

## Jap Leaders Split On Reich Alliance; Push Drive in China

### THE FOREIGN SITUATION

TOKYO—Japanese leaders debate Reich alliance. HENDAYE—Franco claims Madrid has fallen (Page 1). BRATISLAVA—Slovaks ask Hitler's "protection." BUDAPEST—Hungary invites Slovak peace overture. ROME—Goering says "axis is unbreakable." BERNE—Swiss fortify borders. MONTREAL—Canadians divided on war views. WASHINGTON—Isolationists seek support in Congress. LONDON—British tension eases, Kennedy says. (Soviet Army Called "Broken Reed," Page Nine)

TOKYO, March 25 (U.P.)—Japanese leaders are engaged in urgent consultations over a German proposal for a broad German-Italian-Japanese military alliance against any opposition to their policies by the democracies, it was asserted today in official quarters. Informants said that discussions were so bitter that a Cabinet crisis might possibly be precipitated.

It was said that at present a majority of leaders who oppose involving Japan in European matters but were not willing to abandon the German idea, unless a better proposition were forthcoming elsewhere.

#### Leaders Consult

Premier Hirannu, Foreign Minister Arita, War Minister Itagaki, Navy Minister Yosuke and Finance Minister Ishiwara were said to be in frequent conference in an effort to decide Japan's policy.

In connection with the alliance talk, it was disclosed that Baron Hirannu had reported to Emperor Hirohito today on the closing of parliament and "pending diplomatic matters."

As Baron Hirannu visited the Emperor, 106 of the 468 members of the Diet, representing minor parties, sent him a petition asking him to conclude a military alliance with Germany and Italy "against Great Britain and France, which are obstructing Japan's present sacred aims."

#### Japs, Chinese Lock in Fierce Engagement

SHANGHAI, March 25 (U.P.)—The Japanese and Chinese forces are locked in a series of bloody engagements over a 70-mile front between Wuching and Wuning, dispatches to the Chinese newspapers said today.

According to messages the fighting is more bloody and terrible than that which occurred on the Shanghai front.

More than 100 Japanese bombers reportedly attacked the Chinese positions in the last few days, but the Chinese defense remains firm except for a hole along the high-way to Nanchang.

#### Nazis Talk Trade With Belgium

BERLIN, March 25 (U.P.)—Germany, pursuing a vigorous field of economic expansion, announced today that a Belgian-German commission had concluded talks for a commodities exchange between Germany and the Belgium-Luxembourg custom union, as well as the transfer of credits transfers for the next few months.

Coincidently it was reported that Dr. Hjalmar Schacht, recently deposed as head of the German Reichsbank, would return today from Switzerland to assume a "spontaneous post." It was reported that part of Schacht's new duties would concern the reorganization of the Czechoslovak areas announced by Germany.

#### Swiss Strengthen Border Defense

BERNE, Switzerland, March 25 (U.P.)—The Federal Council decreed today that mines be loaded and guards strengthened on all borders.

The Swiss Telegraph Agency said the measures are the same as those taken during the Czech crisis last September.

#### Canadians Divided On War Views

MONTRÉAL, March 25 (U.P.)—Canada is busy arming and preparing for "the next war" but the Canadian people cannot agree where and under what circumstances the arms should be used, it was indicated today.

The Canadian Government this year is spending over \$5 million dollars—the most in peace-time history—extending the country's air, naval, military and coastal defenses.

Most Canadians approve the precautionary measures but the unity of views on war ends there.

A large section, particularly in so-called "French-Canada," oppose any suggestion that Canada enter into any military agreements committing the country to go to war under any circumstances except to defend Canadian territory.

Another section, chiefly English-speaking, favors close co-operation between Canada and Great Britain on defense matters, and still another favors co-operation with the United States.

#### Hungary Invites Slovak Peace Delegation

BUDAPEST, Hungary, March 25 (U.P.)—Hungary has invited Slovakia to send a delegation to Budapest to discuss termination of hostilities in the Carpatho-Ukraine frontier area, it was announced today.

It was asserted officially that Slovak airplanes yesterday bombed the under frontier area cities of Uzvar, Rozsos and Nagy Bereznica and that the Hungarians shot down seven Slovak planes.

