



# Henderson Daily Dispatch



TWENTY-NINTH YEAR

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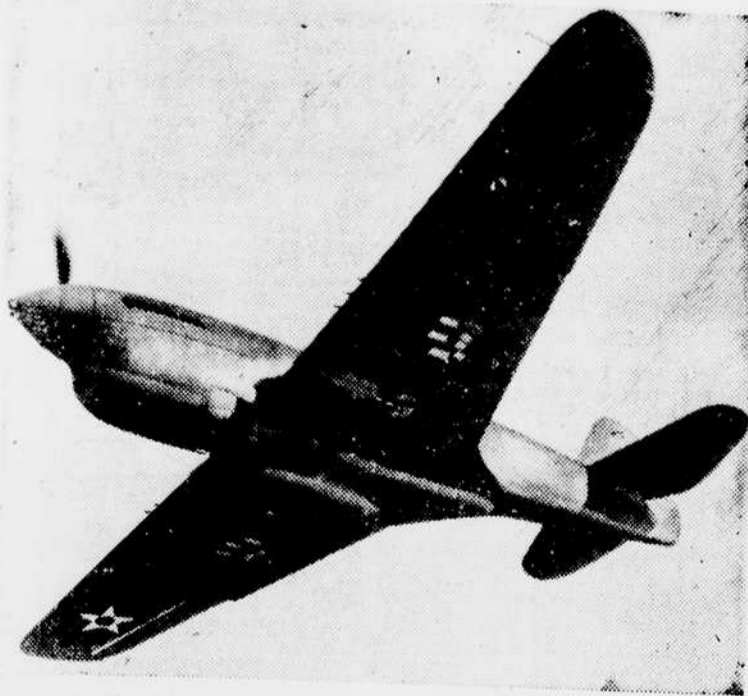
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## Army's Newest Fighter Plane



Shown in flight is the U. S. Army's newest fighter plane, the Curtiss Warhawk, successor to the Tomahawk and Kittyhawk, which are now in combat on widely-scattered fronts. This is the first Army combat plane to be powered with the new American-built Rolls-Royce engine. No details on the plane's performance have been released. (Central Press)

# Nazis Claim Victory

## Japs Claim Capture Of Kinhwa

### China Says Situation Is Grave

Chinese dispatches fail to confirm Japanese claims; In Southwest China, Japanese invaders reported retreating.

(By The Associated Press) Japanese headquarters asserted today that Japanese troops, climaxing a 200-mile advance in ten days, had captured China's "gold flower" city of Kinhwa, capital of the eastern seaboard province of Chekiang, and thereby cut off one of Generalissimo Chiang Kai-Shek's vital supply routes.

Chekiang province is strategically important as a potential springboard for an allied offensive against Japan. Chinese dispatches failed to confirm the Japanese claim. They asserted that Chinese defenders firmly entrenched on the outskirts of Kinhwa were holding their ground at last reports, but acknowledged that the situation was grave.

A Chinese communique last night said a fierce battle was raging around the city after two heavy assaults had been beaten off and more than 1,500 Chinese soldiers were reported killed.

Chungking, May 28.—(AP)—The bitterly contested city of Kinhwa in Chekiang province still is in Chinese hands after the failure of attacks by heavily reinforced Japanese columns, the Chinese high command announced tonight.

Both sides lost heavily in bitter fighting which raged throughout yesterday around the walls of Kinhwa, provincial capital and chief objective of the Japanese army's major sweep down the coastal area below Shanghai, said a communique.

The Japanese brought up 16,000 reinforcements, including artillery and cavalry as well as infantry, for the assault, which came from several sides but all of which were repulsed.

Japanese had been killed by land mines alone.

Kinhwa lies 200 airline miles southwest of Shanghai and 400 miles east of Chungking, China's wartime capital.

A Japanese army spokesman said that more than 300,000 Chinese troops had been concentrated in the Chekiang theatre and that the fall of Kinhwa meant the military collapse of the zone.

