

# Henderson Daily Dispatch

ONLY DAILY NEWS PAPER PUBLISHED IN THIS SECTION OF NORTH CAROLINA AND VIRGINIA

TWENTY-EIGHTH YEAR

LEARNED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., SATURDAY AFTERNOON, OCTOBER 11, 1941

PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY.

FIVE CENTS COPY

## German Threat To Moscow Becomes Greater;

# Soviet Reserves Enter Battle

## Tank Plant Faces Shutdown

The Pilot's Parachute Didn't Open!



Lieut. Kenneth E. Elliott, pilot, was killed when he leaped by parachute from this twin-engine light army bomber before it crashed and burned at Chandler Field, Atlanta, Ga. The parachute failed to open. The plane was one of three en route from Long Beach, Cal., to New York. (Central Press)

## Jap Ships To Sail For United States

'As Result of an Agreement with the United States,' Three Ships Will be Sent From Japan to the Pacific Coast.

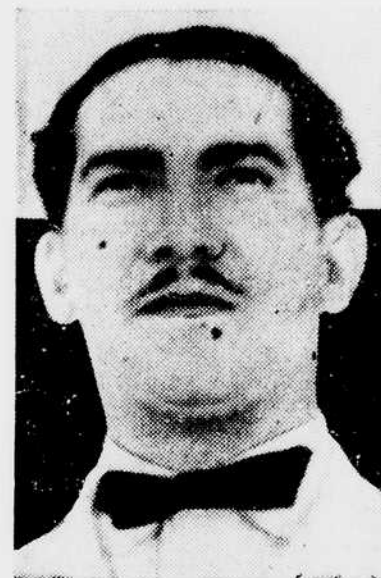
Tokyo, Oct. 11.—(AP)—The Japanese foreign office announced today that "as a result of an agreement with the United States government as regards dispatch of Japanese vessels to America, the imperial government has decided to send three ships in turn to the Pacific coast of America."

The first ship to leave will be the *Tatsumi Maru*, on October 13, to Honolulu and San Francisco. The *Nitta Maru* is scheduled to sail from Yokohama October 20 directly to Vancouver and Seattle. The *Tsuyama Maru* will sail from Kobe the same day and call at Yokohama two days later.

U. S. Ambassador Joseph C. Grew would not comment, but other "embassy" sources expressed belief there would be no general Japanese exodus from the United States.

Observers, however, predicted a rush among native Americans and Americans of Japanese descent, particularly those of military age, for passage to the United States.

## Ousted in Panama



Arnulfo Arias

In a bloodless coup d'etat, the Panamanian government of President Arnulfo Arias, often accused of fascist tendencies, was overthrown, the revolutionaries seizing control by capturing the Panama police headquarters and jailing three of Arias' appointees. Arias had just flown to Havana, Cuba.

(Central Press)

## Reds Appeal To Britain For Invasion

Thousands of Russian Reserves Moving to Front are Bolstered by New Tanks and Fast Planes; Nazi Forces Press Onward.

(By The Associated Press)

Great masses of Russian reserves warmly dressed for winter action and bolstered by new tanks and fast planes, were reported moving up to the front today as General Fedor von Bock's German armies pressed on over blood-soaked battlefields in a steadily growing threat to Moscow.

As the war entered its 16th week, the Russians appealed more urgently to Great Britain to create a diversion by invading Western Europe. Thus Red Star, the Soviet army newspaper, declared:

"Now the main forces of the German army are chained in the east, creating most favorable conditions for civilization of other fronts of the anti-German coalition."

At the same time, Russia's sorely pressed armies fell back to a shorter defense front during the night and were reported to have slowed down the ten-day-old German drive on Moscow, but Soviet dispatches admitted a grave new danger had arisen in the Vyazma sector, 125 miles west of the U. S. S. R. capital.

"The danger is great," said Red Star, conceding for the moment at least that the Germans had numerical superiority in the all important conflict on the central front.

German reports asserted that hundreds of thousands of Russian corpses littered the battlefields around Bryansk, 220 miles southwest of Moscow. Red troops attempting to escape encirclement by creeping through German lines at night were said to have been mowed down in great numbers.

A bulletin from Adolf Hitler's field headquarters reported that huge scale slaughter of Russian forces trapped in the Bityansk and Vyazma sectors was proceeding rapidly, while on the southern (Ukraine) front the high command said annihilation of Soviet troops north of the Sea of Azov was approaching completion.

If true, this would pave the way for a direct German assault on the Dnieper port of Herson, gateway to the vital Caucasian oil fields. In the north, around Leningrad, the German high command said eleven Russian attempts to break out of the old czarist capital failed yesterday and that 28 super-heavy Soviet tanks were destroyed in three days of fighting.