#### OFFICIALS CONTINUE WATER PLANT STUDY

London, March 25 (U.P.)—France and several other powers have urged the British Government that immediate introduction of national conscription in Great Britain is essential to the real success of any effort to check German expansion, it was understood today.

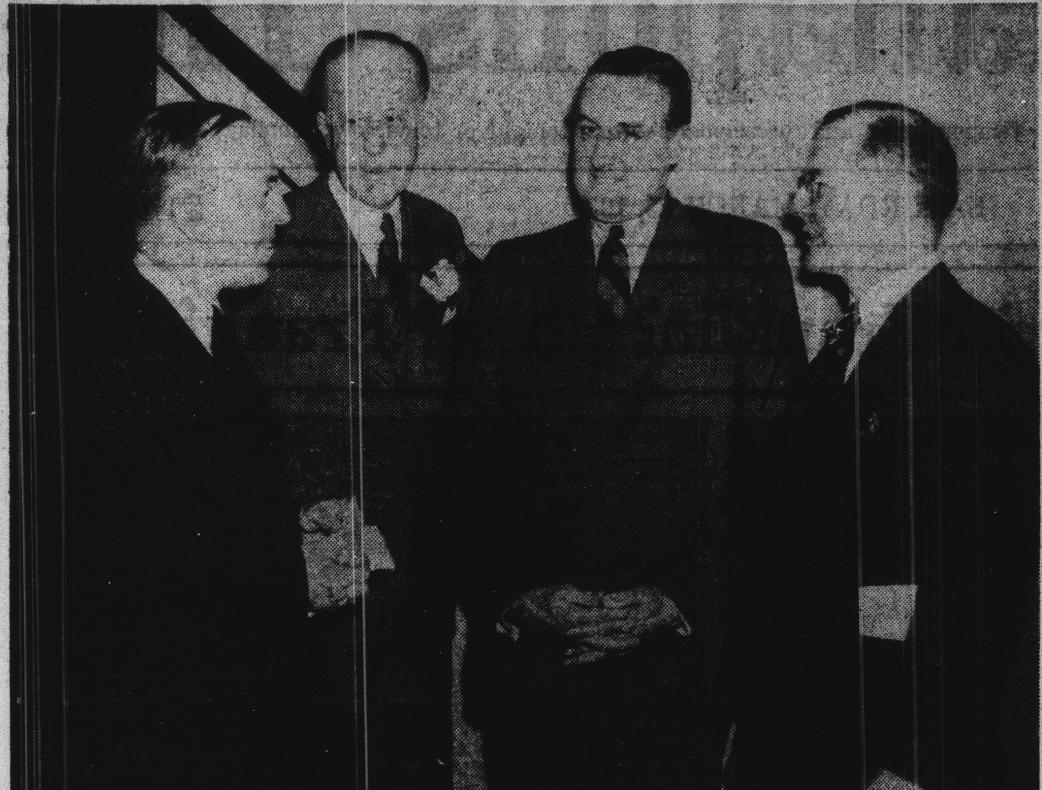
It was asserted that President Lebrun of France on his state visit here strongly impressed British leaders with the argument that adoption of British conscription would be of immense material, social and psychological effect.

Poland and other powers, it was understood, have been conveying similar arguments to the Government.

Poland has coldly declined to enter a four power "Stop Hitler" bloc without some concrete military guarantees.

MADISON CCC TO BE MOVED  
MADISON, March 25 (U.P.)—The Madison CCC camp will be moved to a new location near Kokomo May 1, it was announced here today. O. L. Head, secretary of the Chamber of Commerce, said he had received letters from Rep. Eugene B. Crowley and Senators Minton and Van Nuys, informing him that the transfer would be made.

## Cancer Experts Hold Clinic Here



## TWO GET YEAR FOR THEFTS OF POSTAL FUNDS

112 Others Are Arraigned,  
Accused of Offenses  
Against U. S.

Arraignments or sentencing of 114 persons charged with offenses against the U. S. Government were concluded today before Federal District Court Judge Robert C. Balfill.

