

# AXIS INCLUDES U.S. AS 'COMMON ENEMY'

## Hitler Raps 'Democratic Individuals'; Fascist Warns America.

(Continued from Page One)

that the United States would supply Britain with mounting stores of the weapons of war—guns, ships and planes.

Other developments included: It became plain that the German counter-blockade was biting deeper into Britain's vital food stores. Lord Woolton, Food Minister, called the danger greater even than in the World War and said belts would have to be tightened in 1941. The Admiralty's shipping loss figures for the week ended Dec. 23 were 43,000 tons, less than average but, surprisingly, more than claimed in Berlin.

The Greeks claimed the capture of 1000 more Italian prisoners. At Sofia the Greek radio was heard broadcasting that several more fortifications had been captured in the south Albanian coastal sector.

Rome said her warships shelled the Greek-Albanian coast. Belgrade was disturbed by rumors German troops were digging trenches along her Rumanian frontier.

Hungary called up for army training 21-year-olds who have not yet had military service.

Chungking reported that 1940 brought China the capture of 89 important cities and the loss of 66 to the Japanese, a net gain of 23. Japanese casualties were estimated at 384,000 killed and wounded.

Washington reported that London was quoted as expressing belief that Sunday night's German fire raid on London was intended as the prelude to an attempt at invasion, and that only the heroic work of fire fighters and a fortunate turn in the weather frustrated the German plans.

In this connection a high Royal Air Force officer said that America's warplane production would "greatly influence" the war in 1941 and that the R. A. F. strength is considerably greater now than when it bombed Ostend last September.

### Far East

There was evidence that the efforts of the Germans to hurl new offensives against Britain were not proceeding with complete smoothness.

Dispatches from the Far East told of reports that the Germans hoped to intensify their sea raiding activity in the Pacific and perhaps the Japanese would push into French Indo-China and Thailand (Siam), thus flanking the great English naval base of Singapore.

To encourage the Japanese, it was said, the Germans assured Tokyo that Russia would be occupied in the west sufficiently so that the United States efforts would be neutralized by sea dangers which might compel her to withdraw shipping from the Pacific trade routes.

At the same time the Moscow press has taken a sudden and critical interest in internal conditions in Japan—an interest, Moscow correspondents were allowed to cable, that "alarmed" Japanese representatives in the Soviet.

### Balkan Troubles

Behind the cloud of mystery and rumors coming from the Balkans it seemed likely that some Nazi move was developing—possibly a feint to distract attention from more important schemes.

What part Russia might be playing in the Balkan situation was far from clear. But there was mounting evidence that the Soviet is holding its cards close to the table in that region and that it has independent of and even possibly conflicting with those of Germany.

London reported today that Hitler's "new order" had run into substantial difficulties in Rumania, largely because of the intransigence of the fanatical nationalist iron guard. This might explain some reports of German troop movements in that country—movements which witnesses reported involve return of garrison troops on leave to Germany as well as arrival of unknown numbers of new units.

### Worries in France

The British speculated, too, on Nazi troubles in France, indicating belief that Germany has concrete plans to use France if the prospective surprise offensive against Britain should develop. London suggested that the French

fleet had been moved to North African ports because of a German demand that it be turned over to Italy to make up for the losses inflicted by the British on Benito Mussolini's warships. They also thought Marshal Henri Philippe Petain might be prepared to resume hostilities against Germany and Italy if the Germans put too high a price on the much discussed Franco-German "collaboration."

### Fireside Chat Reaction

After 24 hours' study of the text of President Roosevelt's address by the "highest authorities" the official NDB news agency was permitted to say that it was of the highest importance and the official line of press comment was laid down by a Nazi spokesman.

This line described Mr. Roosevelt as proceeding from a "false interpretation" of Hitler's pre-Christmas address to German arms workers and charged that the United States willfully had refused to understand the German attitude.

The American President, it was claimed, appeared to be assuming responsibility for the "lost cause of Britain." Der Angriff spoke of "notorious untruths . . . staleness . . . open spitefulness reminding one of the well-known phrases of the Jew world press."

The Hamburger Fremdenblatt said:

"Only someone who is anxious to create a psychosis of hatred and war, only he can produce such ridiculous nonsense that only the Maginot Line and the British fleet guarantees the existence and security of the United States."

