

# Nazis May Betray Slovaks to Hungary For Aid in Ukraine

## FOREIGN SITUATION

**BERLIN**—Nazis to parade on war's 25th anniversary. **BUDAPEST**—Hungary claims Rumania is firing on boats. **BURGOS**—Spanish editorials demand return of Gibraltar. **MOSCOW**—Optimism rises over French-British alliance.

**TOKYO**—Britain backs down again; papers turn on U. S.

By JOE ALEX MORRIS  
United Press Foreign News Editor

Europe's totalitarian bloc hinted at two new trouble spots—the Ukraine and Gibraltar—today on the 25th anniversary of the World War. Apparently seeking to widen the diplomatic war front and to test out weak spots in the security alliances set up by Great Britain and France, the Nazi Government suddenly ordered a great celebration by the army of the day (Wednesday) on which "the German people took up the fight to defend their existence against a hostile superiority of forces" and declared war on Russia.

At the same time—  
1. Slovakia and Germany were reported discussing military defense problems and Adolf Hitler ordered highways in former Czechoslovakia rushed to completion. Unofficial reports to Nazi sources were allowed to filter out the Nazi Government was considering transfer of all Slovakia to Hungary in return for establishment of German air bases along the Hungarian frontier of Rumania and Poland and for permission for the Nazi army to cross Hungary in event of war.  
2. Hungarians officially charged that Rumanian soldiers had three times fired with machine guns and rifles on boats on the Theiss River and at Warsaw it was reported reliably that Polish police had discovered a Ukrainian nationalist movement fostered by Nazis and arrested 40 Ukrainians.  
3. The controlled press of Spain, which is closely linked to the totalitarian bloc, united in a surprising demand—and prediction—that Gibraltar would be returned to "factually" to Spain and that Britain's great key to the Mediterranean would become "a fly speck and lose all importance."

**Reread Chamberlain's Speech**  
Both Ivestia and Pravda, the Government and Communist newspapers at Moscow, hinted at early completion of the negotiations for an Anglo-French-Russian alliance. They said editorially that the "people know that the pressure of Fascist aggression may be halted . . . and are ready to participate in the organization of a real peace front."  
In the Far East, Great Britain was understood to have agreed to surrender of four Chinese held in the British Concession at Tientsin who were the technical cause of the present strife in which Japanese military leaders are seeking to force Britain to co-operate with their program in North China. Britain also was said to have agreed tentatively to co-operate with Japanese in preventing pro-Chinese terrorists from using the Concession if Japan lifted its blockade of the Concession.

**U. S. Called "Spoiled"**  
The Japanese, however, showed no signs of slackening their campaign to drive foreign interests out of the Far East and the United States was coming in for more and more criticism.  
In Tokyo, the newspapers jumped on America's denunciation of the 1911 commercial treaty with Japan in a belated burst of editorial comment.  
"A spoiled and impudent power should also be taught its place," said the independent Nichi Nichi. "Japan has spoiled the United States because it has been too courteous."

Mrs. Harry Whitton, a native of Seattle, Wash., arrived in Shanghai today and told that she had been partly disoriented at the order of Japanese soldiers as she was about to board a steamship at Tsingtau. British passengers were searched four times, she said.

Two groups of Japanese airplanes bombed the Chungking area twice last night, concentrating their fire on the south bank of the Yangtze, where American and British property is concentrated.  
Serious guerrilla fighting between the Japanese and Chinese along the Peiping-Hankow railroad was reported at Chungking.

# Fascist Italy Stressing Civilian Life; War Atmosphere Absent, Simms Finds



If Italy expected to go to war, say Fascists, they wouldn't be planning for a World's Fair in 1942 and Olympic Games in 1944. Here is Premier Mussolini speaking in the Olympic Stadium.

By WILLIAM PHILIP SIMMS  
Times Foreign Editor

**ROME, Aug. 1.**—If Italy intends to fight a war she is doing a magnificent job of concealing it.

A journey by air, rail and auto from the Yugoslav frontier to Rome, thence northward through the Piedmont section as far as the French border shows one a minimum of military activities.

There is a total lack of German troops, which rumor leads one to believe I might see. There are whispers of German soldiers actually holding the French frontier; of Reichswehr men being as thick as flies throughout northern Italy.

There's nothing to it. In fact, the Italians would never stand for what such a visitation would imply. There are some few German officers in Italy, just as there are Italian officers in Germany. This is entirely customary between allies.

There are also German businessmen, industrialists and specialists in Italy, and vice versa. But no troops.

