

The Indianapolis Times

FORECAST: Cloudy with rain tonight and tomorrow; warmer tonight, colder tomorrow; lowest tonight about 45.

WEDNESDAY, JANUARY 1, 1941

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FINAL HOME

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Reserve Board Asks End to F. D. R.'s Devaluation Power

RESCUE 496 IN SOUTH PACIFIC RAIDS

BATTLE LOOMS OVER NATION'S MONEY POLICY

Bank Group Would Check 'Inflationary Tendencies' With New Spending.

WASHINGTON, Jan. 1 (U. P.).—The Federal Reserve Board asked Congress today for drastically increased monetary powers at the expense of the Treasury Department and urged that President Roosevelt's power to devalue the dollar be allowed to expire June 30.

Broad changes in fiscal policies and monetary machinery are necessary, the Board said, because the defense program requires "the coordinated effort of the entire nation" and it may become necessary to take steps to "prevent inflationary tendencies attributable to defects in the machinery of credit control."

It warned that means should be found to prevent further growth in excess reserves and in deposits arising from future gold acquisitions, pointing out that \$14,000,000,000 in gold has flowed into the United States from abroad since 1934.

More Tax Revenues Urged
It proposed that the budget be balanced when the country "approaches full utilization of its economic capacity," that more and more of defense expenses be met by tax revenues rather than by borrowing, that the general debt limit be raised, and that the Treasury be allowed to issue any type of taxable security.

The recommendations were made in a special report to Congress—the first in the history of the Reserve Board. It was bound to stir up a major controversy over the New Deal's fiscal policies, for which the administration only a year ago made a concerted fight in Congress. The report also marked the first major break between President Roosevelt and Board Chairman Marriner B. Eccles, chief of the Federal Reserve Bank of New York.

Mr. Eccles was one of the President's closest advisers on fiscal policy.

Margenthan Opposition Due

Secretary of the Treasury Henry Morgenthau Jr. and Lauchlin Currie, one of the President's assistants who formerly was an economic adviser for the Reserve Board, were expected to oppose most of the board's suggestions and carry their fight to Congress. Both of them were expected to join with Mr. Eccles. The report, signed by the Board of Governors, the presidents of the 12 Federal Reserve banks and the members of the Federal Advisory Council representing the 12 Reserve districts, emphasized that the nation is in no danger of immediate inflation, but foresaw that possible unless peace-time banking policies are changed to cope with the industrial needs of a war-time world.

Idle Money Is Concern

It considered the predominating problem to be the tremendous accumulation of excess reserves, or "idle money," by which banks which, it contended, would be further increased by Government defense securities.

"Due to extraordinary world conditions," it said, the Federal Reserve authorities are inadequate to cope with the "present and potential excess reserve problem, even though in recent years Congress has increased its powers."

It recommended that Congress provide means for "absorbing a large part of existing excess reserves, which amount to \$7,000,000,000, as well as such additions to these reserves as may occur."

Specifically it recommended: 1. Immediate repeal of the Thomas Amendment which authorized the Treasury to issue \$3,000,000,000 in greenbacks. The Board pointed out that the authority never has been used, but that it was a potential source of inflation.

(Continued on Page Three)

ILLINOIS A. F. OF L. OUSTS BARTENDERS

CHICAGO, Jan. 1 (U. P.).—The Chicago Bartenders' Union, alleged shelter of the Capone gang remnants, was expelled today from the Illinois division of the American Federation of Labor on the eve of its 1941 election.

Victor Glander, secretary of the union group, declined to give a reason for the suspension. He said, however, that the action followed a discussion by the state executive board of alleged gangsterism in the union's activities.

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1940 New Year's Baby—and Proud of It



Lawrence Jean Hunt... one year old today.

A 1940 New Year's baby and proud of it, Lawrence Jean Hunt, son of Mr. and Mrs. Leroy H. Hunt, is receiving friends today at his home, 1414 Kensington St.

Having the honor of being the first boy to be born last year, Lawrence did his best to live up to the occasion in the past 12 months by learning to walk, say "goodbye," "Mama" and "Papa."