The newspaper Nachtausgabe said that Mr. Roosevelt's speech was based on "two willful lies. It added:

"The only new thing in it was a complete lack of objectivity and a very remarkable slew of untruths. Mr. Roosevelt showed in this speech, which was climaxed not by political argument but by a wild outbreak of hatred, such nervousness as can hardly differentiate between it and the last outbreak of rage from his master Churchill."

Newspapers in Japan gave prominent position to the President's speech and one of the Yomiuri, an independent tendency, called his prediction of British victory in the war most astonishing and irresponsible on the ground that it "ignored the war situation."

Though the President had been denouncing the United States' support of Britain as "unjust," the Yomiuri said, he was leading the American people "step by step" nearer to war.

In Ankara, the official Turkish radio said that the President's speech means that if Germany, Italy and Japan regard American aid to Britain as a declaration of war the United States is prepared to face the situation.

The radio interpreted the speech as meaning that no force would prevent the United States from aiding Britain.

In Peking, Gen. Chiang Kai-shek said in broadcast that the "penetrating, memorable words" of President Roosevelt's speech "reborn the place of importance" Chinese resistance has in the world situation.

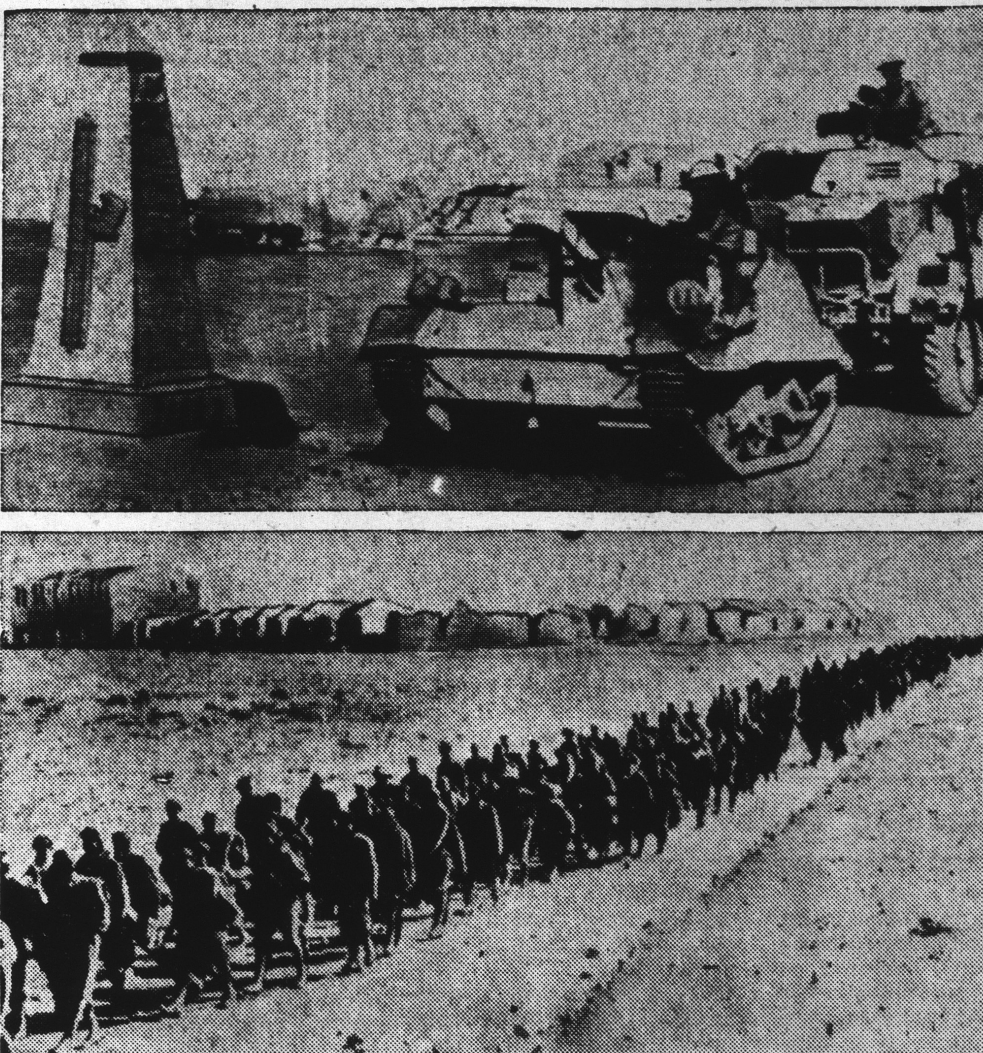
In commenting on the supposed German attempts for a New Year's position, the Daily Mail in London said:

