PERRY MEMORIAL LIBRARY
HENDERSON, N. C.

Henderson Daily Dispatch

ONLY DAILY NEWSPAPER PUBLISHED IN THIS SECTION OF NORTH CAROLINA AND VIRGINIA

TWENTY-EIGHTH YEAR | LEASED WIRE SERVICE OF THE ASSOCIATED PRESS. | HENDERSON, N. C., FRIDAY AFTERNOON, AUGUST 1, 1941 | PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY. | FIVE CENTS COPY

Continuing Their March To The South,

Japs Make Demands On Siam

Nazi Armies Pictured As Stalled

King's Brother in Canada

The Duke of Kent, brother of King George of England, is interviewed by a reporter in Ottawa, Canada, shortly after arrival from England. The duke made the transatlantic flight in a plane which carried returning bomber ferry pilots. He will tour the dominion, visiting camps. *(Central Press)*

Roosevelt Praises Russian Resistance

President Declares Defense 'Frankly Better Than Any Military Expert in Germany Thought it Would Be'

Washington, Aug. 1—(AP)—President Roosevelt asserted today that Russia's resistance to the axis war machine was "magnificent" and "frankly better than any military expert in Germany thought it would be."

That was his reply at a press conference—he authorized direct quote—to an inquiry on what he thought of Russian resistance to date. He said:

"It is magnificent and frankly better than any military expert in Germany thought it would be."

When a reporter, referring to Adolf Hitler, asked whether Mr. Roosevelt included Germany's outstanding military expert among those surprised at Russian resistance, the President suggested that newsmen find out the story.

A laugh was his only response to another question—whether Germany had been doing some fall lying.

The Chief Executive said that Russia did not come under the terms of the lease-lend bill and that he saw no prospect that she would. The reason, he said, is that Russia is able to pay for the purchase in this country of war equipment.

No decision may be expected on an additional lease-lend appropriation, the Chief Executive asserted, until Harry L. Hopkins returns to this country. Hopkins now is in Moscow after having visited London.

Mr. Roosevelt would not say whether Hopkins might return by way of China.

Army Service Extension Law Compromised

Washington, Aug. 1.—(AP)—Senator Hill, Democrat, Alabama, said today that sponsors had agreed to compromise army service extension legislation to provide a maximum of two and one-half years of service for citizen soldiers.

Hill told reporters that proponents were attempting to work out an

(Continued on Page Eight)

Border War Is Ended

Truce Ends Three Weeks of Fighting; Peruvian Parachutists Seize Two Cities.

Washington, Aug. 1—(AP)—President Roosevelt said today that he was extremely gratified that fighting between Ecuador and Peru had ceased.

Commenting at a press conference on the armistice between the South American neighbors, the President said he had detailed hopes that their boundary dispute, old many years, standing would be settled peacefully, even if it required a long time.

Lima, Peru, Aug. 1.—(AP)—Peruvian parachute troops were reported today to have captured the Ecuadorian cities of Puerto Bolivar and Machala only a few hours before a truce ended three weeks of border war between the two countries at 6 o'clock last evening.

Introduction of European blitzkrieg tactics for the first time in the western hemisphere was disclosed in a Peruvian communique which claimed a brilliant victory over Ecuador's armed forces.

Before the cease fire order was given, the communique said, Peruvian troops had recaptured all territory seized by the Ecuadorian army since July 6, when a 100-year old boundary dispute flared into open war.

ROBERT MONTGOMERY JOINS LONDON STAFF

London, Aug. 1.—(AP)—Robert Montgomery, American motion picture actor, arrived in London today in the uniform of a naval lieutenant as the latest addition to the growing staff of naval attaches at the United States embassy.

Montgomery, who served for a time as a volunteer ambulance driver in France during the German offensive there a year ago, last spring, landed in England last night after a trip aboard a bomber from Newfoundland.

Hopkins Expresses Confidence

German Communique Is Barren of Detail; Moscow Dispatches Report Soviet Troops Taking Offensive At Some Points.

(By The Associated Press.)