VETERAN IS LAST TRAFFIC VICTIM

Dan Casey Killed on Way To Visit Ex-Wife; Soldier's Skull Fractured.

Dan Casey was very fond of his 19-year-old daughter, Theresa. Unable to work since he was wounded and gassed in the World War, he went often to the home of his ex-wife, Della, 1217 Groff St., to visit his daughter.

Three weeks ago Theresa died in the City Hospital of infantile paralysis.

Since then Mr. Casey had continued to visit his former wife from whom he was divorced 16 years ago, in efforts to console her.

Late yesterday afternoon he was struck and killed almost instantly by an automobile in the 1200 block of W. Michigan St. while he presumably was on his way to pay a New Year's Eve visit to his former wife.

Mr. Casey, who was 42, was the last person killed in Indianapolis (Continued on Page Three)

GRID REPUTATIONS AT STAKE IN BOWLS

Rose Game Pits Stanford And Nebraska.

(Lineups, Page Six)

BY UNITED PRESS

Ten of the nation's leading football teams stake their reputations today in bowl games, highlighted by the Rose Bowl tussle between Stanford and Nebraska at Pasadena.

A total attendance of 350,000 was expected at the five games, with additional millions getting their accounts over the radio.

Secondary attraction on the Pacific Coast was to be the annual tilt between the Eastern and Western All-Stars at San Francisco. The kickoff was scheduled at 4 p. m. and was to be broadcast by Mutual.

In the Pineapple Bowl at Honolulu, Hawaii University meets Fresno State of California.

The bowl teams, starting times, probable weather conditions and broadcast systems are as follows:

ROSE BOWL, Pasadena—Stanford vs. Nebraska, 4:15 p. m., fair (NBC-Blue).

SUGAR BOWL, New Orleans—Tennessee vs. Boston College, 1:15 p. m., cloudy (NBC-Blue).

COTTON BOWL, Dallas—Texas A. & M. vs. Fordham, 1:15 p. m., cloudy (Mutual).

ORANGE BOWL, Miami—Mississippi State vs. Georgetown, fair (Columbia).

SUN BOWL, El Paso—Texas A. & M. vs. Western Reserve, 3 p. m., cloudy.

7 Born Today, Or Was It?

SEVEN BABIES were born in Indianapolis hospitals in the early hours of the new year or perhaps it was six.

The first baby born in the new year, if it was the new year, was the son of Mr. and Mrs. Richard Imel, 2811½ E. 10th St. Methodist Hospital records give the time of birth at "12 midnight."

Those who should know are still in doubt if Master Imel was the first baby of the new year or the last of the old or both. Or will he have a birthday or maybe two birthdays?

The City Hospital was faced with no such complicated problems. There were no babies born in Indianapolis' largest hospital on New Year's morning.

At Methodist, three hours and 30 minutes after the Imel's greeted their son, a boy was born to Mr. and Mrs. Forrest L. Roberts, 1425 Hiatt St. At 5:40 a. m., also at Methodist Hospital, a daughter joined the family of Mr. and Mrs. William Earl Johnson, 4711 E. 21st St.

TWO BABIES were born at Coleman Hospital. The first was the son of Mr. and Mrs. Ernest Bechman, 102 Berwyn St., and the second, another boy, was born to Mr. and Mrs. Leonard Trent, 696 Middle Drive, Woodruff Place.

Just one hour and 10 minutes after midnight at St. Francis Hospital, a girl was born to Mr. and Mrs. Lawrence Wilson, 1507 Churchman Ave.

At 2:30 a. m. Mr. and Mrs. Buford Anderson, 2650 Kenwood Ave., were the proud parents of a boy at St. Vincent's Hospital.

Congratulations and may Master Imel be designated as the first baby of 1941, the last of 1940 and celebrate two birthdays.

FORGET WAR IN FINAL '40 FLING

Americans Celebrate New Year Thankfully but in Main Orderly.

