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Calls U. S. Unjust to Vichy



Gaston Henri-Haye, Vichy ambassador to the U. S., is shown (second from left) as he told Washington reporters about a conference with Secretary of State Cordell Hull. The envoy contended his government has been unjustly accused of planning to surrender the French fleet and Atlantic naval bases to Germany as a result of Chief of State Henri Petain's announcement of collaboration with the Nazis.

Leningrad Citizens Rally To Defend City As

Nazi Drive Is Checked

FDR Assails Byrd's Speech

Production Not Lagging, He Declares

War Department Check Shows Byrd Wrong in All Categories But Planes, President Tells Press Conference at Hyde Park.

Hyde Park, Aug. 22.—(AP)—Sharply assailing figures cited by Senator Byrd, Democrat, Virginia, President Roosevelt asserted today that while American production never had been completely satisfactory, on the average it was up to estimates.

The Chief Executive told a press conference, and he volunteered the information that he had heard and read a statement by Byrd earlier in the week in Washington which said defense production was lagging seriously. The President said he had asked the war department for a sheet and that it had shown Byrd was wrong in all categories but planes.

Somewhat, Mr. Roosevelt said, the senator down the river on the figures.

Iran's Reply Is Received

Contents of Note Received in London Not Disclosed; Comment Expected Tomorrow.

London, Aug. 22.—(AP)—Iran's answer to the British-Russian request that German technicians be banished from that Middle East oil kingdom reached here tonight. A note from Tehran and Russia appeared to be ready to use force.

The contents of the note were not disclosed. Soviet sources, however, acknowledged that joint action by British and Russia to oust the Nazis from Iran was probable if London and Moscow are not satisfied with the note.

The contents of the note probably will not even be commented on before tomorrow.

COTTON GOODS PRICE CEILING IS EXTENDED

Washington, Aug. 22.—(AP)—Leon Henderson, price administrator, extended the cotton gird price schedule today to cover principal types of fine goods.

Officials said that the ceiling imposed were, in general, about the levels which have been prevailing recently.

Police Patrol Detroit as Transit Strike Halts War Work



Policemen are shown guarding against riots as Detroit's municipally-owned street car and bus system was halted by a strike which had its origin in rivalry between an A. F. L. and a C. I. O. union. The strike was called by the A. F. L. union, seeking a closed shop. The strike halted thousands of workers on war orders from getting their jobs in the motor city.

Casualties Are Heavy On All Sides

Russians Report German Invaders Have Made No Significant New Progress After Four Days of Bitter Fighting For Leningrad.

(By The Associated Press.) Thousands of men rushed from Leningrad to stem the advance of German siege columns today while other tens of thousands toiled to erect street fortifications for a death-stand defense of the old czarist capital, defying Nazi threats to lay the city in ruins.

Great numbers of Leningrad's civilians were reported volunteering for service in an "apolitic" or "people's army."

"The struggle on the approaches to the city is unceasing," reported the Russian army newspaper, Red Star.

Dispatches from Moscow said that the big industrial center, Russia's second largest city, was now a "formidable military camp" and that after four days of bitter fighting on the outer perimeter of Leningrad's defenses, the Germans appeared to have scored no significant new gains.

In Berlin, authorized quarters said the Russians were hurrying fresh reserves into the battle along the whole front and acknowledged that the Red army was maintaining "islands of opposition" both in the Dnieper bend of the Ukraine and behind German advance lines on the central front.

Simultaneously, the Germans admitted a new call had been made for Nazi reserves, men 17 to 45 to serve in Hitler's elite S. S. corps, which has been in the thick of the fighting since the Russian campaign began.

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Military Verdict Draws Criticism

Representative Young, Democrat, Ohio, Asks Secretary Stimson to Reverse Court Martial Sentence Imposed at Fort Bragg.

Washington, Aug. 22.—(AP)—Representative Young, Democrat, Ohio, urged Secretary Stimson today to reverse what he said was an "out-rageous military verdict" against a selective service soldier.

He wrote the secretary of war that Fort Bragg, Aug. 22.—(AP)—The public relations office at Fort Bragg in a digest of the court-martial of Private John Habinyak, New York selectee who was sentenced to ten years and nine months in a federal penitentiary for insubordination, quoted Habinyak as saying that he formerly received wages of \$10 a day and that he would not work for \$21 a month.

The digest was approved by Colonel Charles B. Elliott, post commander, and Major S. E. Murrell, judge advocate at Fort Bragg.