Adolf Hitler's invasion armies were pictured in London reports today as stalled along the whole 2,000-mile Soviet war front during the past 24 hours and near the point of exhaustion, and in Moscow, Harry L. Hopkins expressed "even more confidence that Hitler is going to lose."

From the German Fuehrer's headquarters came another communique of extreme brevity, barren of any details.

The Germans asserted that nazi columns hinging toward Moscow had wiped out Red army troops trapped to the south of Smolensk, capturing 35,000 prisoners and 245 cannon.

Nazi dispatches claimed tens of thousands of Russians were killed in the action, which occurred yesterday.

"Battles on the east front continue to develop in our favor.

"Warplanes last night bombarded military objectives in Moscow."

DNB, the official German news agency, declared nazi troops on the far northern front had forced a passage across the Dniester river near the Bessarabian town of Cetatea-Alba, threatening Russia's great Black seaport of Odessa, 39 miles away.

DNB asserted that German artillery fire halted troop trains attempting to withdraw Soviet forces from the southern front.

Moscow dispatches said Soviet troops were taking the initiative at some points in the vast battle line and a Red army bulletin reported

(Continued on Page Eight.)

Peaches Sell At Low Prices

Raleigh, Aug. 1.—(AP)—Despite a bumper crop of high quality peaches, North Carolina farmers are expected to receive only slightly more than $1,000,000 for the fruit this year.

State Department of Agriculture officials said today that last year's crop of less than 1,000,000 bushels brought commercial Tar Heel growers approximately $700,000, while this year's crop of nearly twice that figure is expected to bring far less than twice last year's return.

The price average last year was $1.15 a bushel. The present average is ranging from 90 to 60 cents.

The market is dropping so rapidly that peaches yet to be sold are expected to bring less than half the amount returned by that portion of the Tar Heel crop already marketed.

Plans Perfected For Blackout Of Service Stations

Nazi a Suicide?

Gen. Ernst Udet

According to reports from London, Gen. Ernst Udet, World War ace and Hitler's chief of supplies for the Luftwaffe, has committed suicide, following his arrest. He was said to have fallen into disgrace with Hitler because he opposed the Russian invasion on the grounds it would leave Germany too much at the mercy of the R.A.F. *(Central Press)*

More Drastic Action to Conserve Motor Fuel Supplies Indicated Should Curfew Fail of Results; Unemployment is Predicted.

Washington, Aug. 1.—(AP)—In the face of predictions that the nightly closing of service stations in Atlantic seaboard states would cause unemployment, Secretary of Interior Ickes and the oil industry perfected plans today to apply the curfew next Sunday with more drastic action to conserve motor fuel supplies indicated should this blackout fail.

Officials accepted the proclamation closing down an estimated 100,000 gasoline stations from 7 p. m. to 7 a.m. seven days a week, as showing Ickes' determination to meet the predicted eastern fuel shortage, even to the extent of adopting rationing, if need developed.

Ickes, who is defense petroleum coordinator, said in announcing the curfew yesterday that if the new step failed to cut consumption precipitately, "it then must be followed by other steps to accomplish our ends."

In New York, Louis Kimmel, manager of the gasoline merchants of Brooklyn and Queens, estimated that the night shutdowns would cost 100,000 men their jobs—10,000 in metropolitan New York alone. Further, he said he believed the curfew could not be made fully effective without a government order.

Ickes said yesterday, however, that the oil companies themselves had recommended the night closing program, and indicated that he expected those companies would see that any

(Continued on Page Eight)

OPM Into Pay Dispute

CIO Aluminum Workers Demand Elimination of Differential; Other Strike News

(By The Associated Press)

Demands of CIO aluminum workers for elimination of a sectional wage differential headed toward a Washington conference today.

After the Aluminum Company of America flatly rejected the demand last night at a meeting in Pittsburgh, N. A. Zonarich, CIO president, appealed to Sidney Hillman, associate director of the office of production management, to intervene in the dispute. Zonarich said Hillman had asked him and the union committee to come to Washington to find a [illegible].