"The Nazis planned to set big fires burning all over London before midnight. Relays of bombers laden with high explosive bombs would then have carried out the most destructive raid of the war. A New Year invasion was to have followed. It was known that the most of northern France and Holland and Belgium laid Sunday night, and experts had believed that the raid ended prematurely. The same weather continued last night and prevented both the German and British air forces from carrying out their usual bombings. It was the weather, not our night fighters, that saved London from an even worse attack," said the Daily Mail.

Meanwhile, the last glowing members of fires started by Nazi bombs Sunday night were out. But thousands of workers faced the new year without employment, due to the Nazi raid, and many employees faced ruin, with no chance of rebuilding their premises until after the war.

Even aside from the city's losses, it was estimated that an area equaling 10 blocks had been burned outside the one-mile-square district. A United Press survey indicated that buildings burned inside the city would have covered 10 blocks.

## First Photos of British in Sidi Barrani



Past a stone monument erected by Italians in celebration of their capture of Sidi Barrani (top photo), British armored units roll triumphantly from the captured town toward Bardia, Fascist stronghold in northeastern Libya. Below, an almost endless line of Italian prisoners march from the town to prison camps far behind the British lines. These first spot pictures of the African desert war cabled from London.

## 2300 STRIKE AT FT. WAYNE

### Army Orders Involved in Walkout at Harvester Truck Plant.

FT. WAYNE, Ind., Dec. 31 (U. P.).—The United Automobile Workers Union (U. A. W.), on strike at the International Harvester Co.'s truck plant here, announced today that it would demand a general wage increase when negotiations are resumed for a contract with the company.

A. J. Atwood, of Indianapolis, regional director of the U. A. W., said a committee would meet today to draft the demand.

Previously the union had said no major wage questions were involved. Disputed points in the proposed contract, it was learned, included pay of union stewards; seniority rights; an apprenticeship program; protection under military service; night shift bonus; overtime and lunch periods with pay.

C. H. Harrison, plant manager, said the management "stood ready, and still stands ready, to continue the negotiations." He said he was "sorry" the union decided to strike, and that he was convinced most of the workers wanted to stay on their jobs.

Earlier today, a company spokesman estimated 800 workers remained at their jobs—"for nominal operations."

The spokesman said the company was producing parts for Army trucks as well as trucks used in defense construction projects.

The walk-out began at 5 a. m. after Charles Shrock, union local leader, said negotiations over contract provisions had failed despite intervention of a Federal mediator.

A picket line was formed at the company's gates. The plant employs 3200 men and Mr. Shrock said he expected most of them to join the walk-out.

"The only way to bargain with Harvester is through a picket line," Mr. Shrock said.

Mr. Wayne police sent squads of officers to the plant for "observation."

## HOPSON CONVICTED ON 17 FRAUD COUNTS

NEW YORK, Dec. 31 (U. P.).—Howard C. Hopson, former head of the Associated Gas & Electric System, was found guilty today on 17 counts of mail fraud in the manipulation of securities of the vast utilities company.

## OFFICIAL WEATHER

U. S. Weather Bureau

INDIANAPOLIS FORECAST—Cloudy with occasional rain tonight and tomorrow; slightly warmer tonight with lowest temperature about 32.

Sunrise . . . 7:07 | Sunset . . . 4:39

TEMPERATURE

Dec. 31, 1939

6 a. m. . . . 31 | 1 p. m. . . . 33

8 p. m. . . . 30

BAROMETER

6:30 p. m. . . . 30.28

6:30 p. m. 24 hrs. ending 7 a. m. . . . 30.28

Total precipitation since Jan. 1 . . . 11.15

WEATHER IN OTHER CITIES, 6:30 A. M.