Major Murrell said that except for Habinyak's attitude the five offenses upon which he was convicted would have been considered minor, but that he continually refused to obey orders.

a dishonorable discharge and ten year prison sentence imposed on 26-year-old John Habinyak of New York was "a most amazing act of injustice and brutality toward a soldier."

The letter added that Habinyak, inducted into the service on June 23, (Continued on Page Five)

DANISH MINISTER SAYS ICELAND MAY BECOME INVOLVED

Copenhagen, Aug. 22.—(AP)—Prime Minister Thordvald Stauning said in a declaration to the lower house of parliament today that Iceland had no choice in the matter of occupation by U. S. troops.

But, Stauning asserted, he had faith in the American promise to leave the strategic northern island after the war.

Meanwhile, he said, there is a possibility that Iceland may become directly involved in the conflict.

Lord Halifax To Britain

London, Aug. 22.—(AP)—Lord Halifax, British ambassador to the United States, arrived today at a British airport after crossing the Atlantic from Canada in a bomber.

The ambassador, who will report to Prime Minister Churchill and the cabinet on British-American relations and the result of his recent visit to the Pacific coast, is expected to return to Washington in about a month.

Iran Faces Occupation

British Prepared to Take 'Vigorous Measures' Unless Nazis Are Banished.

London, Aug. 22.—(AP)—Usually well informed sources declared today that Britain was considering "vigorous measures" to curb growing Nazi influence in oil-rich Iran.

Authoritative quarters, however, refused to discuss "projected operations" and announced at noon that "no operations have begun."

British impatience with Iran apparently was reaching its limits and Britain was believed to be ready to send troops marching into the country unless the shah's government complied with a British-Russian demand to banish a reported 3,000 Germans.

A written answer to the latest British note was expected from the shah today, but there apparently was little hope among the observers that Iran would fall in completely with Russian-British wishes.

An oral reply from Iran officials was reported yesterday and some sources said it had not made a favorable impression.

Liquor, Wine, Beer Pay High Taxes

Daily Dispatch Bureau, In the Six Water Hotel, By LYNN NISBET

Raleigh, Aug. 22.—Anything like a complete picture of the liquor business in North Carolina must include hard liquors, beer and wine. It must also include legal and bootleg sales. Since there are no figures available on bootleg distribution, the several articles which have preceded this last one have dealt only with established ABC stores. Several counties have been considered, with figures showing sales and profits. Figures for the whole state are more impressive—although these apply only to one-fourth of the counties.

For the last fiscal year ABC stores operated by 26 counties had gross sales of \$8,518,200.21, from which the State treasury derived \$706,922.53 in revenue and the several counties and cities in which stores

are located got \$1,597,335.55. This was after paying \$133,624 for law enforcement. How much better law enforcement was obtained in the 25 counties so using this special fund is still a matter of individual opinion.

The figures are sizeable and mean substantially less tax levies. The issue involved in the elections already scheduled for Vance, Warren and Franklin counties to determine whether the ABC stores shall be retained goes beyond cold figures. That question is largely economic, but many good folks will not agree that it is entirely so. One thing is certain, with all its rits of taxes going up and with state and federal legislators seeking new sources of revenue, the matter of throwing away over two million dollar income will be given careful thought by voters in these

and other counties.

There is another angle to this whole question which is giving some concern to budgeteers. That is inclusion of beer and wine abolition in the program of the United Dry Forces.

The beer folks have a separate set-up from the hard liquor people and they are trying desperately hard to keep away from any direct contact with each other. Just recently the wine industry set up a central control agency of its own and let it be known that they were not mixed up with either beer or liquor. But to the forces operating under Generalissimo Cole Bergess the middle name of each of them is anathema. He is against them all with little partiality or preference as to which is knocked

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Kearny Strike Continues

Second Ship Fire Occurs

Blaze of Mysterious Origin Damages Finnish Vessel at New York; One Dead.

New York, Aug. 22.—(AP)—A fire of mysterious origin aboard the war-stranded Finnish motor ship freighter Aurora raged for five hours today, the second ship fire here within five days.

The first officer was suffocated as he slept on the 4,956-ton vessel at her Hudson river anchorage a mile north of the George Washington bridge at 2:30 a. m. Other members of the crew of 18, including two waitresses, were rescued by police and private boats.

At the same time police announced six more deaths, resulting from a \$1,500,000 Brooklyn waterfront blaze of Monday in which the Cuban freighter Pancho, her pier and several barges were destroyed or badly damaged. That brought the death toll for that fire to 25 and left eight men missing.

The Aurora, listing badly from the water in her hold, was ordered washed on the New Jersey shore near Englewood Cliffs.

Authorities said they had organized an extensive search in a preliminary investigation.