Far across China, in the southwest, Chinese dispatches reported that Chinese troops had flung Japanese invasion columns.

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### Slush Bogs Down Nazis on Northeast Front



This picture made somewhere on the Russian northeast front, in the Leningrad sector, shows how German troops and machines bogged down amid slush and swollen rivers caused by melting snow. The river across which these supply wagons are being hauled by horses is level with the bridge. (Central Press)

## Somervell Promises Men, Arms

Assistant U. S. Army Chief of Staff, in London, Hints at Second Front; Furious Axis Assault Launched in Africa.

(By The Associated Press) Lieutenant General Brehon B. Somervell, assistant U. S. Army chief of staff, declared in London today that the United States stands ready to supply "men and materials on a large scale to a European battle front," even as Adolf Hitler's field headquarters claimed victory in the critical battle south of Kharkov.

General Somervell's statement, coinciding with a rising British clamor for direct action against Germany, said the United States was able to send men and supplies despite the shipping shortage and large commitments in Australia and India.

Russia has frequently urged Britain and the United States to open a second front against Hitler's armies this summer.

While the bloody battle of Kharkov swirled toward a climax, Britain's desert armies struggled against a furious new axis offensive in north Africa, a drive aimed at Egypt and the green valley of the Nile.

British headquarters said tank-led axis thrusts had been repulsed on both flanks of the Libyan battle scene, but an RAF communique acknowledged that axis mechanized forces had advanced within 15 miles of the main British stronghold at Tobruk.

The RAF said British fliers bombed the enemy throughout yesterday in the Bir Hacheim and Ed Adam areas.

This indicated that axis tanks had knifed about 30 miles past the British forward defense system, which stretched between Bir Hacheim and Ain el Gazala.

Ed Adam is 15 miles south of Tobruk; Bir Hacheim 50 miles southeast.

On the Soviet front, the Russians reported that the Germans were staging "psychological attacks" in which the nazis charged Red army lines, firing wildly and shouting at the top of their lungs. In one such attack, 1,000 "psychologists" were left dead on the field.

German headquarters said flatly that axis troops had crushed the Russians in a "outstanding victory" south of Kharkov and captured 165,000 prisoners.

## House Delays Consideration Of Pipeline

Washington, May 28.—(AP)—The House put off today until Monday consideration of legislation to authorize construction of a pipeline and a canal across Florida to help meet the eastern seaboard's oil needs as Petroleum Coordinator Ickes said he had asked for steel priorities to build a pipeline from Texas to New York.

Minority Leader McCormack, Democrat, Massachusetts, told the House the bill would be given the right of way Monday.

The Texas-New York pipeline would be the world's largest.

Ickes reiterated at his press conference that so far as gasoline conservation was concerned there was "no need, nor is it advisable" to make gasoline rationing nationwide, but added that this might be necessary to save rubber.

He has not abandoned hope for the pipeline, Ickes said, and he expects to appear personally before WPB in behalf of the project.

WPB Chief Donald Nelson said recently that the country could have this pipeline only if it wanted to sacrifice production of ships and tanks. The line would deliver 350,000 barrels daily to eastern states, it has been estimated.

## Stimson Says Raids On U. S. 'Inevitable'

Secretary of War Declares Japanese Will Retaliate for General Doolittle's Bombing of Tokyo and Other Jap Cities.

Washington, May 28.—(AP)—Secretary Stimson said today the War department considered a Japanese air raid on the United States to be inevitable as a retaliation for Brigadier General James H. Doolittle's attack on Tokyo and other Japanese cities.

The secretary told his press conference the Army was doing everything possible to meet the expected attack, which he indicated was anticipated on the west coast.

"Whatever happens, we shan't relax our most effective defense—our preparations for a major offensive," he said.

Stimson also told a questioner that despite the great distance the east coast lies from Japan, an attack on the national capital was "not inconceivable." He did not discuss the possibility of attacks by Japan's axis partners.