Early in 1918, six weeks before her entry into the World War, soldiers were drilling in every vacant

field. The railways were jammed with troop trains and the freight cars were loaded with munitions. There is nothing remotely resembling that today. Life appears to be normal. Few soldiers are seen in the streets, on the trains or around the stations. The most warlike spectacle around here is six anti-aircraft guns mounted on trucks standing unattended in freshly harvested wheatfields. Even these are under tarpaulins.

Of course all this doesn't mean that Italy won't go to war, as Virgilio Gayda, the Fascist editor, insists she will if Germany gets into a fight over Danzig.

Admittedly, too, the situation today is considerably different from that of 1915. Then the nation was mobilizing, whereas today probably a million and a half men are already with the colors, in strategic positions.

If Italy is on the eve of such a terrible adventure the least that can be said is that she is certainly taking it calmly.

On the other hand, civilian life seems unusually active. There is much building, both residential and industrial. Whole sections of cities are under construction or rehabilitation. Slum clearance, road building, wholesale reclamation of land,

# G. O. P. SEEKING LENDING BILL'S 'QUICK DEATH'

Bankhead Doubtful if House Will Even Start Debate On Roosevelt Plan.

(Continued from Page One)

hour debate on adoption of the rule, are provided.

Rep. Martin said the 169 Republican House members were prepared to try to cut sizable chunks out of the bill. Rep. Jesse P. Woolcott (R. Mich.), ranking minority member of the Banking and Currency Committee, had a stormy course. Republican members in a minority report condemned the bill as proposing "spending by deception," and "unsound in theory and exceedingly dangerous in practice."

They said it was "another step toward giving the President ultimate control of the entire productive and distributive mechanism of the United States."

**How Bills Differ**

The lending bill, which Administration leaders predicted would pass easily, has had a stormy course in Congress. To meet early objections, the original \$3,000,000,000 figure was trimmed to \$2,800,000,000, eliminating the controversial section on foreign loans. The Senate committee reduced it to \$2,490,000,000; on the Senate floor it was chopped to \$1,615,000,000.

That differs radically from the House version, carrying \$1,950,000,000. A comparison of the two bills follows:

Non-Federal Public Works	Senate	House
Rural Electrification	\$500,000,000	\$500,000,000
Farm Tenant Loans	500,000,000	400,000,000
Reclamation Projects	90,000,000	90,000,000
Foreign Trade	75,000,000	100,000,000
Loans	500,000,000	500,000,000
Road Loans (R.F.C.)	250,000,000	250,000,000

The bulk of the loans authorized by the Senate bill go to farmers and rural areas—\$1,100,000,000 being allocated for farm tenant loans and rural electrification.

Another amendment, expected to raise considerable controversy in the House, would provide for State and Federal taxation of the income from the bonds the Reconstruction Finance Corp. will sell to finance the program. That policy is in line with Mr. Roosevelt's desire to make all future Federal bond issues subject to taxation.

But Senator Charles McNary (O. Va.), a vigorous critic of New Deal fiscal policies.

Opponents of the amendment said it might mean "no sale" of the securities since other tax exempt Federal bonds are available.

**Hatch Bill Fine Issue, Says G. O. P.**

By CHARLES T. LUCEY.

**WASHINGTON, Aug. 1.**—As President Roosevelt today continued to weigh his action on the Hatch Bill, following a lengthy conference with Attorney-General Frank Murphy, it became increasingly apparent that a veto would make the measure a major issue in the 1940 campaign.

Authoritative White House sources today indicated that Mr. Roosevelt would either sign or veto the bill within 24 hours, although he has until Thursday to act on it.

Republicans are saying that if Mr. Roosevelt vetoes the bill it will provide them with made-to-order radio and platform material for next year.

They would undertake to interpret the veto as an attempt to perpetuate a spoils system of Government and as an effort by New Dealers to control the 1940 National Democratic Convention.

One Republican strategist said privately:

"In the public interest and for the improvement of Government service, the Hatch Bill should become law. But it will provide the Republican Party with a paramount issue in the national campaign if Mr. Roosevelt decides to veto it."

Mr. Murphy did not say the legislation, which lays down a broad prohibition on political activity by Federal employees, was the subject of his conference at the White House. But he has been exploring all legal questions raised by the bill as it was assumed he had communicated his findings to the President. This study is continuing, Mr. Murphy said. The President has until Thursday to act on the bill.

Although opponents of the Hatch Bill have claimed it circumscribes the personal rights of Federal workers, it was disclosed today that 600,000 employees in the civil service and under the same no-politics ban have made virtually no complaints on this basis.

The Civil Service Commission's most recent report showed that of a list of 112 complaints of political activity cited, there were no definite instances of complaints by employees that any personal or Constitutional rights were abridged.