The union [illegible] declared that aluminum workers at Badin, N. C., and Alcoa, Tenn., are being paid from two to [illegible] cent less than those at New Kensington, Pa., for

(Continued on Page Eight.)

Airport Funds Announced

Washington, Aug. 1.—(AP)—A list of construction or improvement projects on 283 airports [illegible] designated as necessary for national defense, was announced today.

A total expenditure of $20,810,110 is involved. Of this amount $3,693,000 will be spent on projects not included in last year's program but not yet placed under [illegible], and 149 new locations. The remaining $13,963,871 will be used in continuing work on 113 projects started in the initial program authorized last October.

Among locations [illegible] were: New Bern, N. C., Class 4, $[illegible]; Goldsboro, N. C., [illegible]; Greenville, S. C., Class 3, $[illegible]; and Durham, N. C., Class 3, $[illegible].

State's Revenue Continues To Soar

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

Raleigh, Aug. 1.—Opening its fiscal year with a very substantial cash balance of something more than $7,000,000, North Carolina today learned that its state tax revenues are continuing to soar to heights well above the most optimistic estimates made while the 1941 legislature was in session.

Revenue division receipts for the month of July went up $743,570.46, or 19.58 per cent over the same month of 1940; the gasoline division jumped $392,443.19, or 16.5 per cent; and a division, new in name though not in fact, the Department of Motor Vehicles, showed an increase of $86,400.78, or no less than 41.22 per cent.

Thus the two divisions still under control of the Department of Revenue showed receipts of $7,311,859.80 against $6,175,946.14 in July of 1940; while Boddie Ward's Motor Vehicle Department's collections were $297,122.45, as compared with $210,400.78 in July of last year.

Legislative [illegible] allowed for no such phenomenal increases in tax revenues; and [illegible] year certain that if any such [illegible] is maintained through the [illegible] fiscal year, there will be no need [illegible] for diversion of any funds [illegible] highway to the general fund [illegible] a transfer, under the emergency [illegible] of "application of the [illegible] tax to gasoline" [illegible] contingent diversion section [illegible] which Governor J. Melville Broughton said in his primary campaign ought to be repealed but [illegible] which he spoke not one word during the General Assembly session.

The gasoline tax, as is its habit, was the backbone of increased revenues, yielding $2,647,686.18 against $2,274,326.74 last year. There [illegible] to anticipate a reaction in the tremendous monthly revenue from this source, however, as there is every likelihood that drastic curtailment in gasoline consumption will be made compulsory within the next few months.

In the motor vehicle division receipts, franchise levies (collected in quarterly installments) led the way with $2,035,265.02 (compared with $1,805,762.13 last year), while the sales tax added $1,265,064.72 to the total collections.

In detail, July's collections were:

Revenue Division: inheritance tax $72,055.76; privilege tax $646,226.45; franchise tax $2,835,269.02; income tax $204,578.63; sales tax $1,265,064.72; beverage tax $890,222.11; gift tax $163.90; intangible tax $8,394.90; and miscellaneous $28.73; total $4,941,002.35.

Gasoline division: gasoline tax $2,647,686.18; inspection tax $123,271.27; total $2,770,957.45.

Motor Vehicle Department: license

(Continued on Page Eight.)

WEATHER

FOR NORTH CAROLINA.
Partly cloudy tonight and Saturday, scattered thundershowers, mostly in afternoon in west and extreme south portions.

What, No Uniform!

Benito Mussolini

Most recent photo of Benito Mussolini to reach the United States, this picture is an unusual one for the Duce, who customarily poses in uniform giving the Fascist salute or harranguing an audience. The Italian dictator is shown as he met members of a technical committee. *(Central Press)*

Welles Hits Nazi Move

Germany's Urging of Mexican Protest of Blacklist Called Barefaced Impudence.

Washington, Aug. 1.—(AP)—Sumner Welles, undersecretary of State, accused Germany today of barefaced impudence in urging Mexico to protest to the United States over the blacklisting of Latin American firms, catalogued [illegible]

Welles [illegible] the German government had violated and disregarded the sovereignty of many countries.