St. Louis . . . Cloudy 30-32

Chicago . . . Cloudy 30-32

Cleveland . . . Cloudy 30-32

Denver . . . Cloudy 30-32

Jacksonville, Fla. . . . Clear 30-32

Little Rock, Ark. . . . Cloudy 30-32

Miami, Fla. . . . Cloudy 30-32

Memphis, Tenn. . . . Cloudy 30-32

Mobile, Ala. . . . Cloudy 30-32

New Orleans . . . Cloudy 30-32

San Antonio, Tex. . . . Cloudy 30-32

## Courage, Peace—First Lady's Wish

WASHINGTON, Dec. 31 (U. P.).—Mrs. Roosevelt today made her New Year's resolution and New Year's wish—for courage and peace.

This was the way she put it to her press conference: "I would wish for the power to set apprehension aside, the courage to meet day by day whatever comes, and to do whatever is possible, as far as I can see, to make the world that will have to be rebuilt a safer place and a place of greater justice and kindness for all the world to live in."

## DRAFT BUDGET OF 97 MILLION

### 13 Million Increase in Bill to Be Presented to State Legislature.

The biennial State Government appropriations bill, being prepared by the State Budget Committee for presentation to the Legislature, will ask for about \$97,000,000, an increase of \$13,000,000 over the 1939-1940 budget.

One of the hottest debates of the 1939 General Assembly centered on the appropriations bill, with the Republican majority in the lower house winning the fight for reductions totaling about 10 per cent.

Same as '39 Request

Anderson Ketchum, State Budget Director, said the \$97,000,000 to be sought for the next two years is about the same amount originally asked in the 1939 appropriations bill.

The State Budget Committee's figures on requests from various institutions and State departments show increases of about \$6,000,000 in personal service and maintenance costs and \$7,000,000 in capital outlays.

Increases do not include a proposed emergency defense fund that may reach \$500,000 or increases asked for operations of Indiana and Purdue Universities. They are expected to ask for approximately \$500,000 each.

\$13,000,000 for Construction

If the Legislature passes the \$7,000,000 increase in capital outlays for improvement of State institutions, the total expenditures for the State construction program in three years would be \$18,000,000. Included in this is the \$11,000,000 construction program completed during the past year.

Members of the State Budget Committee are State Senators I. Floyd Garrett (R. Battle Ground), John S. Gonas (D. Mishawaka), Rex W. Denny (D. Evansville) and Edward P. Brennan, chief of the State Accounts Board.

## RESIGNS TO BECOME PUTNAM PROSECUTOR

Rexall A. Boyd, Greencastle, deputy attorney general, who will assume office tomorrow as Putnam County prosecutor, today submitted his resignation to Governor M. Clifford Townsend.

Governor Townsend said he probably would leave the office vacant to be filled by Governor-Elect Henry F. Schricker when he takes office Jan. 13.

Directors of the club gathered to wrestle with more than 5000 entries. The 1940 winner will be announced tomorrow.

"There are no 'bottle necks' in our industry," President O. C. Huelt, asserted from beneath a pack of lies.

Gilbert A. Karcher, vice president and a lawyer, took out a salt-shaker and passed it to the other directors.

L. J. Stangs, secretary-treasurer

## DIES' PERSONAL INQUIRY HINTED

### Committee Chief May Use Trip Here to Probe Silver Shirts.

(Continued from Page One)

Mr. Loeys is a close friend of D. C. Stephenson and is reported to have visited the former Ku Klux Klan grand dragon at a La Porte hospital within the last 30 days.

Both Mr. Loeys and Stephenson have denied emphatically, however, that Stephenson has any connection with the new publishing company.

Financing Is Question

Among the points reported to be under investigation by the committee in connection with the Fellowship is the source of its financing.

Mr. Loeys has denied that the magazine will have any connection with Pelley, his Silver Shirts of America or any other organization, but merely will print "the news" behind the news in Washington. It also, he said, will publish Pelley's writings on "metaphysics and esoterics."

In Washington, a representative of the Dies Committee said the committee members are interested in learning what "new organization or front he (Pelley) is setting up and what his new plans may be."

The Dies Committee is expected to have its agents "in and out" of Indianapolis and Indiana regularly from now on, in view of the state's importance in the national defense program.

