

FRENCH ARMY IS HOPEFUL; CLAIM RUMANIA ALSO BALKS

Limited by Armistice, 100,000 Soldiers Cast Off Pessimism.

(The following dispatch is by a former member of the United Press staff in France who has just returned from Vichy.)

By STEVEN FULTON
United Press Staff Correspondent
NEW YORK, Dec. 31.—The slackness which contributed to the fall of France is lacking in the new French army.
The soldiers of this new army, limited to 100,000 by the armistice with Germany, have a look in their eye, a tilt to their chins, a lift of the shoulders which seems to say: "Our chance will come."
It is, indeed, a new army, albeit its soldiers served in the old. Gen. Charles Huntziger organized it months ago under the terms of an armistice limiting French arms in numerically the same way German arms were limited in 1918.
Discipline, snap, pride-lacking in the armies which fled before the German advance—stand out all over the soldiers of defeated France. These soldiers do not accept France's defeat as final.



Gen. Huntziger . . . discipline, snap, pride.

A HAPPY 1941 --TOWNSEND

And He's Mighty Proud of State's Prosperity During This Year.

Governor Townsend said today that he hoped everybody would have a prosperous and happy New Year.
In a prepared statement he said that the year 1940 had brought new heights of achievement to Indiana along the social, economic, business and industrial fronts and that business, aside from the tremendous defense program, has reached a new peak.
He pointed out that during the year just ending, a new record of income for Indiana's citizens was set up, as shown by returns from the State Gross Income Tax.

He said that 1940 also marked a new high in employment and that during the past year some 50,000 men and women had been taken off the WPA rolls to take private jobs.

Cites New Co-operation
"Government has kept active during this year 1940 and it is my belief that a new conception of co-operation and responsibility as between business, industry, labor and Government, has been engendered in our state," he said.

"Largely because of this fact, 1940 has been generally free from any serious labor disputes and we have enjoyed uninterrupted employment and labor peace."

The Governor added that the Government had kept well within its income and he said that the new year will find the State Government budget balanced and a healthy surplus in the State General Fund.

Get New Plants
He said that Indiana had been particularly fortunate in obtaining general prosperity, we may look forward in Indiana to a continued upsurge in every field of endeavor.

"On behalf of all State officials and myself, I wish to thank the public generally for the splendid spirit of co-operation they have shown toward our State Government, and to wish to all a prosperous and happy New Year," he said.

Draw Arms in Arms Debate

MONTEVIDEO, Uruguay, Dec. 31 (U. P.).—The Chamber of Deputies passed another resolution favoring the United States plan for inter-American defense bases last night after one member had tried to shoot another during the debate and two others had fought with their fists.

The trouble was attributed to the arrival of an anti-United States delegation from Argentina bringing encouragement to the Herristas, Nationalist Minority Party, which opposes the United States plan.

The Argentine group included Gen. Juan Bautista Molina, retired, Dr. Manuel Galvez, Col. Mascarelo and several leaders of the Argentine Nationalist Youth Association. They presented a document to Luis Alberto de Herrera, leader of the Herristas, sympathizing with his stand against the inter-American bases.

SHOE SHINING- TAUGHT
CLEVELAND, O., Dec. 31 (U. P.).—Members of the Brush and Buffers Club of the Cleveland Y. M. C. A. go through a "study course" in the art of shining shoes, and then set out to earn their Y. M. C. A. membership fees, summer camp expenses, candy and motion picture money.

London Embassy Officials Say Opposition Rises To 'New Order.'

LONDON, Dec. 31 (U. P.).—Information has reached a well-informed Foreign Embassy here tending to confirm reports that Germany is meeting increasing difficulties in establishing its "new order" in Rumania as well as France, it was learned today.

Not merely a few French warships but the bulk of the French Navy has been transferred from French ports to North Africa to escape possible seizure by Germany and Italy, according to this information.

Also, according to the embassy news, Marshal Philippe Petain, Chief of the French State, made the move after Otto Abetz, chief German diplomatic envoy to France, had conveyed to him a demand by Adolf Hitler that the fleet be surrendered to Italy.

U. S. Encouragement Seen
In diplomatic quarters it was suggested that Hitler had intended to shift in Italy's favor the balance of naval power in the Mediterranean.

Hitler had also, it was suggested, hoped apparently to offset Italy's reverses in Albania and Libya.

According to the same information, Petain has confided to his friends that if Germany persists in demands in excess of its armistice terms he is prepared to transfer France's present status to one of resistance to Germany and Italy.