**Hanes Starts Study For New Tax Bill**

**WASHINGTON, Aug. 1 (U. P.).**—Treasury Undersecretary John W. Hanes held the first of a series of conferences today to prepare for possible revisions—most of them upward—in personal income tax rates by the next session of Congress.

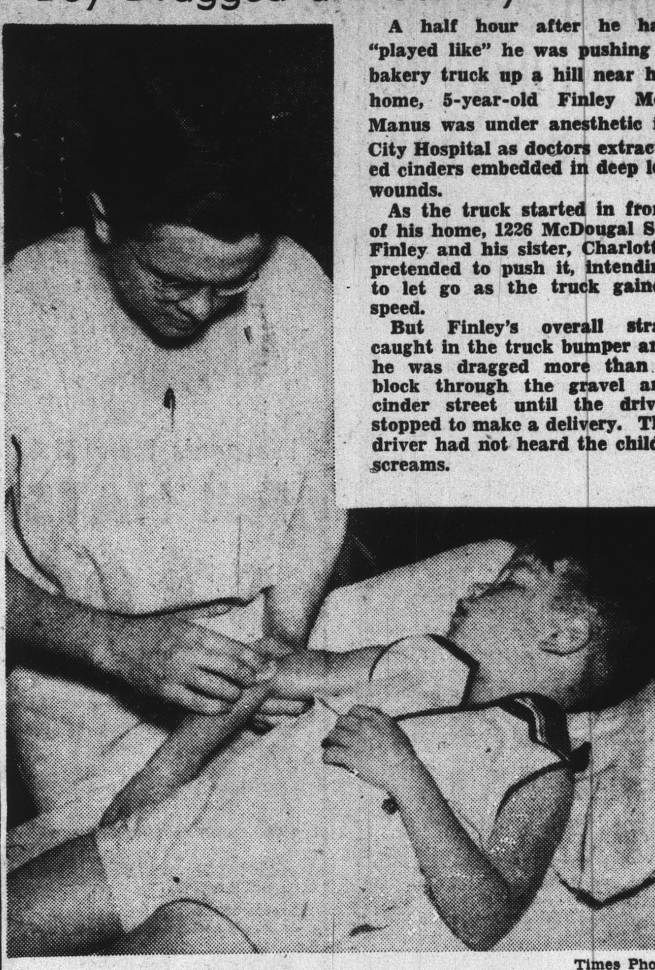
Although persistent reports relate that reductions may be recommended in the exemptions of \$1000 for single persons and \$2500 for married men or women, a slash in the top brackets, now calling for a maximum levy of 70 per cent, may be recommended.

Mr. Hanes becomes Acting Treasury Secretary when Mr. Morgenthau leaves on a five weeks' vacation to Scandinavian countries tomorrow.

**EX-JUDGE GEIGER, 71, DIES AT MILWAUKEE**

**MILWAUKEE, Wis., Aug. 1 (U. P.).**—Funeral services will be held tomorrow for former Federal District Judge Ferdinand A. Geiger who died at his home yesterday. He was 71.

# Boy Dragged a Block by Truck



A half hour after he had "played like" he was pushing a bakery truck up a hill near his home, 5-year-old Finley McManus was under anesthesia in City Hospital as doctors extracted splinters embedded in deep leg wounds.

As the truck started in front of his home, 1236 McDougall St., Finley and his sister, Charlotte, pretended to push it, intending to let go as the truck gained speed.

But Finley's overall strap caught in the truck bumper and he was dragged more than a block through the gravel and cinder street until the driver stopped to make a delivery. The driver had not heard the child's screams.

# Government Strives for G. M.-U. A. W. Settlement

By LUDWIG DENNY  
Times Special Writer

**WASHINGTON, Aug. 1.**—Spurred by the Cleveland riots and Detroit demonstrations, the Government today will press General Motors and the C. I. O.-United Auto Workers Union for an immediate settlement of the month-old tool and die strike.

President Knudsen of General Motors, and Vice President Murray of the C. I. O. and President Thomas of the U. A. W., will meet in Detroit with Conciliator Dewey of the U. S. Labor Department.

The two sides are understood to be closer together than at any time during the negotiations, which have twice collapsed. A settlement under Government pressure is given at least an even chance.

**Both Must Give In**

The hoped-for agreement would necessitate concessions by both company and union. The union would postpone demands which the company insists involve the C. I. O. A. F. of L. representation dispute until the National Labor Relations Board or courts decide. The union also would guarantee against sit-downs and slow-downs. The company in turn would grant the union demands for wage increases.