Armored Unit Leader Dies

Boston, Aug. 22.—(AP)—Major General Atty. B. Chaffee, 57, the first commander of the Army's new armored force, died today at the Massachusetts General Hospital after suffering a physical breakdown during an intensive drive to build up and organize the special mechanized defense units.

Death came at 4:20 a. m. A statement by the War department said that the officer, whose fatal illness set in last winter after he had returned to work following a previous case of pneumonia, had "sacrificed himself in the making of the armored force."

WEATHER

FOR NORTH CAROLINA. Mostly cloudy with light rain and scattered thunderstorms this afternoon and tonight; partly cloudy and warmer Saturday.

Extended weather forecast for the period from 7:30 p. m. August 22—22 to 7:30 p. m. August 27—Temperatures near normal except slightly above in Florida; scattered thunderstorms.

Washington Rations Gas

Washington, Aug. 22.—(AP)—Real or phony, the east's long forecast gasoline shortage was pinching motorists today, with the nation's capital hit earliest and heaviest.

Some Washington filling stations sold pleasure car drivers only half as much fuel as they ordered. Others put a limit of five gallons on individual sales; others went as low as three.

Yet some establishments were complying without question when requested to "fill her up."

Ralph K. Davies, acting petroleum coordinator, renewed his denunciation of prophets who he said had "risen to proclaim that there is no danger" and that "the warnings of an impending shortage are phony."

Tariff Hike Hits Japan

President Roosevelt Orders Fifty Per Cent Increase in Tariff on Crab Meat.

Hyde Park, Aug. 22.—(AP)—President Roosevelt ordered today a fifty percent increase in the tariff on imported crab meat, which Japan is the chief source of supply.

The action was taken in a proclamation, declaring that the increase on imported crab meat will be raised from 15 to 22 1/2 percent of value.

The proclamation said the increase was necessary to equalize a difference in costs of production between Japan and the United States, which was determined by an investigation by the tariff commission.

While the proclamation was in process looking for a document on the tariff, it constituted a part of a number of economic measures taken by the United States government after Japan moved into an and other cases in southern French Indochina.

Durham Man Is Executed

Raleigh, Aug. 22.—(AP)—Husky Hubert Y. Cash, 31-year-old Durham man, was gassed to death by the State of North Carolina today for the murder of his wife.

In excellent spirits—he waved and smiled to the packed witness chamber—Cash died only nine minutes and 25 seconds after inhaling the

Government Delays Move

President Roosevelt Says Government Would Avoid Taking Over Plant If Possible.

Hyde Park, Aug. 22.—(AP)—President Roosevelt told a press conference today that the government did not want to take over the plant of the Federal Shipbuilding and Drydock company at Kearny, N. J., if it could be helped.

He said he did not know and could not guess whether the government could avoid buying into the plant, in which construction of \$493,000,000 in defense shipping has been tied up since August 7 by a strike of the Industrial Union of Marine and Shipbuilding Workers (CIO).

Conferees are still going on looking to adjustment of differences between company and employees, Mr. Roosevelt said, and he expects to receive a telephone call from both sides in the course of the day.

SERVICE EXTENSION ACT IS IMPLEMENTED

Hyde Park, Aug. 22.—(AP)—Implementing the selective service extension act, President Roosevelt directed in an executive order today that the term of service be extended 24 months for selectees, National Guardsmen, reserves and ordered personnel.

The order was made of law a two-month extension of the extension act.

Babson Discusses Taxes Already Paid In U. S.

By ROGER W. BABSON, Copyright 1941, Publishers Financial Bureau, Inc.

Gloucester, Mass., Aug. 22.—The chief discussion in Washington and Ottawa today is over taxes. Even "price control" is secondary as one purpose of taxation is to keep people from now rushing to buy goods.

Some change from a few years ago when a government was urging us all to buy more. Guess it is the politicians let us alone at all times to learn by experience the nation would be better off in the end.

Increased Taxes Unnecessary. My purpose this week—however—is not to discuss the pros and cons of proposed tax bills, but to show readers how much they are already

paying in taxes. I must, however, say that the proposed "joint husband and wife tax return" is a vicious, immoral and unfair. If \$300,000,000 more is needed it should be raised by higher excise taxes on things responsible for crime. Crime alone is costing the U. S. and Canada \$18,000,000,000 a year.

A serious offense is committed in the United States every 21 seconds—a total of 1,517,026 major crimes. This averages one for every 87 persons, includes a felonious homicide every 44 minutes, an auto theft every 3 minutes, a burglary every 1-2-3 minutes, and a larceny every 35 seconds.

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