Petain's firmer attitude, it is believed here, is due in large part to the American encouragement.

Report Curb on Iron Guard
Diplomatic information from Rumania, also available at a reliable non-British diplomatic source, describes Germany's reported difficulties there.

It is said that Baron Manfred von Killinger, Germany's new Minister to Rumania, is one of the right-hand men of Heinrich Himmler, chief of the dreaded Nazi secret police. Killinger is reported to have instructions to terminate the disorganization of Rumanian economic and political life by the Iron Guard.

This disorganization, it is reported, is hampering both German supplies and German strategic plans.

Another diplomatic dispatch from Bucharest asserts that German-Russian collaboration is diminishing. According to this dispatch all through the recent Danube conference the Russian delegates opposed German proposals.

'41 PLANE OUTPUT IS SET AT 16,000

WASHINGTON, Dec. 31 (U. P.).—Aviation experts estimated today that between 16,000 and 17,000 military aircraft—more than double the output of 1940—would be built in the United States in 1941.

They also estimated that between 35,000 and 38,000 airplane engines would come off assembly lines in the next 12 months.

That is the best that can be done in 1941, the experts said, unless some short-cut plan is found feasible to bring out other industrial facilities, such as automobile plants, into quick production.

The Army has announced plans to build aircraft assembly plants at Tulsa, Okla.; Kansas City, Kas.; Omaha, Neb.; where parts fabricated by motor manufacturers would be assembled by airplane manufacturers. But, the experts said, it was doubtful that those plants would be ready for operation before the end of 1941.

The 1941 estimates were based on the amount of floor space available in existing plane and motor factories and the amount under construction and which will be ready for production next year. They made allowances for delays that might be caused by temporary shortages in materials and in design changes.

LET ENGLAND PAY FOR AID, SPRINGER SAYS

WASHINGTON, Dec. 31.—Let England pay for war supplies from the United States, is the plea made in the Congressional Record today by Rep. Raymond S. Springer (R., Ind.).

Citing the British default on loans in the last war, Rep. Springer said:

"If England wants war supplies, and war equipment, let her pay for them."

"If she does not have the cash, let her sell us some of her possessions which are located in the Western Hemisphere, which are worthless to her but which do have military value to our country."

"But the plan to give our billions of dollars in value of our own war munitions and supplies to England should never be countenanced by our people in our own depressed financial state."

'LOAN OR LEASE' OF WARSHIPS AS CONVOYS LIKELY

U. S. Can't Very Well Balk at Such Action Now, Envoys Believe.

By WILLIAM PHILIP SIMMS
Times Foreign Editor

WASHINGTON, Dec. 31.—Before the new year is far advanced, some of the shrewdest observers here believe, American freighters will be put into the North Atlantic service and American warships will convoy them.

It is the private conviction of several envoys that this Government has now put itself too categorically on record to balk at the "lending or leasing" of a few more warships to Britain if her existence is endangered for the lack of them.

New York's Al Smith is being quoted here in that connection. "When you have promised to help a fellow," he said, "it's pretty hard to stop when he is going down for the last time."

If the President thinks that Britain's war is our war; and if he believes that our war materials are more useful in the hands of the British than in storage over here, Britain will get the warships.

Suppose Freighters are Sunk
Such is the reasoning here. The fact that the President stopped short of naming fighting craft in his list of things Britain must have is regarded as unimportant. "They ask us for implements of war," he said, "the planes, the tanks, the trucks, the freighters which will enable them to fight for their liberty and for our security. Emphatically we must get these weapons to them."

But, it is asked, suppose the Nazis sink the U-boats, raiders and bombers west of the British Isles and sink the England-bound freighters laden with "the planes, the tanks, the guns" and the other equipment needed by the British to "enable them to fight for their liberty and for our security"? Would the United States shy away from "lending or leasing" to them a few more implements of war—namely, warships? Few here seem to think it would.

Atlantic Peril Stressed
It was Lord Lothian's belief, expressed three days before his death, that the crux of the war was the British might need planes, tanks, guns and freighters, she needed safety in the Atlantic even more.

The United States might turn out thousands of planes in proportion, but if the Nazis sank them before they reached England they wouldn't do much good.

The British are greatly worried about the North Atlantic, he said. Lord Halifax, here shortly as Lord Lothian's successor, is expected to lay Britain's cards face up.

