

U. S. PLANS NO NAVAL SHOW IN RAIDS ON GUNBOAT PANAY; TOKYO GETS NEW GREW NOTE

Protest Made Over Firing of Surface Craft on American Boat; Reveal Japanese Stopped Craft Before Bombing.

(Continued from Page One)

gunned the little gunboat as she sank.

Secretary of State Hull said that these reports substantiated earlier eye-witnesses, but unofficial accounts of the attack. He refused to comment, however, on the report that revelations in the official documents had made even more grave the threat of Japanese-American relations.

According to Secretary Hull the reports have been sent to U. S. Ambassador Joseph C. Grew at Tokyo to be included as part of this Government's vigorous protest to the Japanese Government.

It was believed that because of developments of the last two days that a further formal protest to Japan from this country was likely. This probably will be withheld, however, until receipt of the Japanese Government's answer to the United States Ambassador Saito gave no indication when this answer might be expected, but officials in Tokyo said it would go forward within a few days.

Grew Protests Surface Attack Upon Panay

TOKYO, Dec. 18 (U. P.)—American Ambassador Joseph C. Grew has delivered strong written representations to the Foreign Office against the machine-gunning of the sinking American gunboat by launches flying the Japanese flag, it was learned today.

It was understood that the representations held the machine-gunning to have been the most serious phase of the Japanese attack in which the Panay was sunk by airplane bombs.

Further, it was indicated that the Government had now received reports from China that Japanese in surface boats fired on the Panay after she had been abandoned, and that she was scuttled just before she sank.

Ambassador Grew's representations were made in the form of a written note, it was understood, instead of verbally.

Emphasizes Surface Attack

The assumption here was that the United States emphasized the machine-gunning of the Panay by surface boats as the most serious single aspect of the incident because while aviators might plead that they could not see the American flags flying on the ship and painted for guidance of aircraft—on her deck and sides, there could be no question as to men on land or water seeing them.

It was asserted in reliable quarters today that Rear Admiral Teizo Mitsunami, chief of aerial operations in China, had already arrived in Japan and that he would at once give specific reports to the Government regarding the orders which had been issued to aviators by the Japanese high command.

In token of the Government's concern over the attack it was said authoritatively that Admiral Kiyoshi Hasewaga, Japanese Navy Commander-in-Chief, had himself offered to resign from the Navy and thus take responsibility. It was added, however, that he would not be permitted to do so because the

Hear Governor's Plea for New Plants



These Indiana Chamber of Commerce members were among those who heard Governor Townsend ask for a co-ordinated program by business leaders and public officials to seek new industries for Indiana. They are (left to right) John E. Fredrick,

Kokomo; G. B. Tuthill, Elkhart, and B. T. Smith, Shelbyville.

Because the Governor is recovering at his home from a recent operation, his prepared speech was read by Dick Heller, his executive secretary.

STATE'S C. OF C. RENAMES HEADS

J. E. Fredrick of Kokomo Will Continue to Serve As President.

The State Chamber of Commerce today continued its work with the same officers that have served during the last year.

At a business session yesterday in the Columbia Club, John E. Fredrick, Kokomo, was re-elected president; G. B. Tuthill, Elkhart, vice-president, and William H. Arnett, Indianapolis, managing director and treasurer.

Directors who were re-elected are: B. T. Smith, Shelbyville; J. A. Johnson, Crawfordsville; B. F. Geyer, Ft. Wayne; Henry Earlewine, Marion; J. S. McQuinn, Newcastle; Donald A. Purvis, Indianapolis; John Zimmerman, Auburn; W. A. Carson, Evansville; Charles W. Chase, Indianapolis.

Three were elected as new directors. They were: S. H. Kimbrough and Robert Myers, both of Muncie, and R. J. Block, East Chicago.