Although the outlines of this settlement are tentative, it is believed to contain the basis of agreement provided the two sides can reach a compromise on the exact time of the wage increases. They are only 30 days apart.

Two factors make a settlement more difficult than in an ordinary strike:

1. The C. I. O.-A. F. of L. feud over control of the auto workers, which already has spread to A. F. of L. building trades.

The A. F. of L. has sent 30 national representatives into the auto plant to wage its fight against the C. I. O. and has ordered its builders in Detroit across the C. I. O. picket line. They say that they are not involved in the auto strike, and that anyway the C. I. O. recently crossed the A. F. of L. W. picket line.

Inter-union strife is intensified by the fact that Mr. Murray of C. I. O. Government and Mr. Thomas of C. I. O.-U. A. W. renewal.

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# CITY CONTINUES WATER SURVEY

Mayor Says 'Great Deal of Work Yet to Be Done' On Legal Aspects.

By HEZE CLARK  
Times Staff Writer

**GREENFIELD, Ind., Aug. 1.**—Charges against three WPA workers who allegedly beat James L. Allen, former Greenfield mayor, last week may be carried to the Federal Court in Indianapolis, Hancock County officials said today.

Glenn T. Williams, County Prosecutor, said he would confer with U. S. Attorney Val Nolan this week to determine if Federal prosecution is possible.

**WPA SET TO SPEED CALUMET PROJECT**

As soon as a sponsor is found plans will be speeded for dredging and enlarging the Little Calumet River in Lake County to prevent flooding, WPA officials here announced today.

A delegation met yesterday with State WPA Administrator John E. Jennings who described the project as "a very worthy one and one which will be given top priority by this office."

Mr. Jennings said he believed the delegation would be able to secure the sponsorship of the Lake County Commissioners.

The plans call for dredging the Burns ditch from the mouth to the Illinois line at a cost of \$5000 a mile or a total of \$405,000, and building of a third dam. Mr. Jennings said he believed the cost would be greater than \$105,000 because the work would be done in city areas and the \$105,000 estimate was based on similar work done in rural areas.

As sponsors, the County Commissioners would pay 25 per cent of the cost, Mr. Jennings stated.

# U. S. May Be Called Into Alleged Beating Case

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# NEW CMTC ARMY ENCAMPMENTS AT FORT

C. M. T. C. enrollees from Indiana, Kentucky and West Virginia began arriving today at Ft. Harrison for the second annual encampment.

On Friday the more than 2200 trainees will be put "through the mill" of physical examinations by the Army medical staff and outfitted with the uniforms they are to wear until Sept. 3.

They will then be assigned to their respective companies and will start the actual training period of drill, rifle and strategy practice Saturday.

The 2300 men who were enrolled in the July encampment were dismissed at 6:30 a. m. today.

**CZECHS JOIN FRENCH FLIERS**

**PARIS, Aug. 1 (U. P.).**—Seven hundred and forty-two aviators of the disbanded Czechoslovak air force have arrived in France to join the French fighting forces, it was learned today.

Lower Michigan—Generally fair tonight; tomorrow increasing cloudiness followed by local thundershowers in central and north portions tomorrow afternoon or night.

Illinois—Partly cloudy; local thundershowers in northwest portion tonight and central and north portions tomorrow; somewhat warmer in south portion tonight; cooler in north and west central portions tomorrow.

**WEATHER IN OTHER CITIES 6:30 A. M.**  
St. Louis, Mo., P. Cldy 28.88 71  
Baltimore, Md., P. Cldy 28.74 70  
Boston, Mass., P. Cldy 28.70 70  
New York, N. Y., P. Cldy 28.62 70  
Cincinnati, P. Cldy 28.12 68  
Chicago, Ill., P. Cldy 28.08 68  
Denver, P. Cldy 28.08 68  
Dallas, P. Cldy 28.08 68  
San Francisco, P. Cldy 28.08 68  
Miami, Fla., P. Cldy 28.08 68  
New Orleans, P. Cldy 28.08 68  
Oklahoma City, P. Cldy 28.08 68  
Omaha, Neb., P. Cldy 28.08 68  
Pittsburgh, P. Cldy 28.08 68  
San Antonio, Tex., P. Cldy 28.08 68  
St. Paul, Minn., P. Cldy 28.08 68  
Tampa, Fla., P. Cldy 28.08 68  
Washington, D. C., P. Cldy 28.08 68

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Ernie Pyle  
John T. Flynn  
Raymond Clapper and  
All the Others, Too  
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# IN INDIANAPOLIS