"The loss of face" Japan suffered from the Army air attack led by General Doolittle made a vengeance blow inevitable, Stimson contended. The United States, through General Doolittle, inflicted a stinging, humiliating, surprise blow on the Japanese, as evidenced by their bombing of Japan's invulnerability at the very time the bombers came down," the secretary said.

## Lewis Ousts Philip Murray

Washington, May 28.—(AP)—John L. Lewis today ousted Philip Murray, president of the CIO, from his \$18,000 a year job as vice president of the United Mine Workers.

Lewis, president of the miners, declared the vice presidency vacant and was upheld by the UMW executive board by a vote of 17 to 1.

Lewis then named John O'Leary, Pittsburgh, to Murray's place.

A UMW spokesman explained that under the union's constitution Murray, in effect, vacated his office when he accepted the salaried leadership of the steel workers union.

Newton Wagner, representing district 50 of the UMW, cast the lone vote against ousting Murray.

## Uncertainty Still Ahead

Babson Says History Shows Depressions Follow Booms; Urges Spiritual Rebirth.

By ROGER W. BABSON Copyright—1942—Publishers Financial Bureau, Inc.

Babson Park, Mass., May 28.—The economic life of the United States differs little from our own personal lives. Both are characterized by ups and downs. Wars, land speculation, agricultural upsets, tariffs, foreign relations, mergers, pump-priming, legislation, labor unions, and other good and bad factors have all played a part in the prosperity or in the decline of our country's affairs. When the war will end, and whether we shall have a post-war slump or whether boom times will continue, no man can now say. By another six months, however, the entire situation should be much clearer.

Looking Backward. My life has been spent in looking forward. I have continually tried to anticipate coming events in order to preserve my economic independence. Due to a praying father and mother, I have looked upward for guidance in my personal affairs and when advising others. Such success as I have come through my early recognition of the practical values of the unbeatable combination of faith, industry, and intelligence. History certainly repeats itself and often is a dependable guide.

Hence, let me briefly review some of the events in our national economic experience in the order in which they have appeared to me. My father was born in the depression of the 50's—from which the Civil War pulled us out. I was born following the long depression of the 70's which was caused by the collapse of railroad and farm speculation and paper currency. Resumption of gold payments, the great rise in immigration, several notable inventions, and complete freedom

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## Blakeley Safe In Port

Damaged U. S. Destroyer at St. Lucia; Reuters Reports Axis Sub Sunk in Fight.

St. Lucia, British West Indies, May 27.—(Delayed)—(AP)—The United States destroyer Blakeley reached port here tonight after coming safely through an attack by a wolf pack of axis submarines which precipitated a naval battle.

London, May 28.—(AP)—Reuters, British news agency, reported today that an axis submarine was believed to have been destroyed yesterday off St. Lucia, British West Indies, after a second submarine attack on the damaged U. S. destroyer Blakeley.

The agency said this was the second submarine destroyed in the Caribbean within a week. (It did not say exactly when or where the first was destroyed.)

It said the Blakeley was attacked by submarines outside the harbor of Castries, St. Lucia, as she was steaming from Martinique where she had put in after being damaged by a torpedo on Monday.

Planes counter attacked the submarines, it was said, and one was believed sunk.

The belief was expressed that a pack of submarines was prowling near Martinique and attacked the destroyer first just outside territorial waters of that French colonial island.

St. Lucia is only 20 miles from

## Mayer Tops Salary List

Movie Executive Earned \$704,425.60 Last Year; Other Top Notchers Far Behind.

Philadelphia, May 28.—(AP)—Louis B. Mayer, the 57-year-old Russian-born movie executive who began his career as a Massachusetts theatre operator, topped the field of America's biggest paid executives again last year with an income of \$794,425.60 as managing director of production for Loew's, Inc.

Trailing far behind Mayer, who received \$7,373 more than in 1940, and whose 1941 remuneration included \$348,425.60 as either bonus or share in profits, were a host of other motion picture executives, actors and actresses, industrialists and business men, a survey of annual reports filed with the securities and exchange commission showed today.