He will most certainly emphasize that part of the British Navy has been sunk or crippled; that the bulk of the fleet does not dare leave British waters as long as the danger of invasion remains acute; that the 11,000-mile route from London to Alexandria, Egypt, via the Cape of Good Hope, has to be patrolled; that the 6,000-mile route from Liverpool to Buenos Aires must be protected from Nazi raiders, and that Far Eastern and Australasian waters have to be policed—all this in addition to conveying supply ships across the North Atlantic. It is too big a job to do well.

Where Will Line Be Drawn?
Congress meets Friday. Several bills will quickly be introduced for the repeal or modification of the Neutrality Act, in order to permit American ships to carry cargoes into the war zone. Also of the Johnson Act outlawing loans or credits to nations in default on their war debts.

Bills also will be introduced to authorize the leasing or lending of weapons to Britain. If such a measure goes through, as expected, observers are wondering where Congress will draw the line. If we can lease or lend a tank, they say, we can lease or lend a minesweeper or a submarine or a destroyer or a cruiser or a battleship, there being little or no difference either in principle or in law.

CANNON BALL
NIAGARA FALLS, N. Y., Dec. 31 (U. P.).—Workers remodeling an old house here found a cannon ball believed fired across the Niagara George in the War of 1812. Noticing a jagged hole in one of the walls, workmen investigated and found the four-pound cannon ball imbedded near the floor.

ALL THE NATION IS READY FOR WHOOPEE

By UNITED PRESS
Some of the most boisterous celebrations since the booming '20's awaited the New Year's arrival tonight in every part of the United States.

Seeking relief from the tension of wars abroad and the defense program at home, Americans were expected to mill in the streets, cavort in night clubs and at private parties by the millions, welcoming in a year of foreboding.

New York's Times Square, always a riotous scene on New Year's Eve, was expected to be overrun by more than 1,000,000 horn-blowing, shrieking, shouting celebrants. Merchants were throwing up steel and wooden barricades to save their store fronts and 1489 policemen were assigned to prevent disturbances.

At Chicago, police planned to cope with 500,000 persons in the loop.

Night clubs and bar rooms were the centers of attraction, and the cover charges in New York and Los Angeles ranged up to \$15 per person, with no drinks included at that price. In Hollywood some clubs included breakfast in the cover charge.

Among the things promised in the new year are good business and the return of that movie, "Gone With the Wind" Jan. 24. And you can ice skate at the Coliseum until 12:30 a. m. tonight.

Snatched From Watery Grave



The British-censored caption describes this picture as showing a Capt. Whitehead of an unnamed British ship that was torpedoed, standing on an overturned lifeboat waving to members of the flying boat which saved him from a watery grave. He was said to be sole survivor.

O. K. POLICE AND FIRE CHANGES

Safety Board Follows 1941 Budget; 10 Appointed As Probationers.

Year-end personnel reorganization in the police and fire departments was approved by the Safety Board today.

Following 1941 budget provisions, the Board approved the re-assignment of Sgt. Charles E. Weddell to acting lieutenant of the Juvenile Aid Division, the re-assignment of four patrolmen as detective investigators and of two other patrolmen as acting corporals in the traffic division.

In the fire department, Lieut. Vernon Hutson was promoted to captain at a \$200 a year salary increase. Chauffeurs Charles Bevis and William Koenig were promoted to lieutenants at a \$200 annual increase. All men are veterans.

5 Named Chauffeurs
In addition, five privates were promoted to chauffeurs and 10 applicants on the fire merit list were given probationary appointments to the department.

The patrolmen re-assigned as detective investigators to fill a complement of 40 investigators in the detective department were Robert E. Kelly, Robert J. Dillehay, Edward H. Arszman and J. Richard Jacob.

Patrolmen Ray Molstner and Otis Tyner were advanced to acting corporals to assist in accident prevention work in the Traffic Department.

In the civilian division at Police Headquarters, William E. Hickman was raised from \$1080 to \$1200 a year as clerk. Three stenographers, Elizabeth Anderson, Mary Lee and Elizabeth Quinn had separate salary cuts from \$1200 to \$1080 annually.

Get Probationary Jobs
Privates promoted to chauffeurs in the Fire Department were Kenneth Garrett, John Steiner, Compel L. Scherrer, Fred Waggoner and Russell Iverson.