Thousands of Red army reserves were reported moving up to the front in a steady stream, but the Russians made no attempt to conceal the darkness of the hour.

Meanwhile, Prime Minister Winston Churchill received a demand by a group of British students for "immediate armed action to relieve pressure on our Russian allies."

There was still no hint of a British expeditionary force going to

(Continued on Page Four)

## Mediators Seek To End The Dispute

No Settlement in Sight for Jurisdictional Dispute; At AFL Convention, Labor Leader Threatens Split in Ranks.

(By The Associated Press)

Army tank assembly lines faced a possible shutdown today as a result of a jurisdictional labor dispute between the AFL and CIO, while from the former group's national convention at Seattle there came a warning that there might be a further schism in the house of labor.

The threat to continue tank production arose at the plant of the Spicer Manufacturing Company in Toledo, Ohio, makers of approximately 70 per cent of the transmissions for army tanks, "Jeeps," and half-tractor military vehicles.

The company has a contract with the CIO United Automobile Workers and employs 2,200. The firm gets many parts, however, from a subsidiary, the "Heldale (Mich.) Steel Products" company. The AFL recently won a collective bargaining election among Heldale's 800 workers and Spicer CIO men have served notice that they will not handle the AFL-made parts. When existing stocks are exhausted, Spicer officials said that production, already slowed to a trickle, will stop.

Federal and state labor mediators sought to end the dispute and a conference has been called for today.

The rumblings of further possible trouble in labor circles came from James M. Duffy, president of the National Brotherhood of Operatives. Duffy told the AFL convention at Seattle that domination by large unions would bring about "not two great labor organizations, but three—and God forbid that should happen."

Duffy said eight or ten big union-controlled the AFL and that "there are sufficient members now affiliated with the AFL who, unless the trend of power shifts, will be ready to participate in a third group."

## Gillette Asks Probe

Iowa Senator Urges State Department to Approve Proposed Investigation.

Washington, Oct. 11.—(AP)—Senator Gillette, Democrat, Iowa, urged the State department today to approve a proposed senatorial investigation of the activities of Japanese diplomatic and other representatives in the United States.

The Iowa senator arranged to see Secretary of State Hull today for discussion of a resolution which he and Senator Johnson, Democrat, Colorado, offered last week calling for an inquiry into reports that agents of axis powers were organizing a "quota" of dual citizens in into groups hostile to this country.

At that time, Gillette assured the Senate he had received approval of the proposal from the federal bureau of investigation and the intelligence services of the Army and Navy.

"I think the time has come," Gillette told reporters, "to drop the policy of appeasement we have followed with Japan. I have no doubt in the world that if the German armies are successful in their effort to crush Russia that Japan will broaden hostilities in the Far East.

"We may find then that some of the oil and other war supplies which we have sent to them and which are being stored for an emergency are being used against us."

## Franklin ABC Vote Today

Louisburg, Oct. 11.—(AP)—Voters of Franklin county balloted today on the question of retaining or abolishing county-operated Alcohol Beverage Control stores.

In spite of spirited campaigning by those favoring absolute prohibition and by supporters of the liquor control plan, a light vote was forecast. Political observers predicted that about 4,000 votes would be cast as compared with a normal vote of about 6,000.

## WEATHER

FOR NORTH CAROLINA  
Continued fair, continued cool, possibly scattered light frost in the mountains tonight; Sunday fair, slowly rising temperature in the interior.

(Continued on Page Three)

## Economists In Dispute

Just How Less Buying Now Can Prevent Post-War Slump is Uncertain, Stewart Says.

By CHARLES P. STEWART  
Central Press Columnist

Washington, Oct. 11.—Just how the discouragement of civilian buying, while the war lasts, is going to prevent a post-emergency slump isn't apparent to a good many economists.

The theory, as explained by individuals like Treasury Secretary Henry Morgenthau and Chairman Marriner S. Eccles of the Federal Reserve System's board of governors, is that, if consumers will content themselves, for the present, with only the bare necessities of life, later on there'll be such an accumulated demand for everything as to compel industry to produce like fury to supply it—and that'll prevent a depression.

The American Bankers Association's economic policy commission, which ought to understand such problems pretty well, rather mildly indorses this notion. The commission's head, W. Randolph Burgess of New York, doesn't go so far as to deny, like Experts Morgenthau and Eccles, that we'll have a depression, but he does say that it won't necessarily be inevitable—not if the public will postpone its buying, as Henry and Marriner recommend.