Clark Gable, motion picture star, received \$357,500 from Loew's for second place, and Nicholas M. Schenck was paid \$334,245.41 as president and director of Loew's.

Many of the annual reports, however, have been held up by the SEC for possible censorship purposes. Included in this group are Eugene Casser, president of the Bethlehem Steel Corp., who was second in 1941 with \$174,144 and other top ranking steel masters whose firms are engaged in war production.

George Washington Hill, president

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## Mexican Congress Will Declare War

GOLDSBORO AIRPORT CONTRACT AWARDED

Washington, May 28.—(AP)—Grannis-Higgins-Thompson and McDavit of Charlotte, N. C., has been awarded a contract in connection with the construction of an air force training school at Goldsboro, N. C.

Announcement of the award was made last night by the War department, which said it was made on a competitive bid basis. The amount involved in the contract and other details were not disclosed.

## Vital Jobs Are 'Frozen'

Workmen Forbidden to Change Jobs Without Permission; Unions Withhold Consent.

Washington, May 28.—(AP)—Hundreds of thousands of essential workers are forbidden to change jobs in war industries under government orders being drawn up today to stop "pirating" of skilled men by rival manufacturers.

Orders being prepared by the war manpower commission for immediate issuance make the United States Employment Service the "sole hiring agency" for critical skills in critical areas. The effect will be to prevent workers from changing from one plant to another without approval of the government agency.

A spokesman for the manpower commission said labor "pirating" through offers of higher pay had become so widespread, especially in the aircraft industry, that it interfered with war production.

Organized labor withheld immediate judgment on the move. William Green, AFL president, said it was a "pretty drastic order" and added that he would comment no further until he studied it.

Philip Murray, president of the CIO, called a meeting of the organization's war mobilization committee for Monday to decide CIO policy on the orders.

The manpower commission spokesman declined to discuss what effect the policy might have on stabilization of wages. He said the freezing could be enforced through provisions in war contracts, but added an opinion that "employers will go along and we do not think compulsion will be necessary."

A labor "freezing" order has been in effect in Britain for months.

## Brazilians Sink U-Boat Off Coast

Rio de Janeiro, May 28.—(AP)—A Brazilian air force plane was credited today by a high Brazilian source with the dive bombing destruction of an axis submarine five days ago off the northeast coast of Brazil after a summons for assistance from United States fliers.

"The plane is Brazilian and was piloted by a Brazilian crew," said the informant, whose country is not at war with the axis but has had seven ships torpedoed in the U-boat campaign and all but one lost.

The submarine, he said, was first sighted last Saturday afternoon by United States fliers, identified as Lieutenant Harry Schwane and Sergeant J. G. Yates. They attacked and simultaneously called for assistance from land-based Brazilian planes.

The Brazilians responded immediately. Three Brazilian planes joined in the assault. At least one of 70's which was caused by the collapse of railroad and farm speculation and paper currency. Resumption of gold payments, the great rise in immigration, several notable inventions, and complete freedom

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## Welsh Freed By Magistrate

Kansas City, May 28.—(AP)—George W. Welsh, Jr., was freed today of a first degree murder charge brought against him by the state in the brutal hammer and butcher slaying of his pretty, 24-year old sister, Leila, March 9, 1942.

The charge was dismissed by J. J. Dougherty, justice of peace County Prosecutor Michael W. O'Hern aiked that the defendant be held 20 minutes to give him time to file a new action. He did not disclose the nature of the charge he had in mind.

Three grand juries have investigated the case since the former University of Kansas City beauty queen's mutilated body was found in her bed by her mother, Mrs. Marie Welsh.

Two juries took no action. The third indicted the 28-year old brother. Its indictment was quashed on the grounds of illegal conduct by the jurors. Immediately after that indictment was set aside, County Prosecutor O'Hern filed a murder charge.

WEATHER FOR NORTH CAROLINA. Little change in temperature tonight, except slightly cooler in east portion.