Merit-list applicants receiving probationary appointments were: William J. Ball, 1324 Congress Ave.; Jack Reinhard, 1422 E. New York St.; Jesse D. Hutless, 1014 Udel St.; Matthew J. Dillane, 1041 Hosbrook St.; David E. Hine, 722 E. Ninth St.; John McKinley, 718 N. Denny St.; George A. Seal, 236 Pleasant Run Parkway; Francis W. Paillikan, 521 N. Davidson St.; William H. Jackson, 1245 N. Tibbs Ave. and Charles E. Shipley, 650 Eugene St.

Concerned Over F. D. R. Speech
The German psychology is given to extremes of change, shown most conspicuously during and after the last World War. When these fluctuations occur, their effect on the German military impetus and national morale must be studied as closely as the field strategy of the High Command.

BRIDGE RAISED
PORTLAND, Ore., Dec. 31 (U. P.).—Bridge of the Gods, span over the Columbia River 45 miles east of Portland, was reopened after engineers performed the difficult job of raising it 45 feet in 115 days. It was reassembled and mounted on piers 40 feet higher than previously.

Ship Sinkings Decline
The Fuehrer's appeal for divine aid, where formerly he had been accustomed to refer to his own supreme ability to guide German destiny, is especially significant of the changing effect of the war's progression. It would appear as if he now feels Germany requires strength from a source other than his own and the German Army's.

The material facts at the end of the year show this to be true. After 16 months of war, Germany is encased in the continent of Europe and Italy is losing her hold in Africa. Great Britain is free to trade with all the rest of the world and with southeastern and southwestern Europe as well.

Too, the last fortnight's British report on sinkings at sea show a heavy decline, as though British counter-measures were succeeding. Under these conditions, Germany's reputation of desire for world conquest seems strictly realistic as they are.

Pool of Bombs
The members of the crew not on duty played cards and ran a pool on the number of bombs the Italians would drop.

By 10 p. m. all was quiet and we rose to the surface after being submerged 17 hours. We headed west through the Straits of Otranto at full speed and at dawn on Christmas arrived off Corfu.

3 HOOSIERS RANKED AS NAVAL ENSIGNS
Three Hoosiers have been commissioned as U. S. Naval Ensigns and have been assigned to duty aboard warships, it was announced today at the local Reserve headquarters.

The men are James E. Girard, of Plainfield; Frank T. Rathford, of Bloomington, and John L. Downing, of Lafayette.

Ensign Girard has been assigned to the U. S. S. Minneapolis, Ensign Rathford is aboard the U. S. S. Augusta and Ensign Downing is aboard the U. S. S. Chicago.

DROPS DIVORCE AS HE TENDS TO BABY
PHILADELPHIA, Dec. 31 (U. P.).—When Peter Vellucci's divorce action was called before Judge Harry S. McDevitt, Mrs. Vellucci answered but the plaintiff was absent.

"Where's your husband," asked the court.

"He's out in the car, minding the baby," Mrs. Vellucci replied.

After consultation with the court, Mr. Vellucci, satisfied with domesticity, withdrew his action.

ROUGH SEA ALLY IN GREEK SUB'S DARING ATTACK

Prevented Italian Planes From Spotting It After Vessels Were Hit.

The commander of the 19-year-old Greek submarine Papanicollis describes his narrow escape from destruction when his craft sank three heavily-loaded Italian troop transports the day before Christmas north of the Straits of Otranto in the Adriatic.

By CAPT. MILTON IATRIDES
As Told to the United Press

ATHENS, Dec. 31.—We broke the surface about 1000 yards from the convoy. We had only a few minutes for the entire job before the protective destroyers and aircraft would spot us.

We let them have four torpedoes point-blank, then threw the ship into a sharp dive.

As we submerged we heard three explosions as the torpedoes hit.

Sea Was Rough
We were under just six minutes when we felt the shock of the first depth charges in the water around us. There was nothing to do but lie doggo, inasmuch as the destroyers' sound instruments would have picked up the motors if we had attempted a getaway.

Luckily for us, the rough sea made it impossible for airplanes to discover us, but between 12:30 and 3 p. m. we counted more than 200 explosions.

Some of the explosions were near enough to throw our sub on its side. Others were like distant thunder.

My men were marvelous. They just sat ready—we had the escape hatch manned just in case, you know.

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"83 YEARS of INDUSTRIAL PROGRESS"

Founded in 1857 in a one-room shop, the business of E. C. ATKINS and COMPANY has enjoyed a steady growth for eighty-three years and now it is one of the world's largest steel manufacturers.

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