Farm Plan Outlined

Carl B. Fritzsche, National Farm Chemurgic Council managing director, Dearborn, Mich., discussed the possibilities in expanding an alliance between agriculture, industry and science at a luncheon meeting yesterday.

He said that an alliance of this kind would give 5,000,000 men employment and use 50,000,000 acres of American farmland.

About 200 Indiana business and civic leaders attended the meeting.

A message by Governor Townsend yesterday outlined industrial development in the state.

affixed bayonets to their rifles. The lieutenant's two guards fixed their bayonets as they stood on the deck of the American warship, Mr. James reported.

The Japanese lieutenant questioned Lieut. Comm. James, he could go through with his original plan to go, leaving the cruiser Marblehead here. Had it not been for the Panay attack, he would have gone Tuesday. Most of the Panay's crew except the seriously wounded were due to sail in the Augusta.

The details of this missing factor in the sinking of the Panay were disclosed today by Weldon James, chief of the United Press Bureau at Nanking, who was aboard the Panay. Mr. James wrote the story at the time, but Lieut. Comm. James fearing that any message containing Japanese troop activities might aid the Chinese and violate American neutrality, thought it best not to permit the dispatch to be transmitted on the Panay's radio, the only means of communication available. Four hours later Lieut. Comm. Hughes was a casualty and his little ship was sinking under a combined bombing and machine-gunning attack by Japanese aviators.

It was at 9:40 a. m. Sunday, Mr. James disclosed, that the Panay was stopped 22 miles above Nanking.

A field gun was trained on her from shore. A boarding party of about 30 Japanese troops went into the river and went alongside.

As a lieutenant and a guard of two men went aboard, the soldiers

permitted to proceed—to her death.

Report Chiang Plans For Reorganization

SHANGHAI, Dec. 18 (U. P.)—Plans for complete political and military reorganization of the Chinese Government and Army for a period of 10 years were reported today by Chinese sources.

It was asserted that the plans outlined not only closer co-operation between the Kuomintang (Government political party) and former Chinese Communist leaders but an attempt to get aid from Soviet Russia.

Particularly it was hoped to get Russian aid in training Chinese soldiers, it was said. It was reported that Eugen Chen, former Foreign Minister and one of the country's eminent men, was now in Moscow seeking to find whether China could count on Russian support for a prolonged war.

Report Britain May Send 3 Ships to China

LONDON, Dec. 18 (U. P.)—The newspaper Star asserted today that the Cabinet had decided that three capital ships should be made ready to proceed to Chinese waters and that the ships, including the gigantic battle cruiser Hood, were now standing by awaiting orders.

Foreign Office and Admiralty spokesmen said they had no information regarding the report.

Report Midwest Weather

INDIANAPOLIS FORECAST: Partly cloudy tonight and tomorrow followed by snow tomorrow; not much change in temperature; lowest temperature, tonight about 30 degrees.

Sunrise 1:02 Sunset 4:21

TEMPERATURE—Dec. 18, 1936

7 a. m. 33 1 p. m. 22

BAROMETER

29.34

Precipitation 24 hrs. ending 7 a. m. 1.29

Total precipitation 41.38

Excess 38.08

MIDWEST WEATHER

Indiana—Generally fair, extreme south, much cloudiness central and north tonight and tomorrow; no change in temperature.

Illinoi—Generally fair, extreme south and tomorrow, probably some north tonight and snow or rain tomorrow; central south.

Lower Michigan—Cloudy tonight and tomorrow; some north tonight; slightly colder, north tonight.

Ohio—Cloudy tonight and tomorrow; some north tonight; slightly colder in east and north tonight.

Kentucky—Partly cloudy tonight and tomorrow; colder in southeast tonight.

Arkansas—Fair, some north tonight.

Missouri—Fair, some north tonight.

Tennessee—Fair, some north tonight.

Georgia—Fair, some north tonight.

Alabama—Fair, some north tonight.

Florida—Fair, some north tonight.

North Carolina—Fair, some north tonight.

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