Thursday [illegible] nothing more [illegible] impudence for Germany to try to tell Mexico or any other [illegible] it should do to protect its sovereign rights.

Moreover, he declared, that Mexico did not require any [illegible] Germany.

Welles made the [illegible] comment on the [illegible] strongly recording [illegible] that it protest the United States [illegible] of blacklisting [illegible] in Latin America [illegible] crating for the benefit of the axis.

Strickland Land Case Goes To Jury

Conroe, Texas, Aug. 1.—(AP)—The Strickland land case went to the jury today.

And what a case!

There are 6,000 [illegible] involved.

Ownership of an oil [illegible] estimated at around $10,000,000.

The trial started [illegible] 1940.

Two [illegible] have died since the case began.

Two and [illegible] have [illegible] guarded during the trial [illegible] the jury.

The [illegible] jury spent four weeks [illegible]

And the [illegible] coolers produced [illegible] days the jury a week [illegible] longer to reach a verdict.

At stake [illegible] in the heart of the oil [illegible] and gold. Among the defendants are 30 oil companies and many purported descendants of one Wilson Strickland.

The original Wilson Strickland came to Texas about 1838 or 1840 and settled on the land in question. Later he disappeared—a fact which has loomed large in the trial.

At least 25 Wilson Stricklands have been identified during the trial as being the man who settled in what is now Conroe, Texas. Testimony was early that he had been living [illegible] Texas from California, Georgia and numerous other states.

Territorial Concessions Are Offered

Japan Reported to Have Offered Province of Laos and City of Angkor in Exchange for Commercial Advantages.

(By The Associated Press.)

Japan's high-pressure march to the south took another big stride today with reported demands on Thailand (Siam) for military bases and control of that country's rubber, rice, and tin production.

Authoritative quarters in London, the source of this report, said Japan in exchange had offered to restore the province of Laos and the ancient city of Angkor, both in Japanese-dominated French Indo-China.

British concern was pointed by the fact that Japanese occupation of bases in Thailand would put them within 600 miles striking distance of Britain's great fortress of Singapore and also pose a direct threat to Lower Burma and even India, which lies across the Bay of Bengal.

Coinciding with this report, the London air ministry announced that the royal air force in Burma has been strengthened by the construction of air dromes "for both offensive and defensive action."

Strong reinforcements were said to be arriving in Burma, including numbers of American-made bombers.

Meanwhile, dispatches from Shanghai said Chinese communists and Russian officers had already held staff conferences to plan joint military action in the event Japan strikes at Siberia.

Shanghai reports said Japan was still pouring war supplies into Manchukuo, which borders Siberia, and that 14,000 troops were moved recently, including a medical regiment.

In Tokyo, Japanese Finance Min-

(Continued on Page Eight)

State Grange Board To Meet

Greensboro, Aug. 1.—(AP)—The executive committee of the North Carolina State Grange will meet at Burlington Monday morning in Goldsboro on Friday [illegible] matters of national importance [illegible] be discussed, particularly as they relate to national defense.

Jack Pilgreen, of the AAA tobacco section of Washington, is expected to be in attendance and will discuss the [illegible] tobacco loan.

Members of the Grange fire insurance association will hold their annual meeting at 11 o'clock in connection with the meeting of the executive committee.

Publishers Ignore FCC Subpoenas

Washington, Aug. 1.—(AP)—Commissioner James L. Fly today ordered the legal staff of the federal communications commission to take steps to force two newspaper publishers to testify in the inquiry into newspaper ownership of radio stations.

Fly sounded came after Elisha Hanson, counsel for the American Newspaper Publishers Association, told the commission for the second time that it was conducting an unlawful and illegal inquiry and that he had advised the publishers not to appear.

Those facing FCC action were Edwin S. Friendly, business manager of the New York Sun, and James G. Stahlman of the Nashville, Tenn., Banner, former president of the publishers' association. Stahlman now is on active duty with the Navy as a lieutenant commander.

Names of the two publishers were called as the commission began its hearings today and Hanson stepped forward to pronounce that the men had been advised to ignore several subpoenas served on them by the FCC.