Many Defense Contracts

Numerous factories, large and small, here and in the state are working on important defense contracts, making this a fertile field for activities of saboteurs.

In fact, the committee has heard reports of numerous "misshaps" having the appearance of sabotage at some of these plants.

A saboteur working in a plant producing some minor part for a warplane or other defense equipment can interfere with the program just as effectively as if he were working directly on the planes themselves, it has been pointed out.

The committee's agents, as well as G-men, are keeping an eye on the small plants, too.

## WHITE COMMITTEE BACKS F. D. R. AIMS

NEW YORK, Dec. 31 (U. P.).—The national policy board of the Committee to Defend America by Aiding the Allies unanimously supported President Roosevelt's statement of defense aims today and was on record against "any dictated or so-called negotiated peace before the aggressors are defeated."

The board did not, at a meeting last night, announce what stand it had taken on the recent statement of its chairman, William Allen White, that the committee's motto should be "The Yanks are not coming."

"We are not dividing on Mr. White; we are all uniting on the President's policy," Lewis W. Douglas, spokesman for the board, explained.

## Liar's Club Passes the Salt As It Studies 5000 Tall Tales

BURLINGTON, Wis., Dec. 31 (U. P.).—Tales so tall some had to be hauled in on flatcars like telephone poles vied for a place today in the annual contest for the world's champion liar chosen by the Burlington Liar's Club, Inc.

Directors of the club gathered to wrestle with more than 5000 entries. The 1940 winner will be announced tomorrow.

"There are no 'bottle necks' in our industry," President O. C. Huelt, asserted from beneath a pack of lies.

Gilbert A. Karcher, vice president and a lawyer, took out a salt-shaker and passed it to the other directors.

## COUNTRY IS AT 'BRINK OF WAR,' WHEELER SAYS

### Calls on Nation to Reject 'Mass Hysteria,' Proposes 8-Point Peace Plan.

(Continued from Page One)

branded as "nonsense" proposals for a negotiated peace and called on the United States to produce war materials on an all-out basis to help Great Britain defeat Germany.

Noting that Mr. Roosevelt "ridiculed the idea of peace in Europe," Mr. Wheeler said that if this logic was followed "then we ought immediately to break off diplomatic relations with Russia, Italy, Germany, Japan and other nations whose domestic and foreign policies we abhor."

"And where do we go from there?" he asked.

He predicted that peace would be negotiated in the end, and said that "until that day the world suffers." He added that "each of us, from the President of the United States to the most humble citizens, should exert his every effort for peace, now."

"I firmly believe," he said, "that the German people want peace just as any other people prefer peace to war—and the offer of a just, reasonable and generous peace will more quickly and effectively crumble Hitlerism and break the morale of the German people than all the bombers that could be dispatched over Berlin."

Eight Points Listed

He proposed this eight-point program as "a working basis for a just peace" and a basis on which peace conversations could be started:

1. Restoration of Germany's 1914 boundaries with an autonomous Poland and Czechoslovakia.
2. Restoration of independent France, Holland, Norway, Belgium and Denmark.
3. Restoration of Alsace-Lorraine to France.
4. Restoration of German colonies.
5. Protection of all racial and religious minorities in all countries.
6. Internationalization of the Suez Canal.
7. No indemnities or reparations.
8. Arms limitations.

Hints War Propaganda

He recalled that in March, 1918, the Rt. Hon. Sir Gilbert Parker took credit, in a magazine article, for having organized a propaganda machine in the United States which invaded all fields of endeavor—the Army and Navy, universities, sciences, movies and many other fields.

Do Sir Gilbert's words in any way explain the war-mongering telegram to the President urging greater aid to Great Britain?" he asked, apparently referring to the telegram made public by the White House last week in which 170 prominent Americans urged Mr. Roosevelt to extend his short-of-war aid policy even further.

"Has British propaganda," Mr. Wheeler continued, "again reached the college and university professors? Twenty-nine educators signed the highly-publicized wire that urged steps that would take the United States into war on the side of Britain."

"And have you and I, 'the man in the street,' felt the insidious force of this war propaganda through the movies?"

Asks War Foes to Speak Up

"Is there another Sir Gilbert Parker in the United States? Perhaps not, but there are a lot of foreign slackers—European royalty—aristocrats and potentates and their hangers-on who instead of being won and dined in high places in Washington and urging us to go to war ought to be home fighting the battles for liberty and Christianity they so glibly tell us about."

