" and are waiting for President Roosevelt and Price Administrator Leon Henderson to authorize them to seek congressional power to curtail the business.

The proposed powers would permit the board to say how much should be paid down on articles and how much time consumers should get to pay off the remainder.

If the powers are voted, plans call for applying them immediately to the new and used car financing business. Experts believe that down payment should be limited above one-third of total price and that the payment time for the balance should be cut down from the present average of 18 months to about a year.

The automobile business was picked for initial action, first because it is responsible for about half of the installment financing in the country and secondly, because automobile plants, labor and materials are needed for the defense program.

Refugees, radios, furniture and other expensive consumer items would be next on the list, officials said.

The experts also financing of new houses is the largest problem after automobiles, but said it was one which might be postponed. Although home construction may compete with defense needs for labor and materials, the experts credit it with important social benefits and note that in some areas the defense program, itself, is responsible for large

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## Babson Says America Must Wake Up To Facts

By ROGER W. BABSON  
Copyright 1941, Publishers Financial Bureau, Inc.  
Babson Park Press, May 9.—This is a time when readers should quit arguing and get down to business. If you have a farm, live on it and watch it. If you have a store, be in it every minute that it is open and attend to your customers as you never have before. If you work for someone else, give better service than you have ever given in years past. There is no use talking now as to what will happen after the war.

Between now and then, we should see a gradual strengthening in commodity prices, productive real estate,

and employment. With this thought in mind, we should forge ahead of course, some time there will be another depression—perhaps worse than the last one—but this is some years ahead. Moreover, when it comes its duration will depend largely upon how we act during the next year or two. If we attend to business, get out of debt, and have faith in one another, we should have nothing to fear.

German Work Together.  
Let us learn something from Germany. Note always for their industry, the Germans have to date surpassed all previous attempts at

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## RAF Makes Heavy Raids On Germany

British Planes Fly As Far As Posden, Poland; Luftwaffe Makes Major Attack on Hull; Nazi Sea Raider Sunk.

(By The Associated Press)  
Waves of British bombers—the biggest RAF smash of the war—dumped "tens of thousands" of fire bombs and "hundreds of tons" of high explosives on Hamburg and Bremen and also attacked Berlin overnight, the British said today.

In their far-ranging expedition, RAF warplanes flew as far as Posden, Poland.

Adolf Hitler's Luftwaffe again valiantly assaulted English cities, and sea battles were reported in both the Mediterranean and the Indian oceans.

The Germans said the British "transit port" of Hull, possibly a port of entry for American war supplies, was subjected to a major attack and that this morning the entire city (population 350,000) was shrouded in flame-tinged smoke.

Returning Nazi pilots declared the red glow of Hull's myriad fires could be seen 70 miles away.

It was the eighth straight night of stepped-up Nazi attacks on the island kingdom.

Twelve German raiders were reported shot down, while the British acknowledged ten RAF planes lost in the sweep over Germany and another day yesterday.

Hamburg and Bremen bore the brunt of the heaviest attack yet made by the RAF on Germany, the British air ministry said.

"High explosive bombs caused widespread destruction, and many great fires were seen raging in the shipyards and industrial quarters of both cities."

The Berlin and London raids were noted merely as "subsidiary attacks."

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## England Has Quiet Day

London, May 9.—(AP)—On the heels of her greatest aerial attack on Germany, Britain had comparative respite by day today (except an active, but unproductive, and hence unproductive, day) and home securities announced in their evening communique.

"During daylight today there has been little activity by enemy aircraft," the communique said. "No reports have been received of bombs dropped."

## STATE GUARD UNITS TO RECEIVE RIFLES

Raleigh, May 9.—(AP)—Rifles on loan from the War department are being shipped to North Carolina state guard units. Adjutant general J. Van B. Melts said today Units at Wilson, Rutherfordton, Greensboro, Shelby, Concord and possibly other cities have already received rifles, he added.

## Iraq Forces Withdraw

British Forces Continue Salvage Operations at Habbaniyah Airdrome.

Cairo, May 9.—(AP)—Remnants of the disoriented elements of the Iraqi army which a week ago attacked the British-held Habbaniyah airdrome, some 60 miles west of Baghdad, have withdrawn to Rumaid and Fallaha, the British middle east command announced today.

Rumaid is about twelve miles east of Habbaniyah. Fallaha is some 22 miles to the northeast, across Lake Habbaniyah. Both are communications centers on the Euphrates and the east-west railroad leading to Baghdad.

The daily war bulletin said British troops, which two days ago captured Habbaniyah plateau with howitzers downed by the RAF, were continuing salvage operations.

### WEATHER

NOR NORTH CAROLINA  
Fair, cooler tonight and Saturday.

Extended weather forecast for period beginning 7:30 p. m. May 9 and ending 7:30 p. m. May 11—  
South Atlantic States—Temperatures below normal Saturday and Sunday, rising to near normal Monday and Tuesday, with moderate showers about Tuesday in Carolinas and Georgia; temperatures above normal in Florida, with scattered showers beginning and at end of period in southern Florida.