Charles W. Schultz, former Saltillo postmaster, was sentenced to one year and a day in prison for embezzling \$222.50 in postal funds. The same sentence was given Thomas S. Stephenson, former Leavenworth postmaster, whose accounts were found short of \$872.54. Both pleaded guilty.

Four persons were arraigned on charges of forging WPA checks. They were James Durrah, 18, of Vincennes, sentenced to one year and a day in prison; Willie Jones, Evansville, and Floyd James, Jeffersonville, whose cases are to be investigated further, and Wilber Stewart, New Albany, sentenced to two years in prison.

Five Await Further Probes

Three youths, charged with conspiring to defraud the Government by overcharging the Tell City CCC camp for groceries, will have their cases investigated further. They are James McCown, Tell City grocery manager, and Lloyd Timberlake and Leslie Jones, both CCC grocery purchasers.

The Court also decided to investigate further the cases of George Ackerman Jr. and Robert Grinstead, charged with conspiracy andburglary at the North Vernon post office.

Yesterday 11 persons indicted by

Federal Grand Jury on charges of conspiring to defraud the U. S. Government by overcharging WPA labor on projects at Kokomo to private use pleaded not guilty and their trials were set by Judge Balfill for 9:30 a. m. Monday, May 8.

Two of the defendants, former Mayor Olin R. Holt of Kokomo and Carl Broo, former Kokomo City Attorney, waived counsel.

Others Indicted

The others indicted include Lester Ratcliff, 2826 Kenwood Ave., Indianapolis, former WPA supervisor in Howard and Tipton Counties; Thomas C. Headly, president of the Sumption Headly Hunt Co., Kokomo; Joe Tarkington, former Government employee; George H. Monroe, former Kokomo City Engineer; George Mix, former Kokomo assistant City Engineer; Mel Good, former Kokomo City Clerk; Lincoln F. Record, former Kokomo WPA project superintendent; James A. Harmon, WPA project supervisor, and Charles W. Harley, who succeeded Ratcliff as WPA supervisor in Howard and Tipton Counties.

The trial of Clarence V. Crockett, former teller and cashier of the Farmer's National Bank at Shelbyville, was set for May 4. He pleaded not guilty to a charge of embezzling \$42,423 from the bank.

Clifton Faces Trial May 3

Oscar L. Clifton, former manager of the Hobbs branch of the Windfall Union State Bank, is to be tried May 3. He pleaded not guilty to a charge of misapplication of the bank's funds.

Twelve pleaded guilty to charges for forging and passing Government checks and were given heavy sentences by Judge Balfill who warned that "this practice must be stopped."

BARKLEY BOOSTED FOR '40

LOUISVILLE, March 25 (U.P.)—A group of 200 Kentucky Democrats met today to make Senator Barkley, U. S. Senate majority leader, their "favorite son" candidate for the 1940 Presidential nomination.

## Early Bird Gets Squirm In This Case

The moral of this may be to report for work exactly on the dot. If you're late and if you're early, the police reserves are called out.

Willard Greenard arrived for work at the Dayan's Linen Store, 25 W. Washington St., at 8 a. m. today, 15 minutes before he was due.

When he unlocked the door the police were there, a revolver in his back, saying: "All right, hand it over."

As he stepped from the car he told

Mr. Reilly to "get going or I will blow your head off," the motorman said.

James Fleming, 38, of 245 W. 38th

St., reported his house had been

ransacked and his safe links and a

watch worth \$75 had been taken.

Jewelry valued at \$41 was reported

missing by Joseph A. Sturdy in his home at 4561 N. Delaware St.

## HANDS MOTORMAN DIME, SEIZES \$17

Police today sought an armed bandit who last night held up a Shultz St. streetcar motorman and robbed him of \$17. In other overnight burglaries more than \$115 worth of jewelry was taken, police reported.

Thomas J. Reilly, 48, of 219 W. 31st St., told police he stopped his streetcar for a man at Troy Ave. and Shultz St. who misnamed him a dime, Mr. Reilly said, then thrust a revolver in his back, saying: "All right, hand it over."

As he stepped from the car he told

Mr. Reilly to "get going or I will blow your head off," the motorman said.

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