My friends, it is this salaried, clever propaganda that appeals to the Christianity, the idealism, the humanity, and the loyalty of the American people that takes us to war. It is this that we must resist."

Have we reached a strange situation in America when those who advocate peace, who do not follow the party line, are branded as unpatriotic or unwitting tools of the dictators. This still is a democracy . . . free speech still belongs to all the people."

Do not believe that the great majority of our people are eager to be embraced by war, and I call upon them not to be afraid to say so. I, for one, believe the policy advocated by the interventionists is insane because it will lead to total war, and war is insanity."

Invasion Called Fantastic

"Our independence can only be lost or compromised if Germany invades the western hemisphere north of the Equator. This would be fantastic, as it would require the transportation of at least two million men, with planes, tanks and equipment—in one convoy across the Atlantic."

"This would require 2000 or 3000 transports plus a fleet larger than our Navy, plus thousands of fighter-bomber aircraft. Such a fleet cannot possibly be available. Certainly it cannot be trained efficiently before our two-ocean Navy is ready. It is not possible for the German navy to prepare an effective plan for such an invasion which our Navy and Army with our air force cannot defeat."

"Remember—Hitler has already been seven months vainly trying to cross 20 miles. If Hitler's army can't cross the narrow English Channel in seven months his bombers won't fly across the Rockies to bomb Denver tomorrow."

## Has He Resigned?



Samuel D. Jackson. . . . State House hears he wants to resume private practice.

## STATEMENT BY JACKSON IS DUE

### Attorney General to Reveal Plans on His Return Here Thursday.

Attorney General Samuel D. Jackson, who is reported to have submitted his resignation to Governor-Elect Henry F. Schricker, said today he would make an announcement on his future plans when he returns to the State House Thursday.

He is spending the New Year's holiday with his family at Ft. Wayne, Ind.

It is reported that Mr. Jackson would like to retire from the attorney general's office to resume private practice of law at Ft. Wayne, but that Mr. Schricker does not want him to leave.

Asked if he had accepted Mr. Jackson's reported resignation, Mr. Schricker said "No." He refused to comment further.

Mr. Jackson was appointed attorney general last June following the death of Omer Stokes Jackson. The attorney general is paid \$7500 a year. Mr. Jackson is to serve as master of ceremonies at the inauguration of Mr. Schricker at the State House Jan. 13.

Proposals to tide the British over by loaning them planes and destroyers now in American service attracted considerable attention.

British officials were said to be seeking 50 more destroyers. It was believed that the plan, when submitted to the President, would recommend that some number up to that amount be made available.

Need Immediate Aid

Officials working on the proposal to turn over to the British more destroyers and planes now in service contend that President Roosevelt's plan to convert the American arms industry into an "arsenal of democracy" would be supplemented with other aid while details of the program to loan or lease war equipment to Britain are being worked out.

Until American arms production picks up, they believe, the British need equipment from our Army and Navy "to tide them over."

President Roosevelt's next move in fulfilling his pledge or all-out material aid for anti-Axis powers is expected to be formal organization of the new super defense agency—the office of production management, headed by William S. Knudsen—and submission of his plans to Congress. A series of executive orders, setting forth the super agency's scope and power, are being prepared for Mr. Roosevelt's signature.

Lines Form in Congress

The President is expected to ask Congress Monday and subsequently in his budget message the following day, to enact legislation that would permit fulfillment of his loan-lease plan whereby this government would pay for war materials and then loan or lease them to Britain, and possibly Greece and China.

The extent to which all or any of Mr. Roosevelt's plans to aid Britain will be put into effect is the foremost issue facing the next Congress which convenes Friday. Lines for the fight already are shaping up as new and old members flock into town. The die-hard 76th Congress ends Thursday.

SENATE SUBWAY HAS WRECK

WASHINGTON, Dec. 31 (U. P.).—One-half of the Senate's private railway system—a subway line between the Capitol and the Senate office building—ran wild at 35 miles an hour early today and crashed into the Capitol side of the subway. The car was smashed. No one was injured. The throttle on the electrified car was wide open when the power was turned on from the dynamo room at 8 a. m.

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