But will the public do it? Henry and Marriner evidently think not, unless it's coerced. How coerce it? Why, by making prices so high that it simply will have to economize. Well, prices show a tendency to rise of their own volition, without any governmental boosting. Ah, but that kind of an automatic rise is just what all hands are trying desperately to prevent, and it's axiomatic that inflation always is followed by a slump.

National Price Fixer Leon Henderson's particular job is to put a lid over the threatening "upward spiral," as he calls it, in an uncontrolled inflationary direction. Secretary Morgenthau and Reserve Chairman Eccles don't want inflation to become rampant, either. They

Secretary Morgenthau

(Continued on Page Two)

## Arias Sails For Panama

Havana, Oct. 11.—(AP)—Dr. Arnulfo Arias, the ousted president of Panama, sailed from Cuba today for Panama aboard the steamship *Cefaloo*, due to arrive there Tuesday morning.

Arias, whose flight from Panama last Tuesday before dawn opened the way for establishment of a regime pointing toward greater collaboration with the United States, had said that he intended to return to Panama by plane.

## Lease-Lend Bill Is Sent To Senate

Washington, Oct. 11.—(AP)—Bearing speedy and overwhelming house approval and minus any ban on aid to Russia, the new \$5,985,000,000 lend-lease bill reached the Senate today with promise of early action.

As in the House, where the only major fight revolved around fruitless efforts to prohibit any of the fund being used to help the Soviet government, the Senate faced a similar controversy, but administration leaders expressed confidence the House action would be sustained.

The measure passed the House late yesterday, 329 to 67, after only two days of debate. Two hundred and thirty Democrats and 96 Republicans, one Farmer-Laborite and one American-Laborite voted for the bill on final passage. Eight Democrats, 56 Republicans and three Progressives voted no.

## War Games Take To Air

Charlotte, Oct. 11.—(AP)—Larger Carolina cities will witness early October 20 simulated bombing for the first time when several hundred two-motored bombers of the Army and Navy will swarm over the two states bringing 100-day exercises to be held under the direction of Brigadier General Walter H. Frank by the third interceptor command.

Details of the broad plan for this first mock air warfare in the southeast were received today from General Frank's headquarters at Drew Field, Tampa, Fla.

Charlotte will be the location of General Frank's command post during the maneuver period, October 19-24, and the Charlotte army air base is destined to be "destroyed by aerial bombing" unless the interceptors turn back the waves of bombers.

## RAF Renews Night Raids

London, Oct. 11.—(AP)—More than 200 British bombers roared across the channel during the night as the RAF struck at Germany's industrial Ruhr and Rhineland, authoritative sources announced today. Simultaneous assaults were launched on docks at Bordeaux, on the German-occupied channel coast, these sources declared.

The raids on Germany were the first in nine nights, weather having prevented any extensive offensive operations in more than a week.

The air ministry disclosed that United States-built Havocs participated in the thrust against the continent.

Only a few German night raiders visited Britain, dropping bombs at two places in eastern England and causing some damage and a small number of casualties, the government said.

## Japs Charged With Subversion

## Soldiers Get Holiday

Thousands of Troops Engaged in Maneuvers Plan Week-Ends at Nearby Cities.

Camden, S. C., Oct. 11.—(AP)—Thousands of Lieutenant General Hugh A. Drum's First Army soldiers swarmed out of their bases, camps and bivouacs today for a week-end of recreation after a strenuous week of field training initiating the two-month maneuver program for the Carolinas area.

Reports received at public relations headquarters told of preparations made in cities within and adjoining the 10,000-square mile area to entertain the officers and men of the First Army.

Numerous dances and parties were arranged, sleeping and eating facilities were offered and other measures taken to insure the comfort of the visitors. The Army assigned hundreds of trucks to the task of transporting the soldiers.

A second series of field exercises will be inaugurated Monday with each corps operating within its own area. The next week will see an expansion of the scale of mimic warfare, one corps being pitted against another for the first time in this maneuver.

The next week will also witness the mobilization of the entire First Army for the first time. Advance units of the first division, pride of the Army, arrived in the Camden, N. C., region today to prepare for the coming of the remainder of the division.

## Peace Move Proposed

Washington, Oct. 11.—(AP)—Amid administration and congressional efforts to give more and more aid to Great Britain and Russia, two senators—Adams, Democrat, Colorado, and Nye, Republican, North Dakota—suggested today that President Roosevelt tender his good offices to bring about peace in Europe.

"I am one of the minority group which believes that the President might offer to help in bringing about peace," Adams told reporters.

Nye asserted that Mr. Roosevelt undoubtedly could "make a substantial contribution toward peace" and added that "if our present foreign policy is followed to its ultimate end,

(Continued on Page Three.)