**Here Is the Traffic Record DEATHS TO DATE**

County	City
1938	68
1939	54
July 31st	33

**MONDAY'S TRAFFIC COURT**

Violation	Tried	Fines
Speeding	5	\$63
Reckless driving	4	40
Failing to stop through street	8	16
Disobeying red light	6	18
Drunken driving	2	145
All others	44	56
Totals	70	\$338

**MEETINGS TODAY**

Rotary Club, luncheon, Claypool Hotel, noon.  
Gyro Club, luncheon, Spink-Arms Hotel, noon.  
Mercator Club, luncheon, Columbia Club, noon.  
Universal Club, luncheon, Columbia Club, noon.  
Knights of Columbus, luncheon, Board of Trade, noon.  
Lutheran Service Club, luncheon, Canary Cottage, noon.  
Fine Paper Credit Group, luncheon, Men's Grille, the William H. Block Co., noon.  
Y. Men's Club, luncheon, Y. M. C. A., noon.

**MEETINGS TOMORROW**

Kiwanis Club, luncheon, Columbia Club, noon.  
Lions Club, luncheon, Hotel Washington, noon.  
40-Plus Club, meeting, Chamber of Commerce, 7:30 p. m.  
12th District American Legion, luncheon, Board of Trade, noon.  
Y. M. C. A. Camera Club, meeting, Central Y. M. C. A., 8 p. m.  
Indiana Society, Sons of the American Revolution, luncheon, Spink-Arms Hotel, noon.  
Co-Operative Club of Indianapolis, luncheon, Columbia Club, noon.  
Indiana Motor Vehicle Association, luncheon, Hotel Antlers, noon.  
Indianapolis Junior Chamber of Commerce, luncheon, Canary Cottage, noon.

**DEATHS**

Louis J. Pahlis, 54, at St. Vincent's, coronary, 11:30 a. m.  
Harvey H. Wesel, 62, at Methodist, pneumonia, 11:30 a. m.  
Eugene Scott, 85, at 2646 College, cerebral hemorrhage, 11:30 a. m.  
Daisy Scott, 81, at 3345 Guilford, coronary occlusion, 11:30 a. m.  
Margaret Laidlaw, 73, at Methodist, carcinoma, 11:30 a. m.  
Donald Youel, 28, at St. Vincent's, aortic insufficiency, 11:30 a. m.  
Joseph Gilbrech, 59, at 434 S. Warman, acute dilatation of heart, 11:30 a. m.  
Lewis Travis, 71, at City, acute nephritis, 11:30 a. m.

**FIRES**

6:55 P. M.—Capitol Ave. and 30th St. building, cause unknown.  
7:13 P. M.—109 S. Traub Ave., residence, burning, 5:10 p. m.  
11:23 P. M.—2921 N. Keystone Ave., residence, bundle of clothing, cause unknown.  
12:07 P. M.—College Ave. and 27th St. auto, short in battery cable, cause unknown.  
12:28 A. M.—215 S. Senate Ave., box of trash.  
1:15 A. M.—131 Park Ave., vacant house, cause unknown, loss undetermined.

**BIRTHS**

Harry, Helen Joan, at City.  
John, Myrtle Camden, at 1624 Bacon.  
Robert, Kathryn Hendrick, at 2018 N. Sherman Drive.  
Marvin, Charlotte West, at 3133 Olney.  
Virgil, Ideel Sales, at 189 Douglas.  
James, Willie Robinson, at 1208 Vanderburgh.  
Dewey, Anna Snyder, at 552 N. Belle.  
Louie, Irene Linder, at 423 S. Harris.  
Albert, Josephine Edwards, at 2997 Fort.  
Maud, Margaret, at 3102 Philips.  
Donald, Virginia Day, at 339 S. State.  
Lawrence, Pearl June, at 3102 Philips.  
Theodore, Ferdie Robinson, at 2215 Lexington.  
Charles, Elsie Germaine, at St. Francis.  
James, Leona Hogan, at 1210 S. Senate.  
Hubert, Dorothy Gray, at 2040 Ralston.  
William, Lillian Baumann, at 413 Paris way.  
Hassell, Anna Deer, at 1350 Commerce.  
Harold, Lucille Williams, at 2701 N. Temple.  
William, Esther Sexton, at 828 E. 64th.  
Leon, Mary Mallory, at 621 W. North.  
Comio, Agnes Hudson, at 316 Douglas.  
James, Jessie Mescall, at City.  
Eugene, Thelma Franklin, at City.  
Earl, Marie McClelland, at Methodist.  
Andrew, Mary Johnson, at Methodist.  
Forrest, Opal McGinnis, at St. Francis.