From east to west across the time belts of the country, the people celebrated an unusually boisterous new year, last night and today against the backdrop of a world poised on a delicate balance of war and peace.

It was a great and final fling to mark the end of a decade as well as a year. And for many it was an opportunity to forget momentarily the bombings, blackouts and other by-products of the World's War.

While many Berliners congregated in dimly lit cafes and beer gardens; while conquered Frenchmen tightened their belts a little more.

As usual, New York led the way in staging the country's biggest celebration. Policemen said it was the biggest, noisiest and drinkingest spree in years. Some 2,000,000 cheering persons were jammed in or around Times Square at midnight.

The more serious gathered in churches for midnight watch services and masses. Prayers for peace and a better world in 1941 were offered up.

But Americans, thankful that they lived in a nation at peace in a warring world, made the most of it while Londoners sang "Auld Lang Syne" in crowded bomb shelters.

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BAR APPOINTS FIVE TO STUDY PRO TEM SETUP

'Full and Complete' Probe Of City Court Procedure To Begin at Once.

A five-man judiciary committee of the Indianapolis Bar Association was named today to make a "full and complete" investigation of the handling and disposition of criminal cases in the Municipal Courts.

The Bar Association's action, announced by Fred C. Gause, newly elected president, followed recent criticism of judge pro tem activities and other court practices recently. Mr. Gause said the probe would begin at once.

Clarence F. Merrell, former association president, was named committee chairman. Members are Harvey B. Hartsock, Charles W. Helder, Paul R. Summers and Elbert R. Gilliom.

Fair Inquiry Pledged

In making the announcement, Mr. Gause issued a statement, pledging a "fair and impartial" investigation. Since the association was largely responsible for creating the court, he said, "it would seem the clear duty of that association to take cognizance of the criticisms that have been made and that are a matter of general knowledge."

Mr. Gause's statement follows: "For some time there has been considerable criticism of the operation of the Municipal Courts of Marion County in the handling and disposition of criminal cases and quite recently the amount of such criticism has greatly increased."

"The Indianapolis Bar Association was largely responsible for the creation of this court and it would seem to be the clear duty of that association to take cognizance of the criticisms that have been made and that are a matter of general knowledge."

"The public is entitled to know whether such criticisms have any just basis."

Public Entitled to Know
"If such courts have failed to function properly and in the public interest then the public is entitled to know whether such failure is because of improper administration of such courts or because of imperfections in the law governing such courts or both."

"If such courts have been properly conducted according to law and if no just grounds for criticism exist then the officers of such courts, as well as the public, are entitled to be so satisfied."

"Because of the part the Bar Association had in establishing these courts I feel that we owe it to all concerned to have a duly constituted committee of our association make a full and complete investigation."

(Continued on Page Three)

RAIN AND COLDER, WEATHERMAN SAYS

TEMPERATURES

6 a. m. ... 42 9 a. m. ... 43
7 a. m. ... 42 10 a. m. ... 43
8 a. m. ... 42

Rain tonight and tomorrow, with somewhat colder weather tomorrow was forecast by the Weather Bureau today.

The lowest temperature tonight is expected to be about 45 degrees.

5 TRAPPED MINERS FREED IN 18 HOURS

INDIANA, Pa., Jan. 1 (U. P.).—Five miners who had been imprisoned for 18 hours by an underground rock slide were rescued last night from the Kent No. 2 mine, 13 miles southeast of here.

A 70-foot fall of rock and slate trapped the men in a 20 by 60 foot space that was only four feet high. Thirteen others who were working in the mine when the slide occurred escaped.

Ernie, the Tenderfoot, Treads Cautiously in London

(Ernie Pyle backtracks today to describe his first night in London.)

By ERNIE PYLE

LONDON (By Wireless).—We traveled the way from Lisbon to London in one long day. The journey took only 15 hours, starting three hours before dawn and ending three hours after dark. But I have taken four days in telling about it, because on that first day my eyes were as big as a child's, and I probably had no day to come will bring every one of them open to traffic.

We passed the Houses of Parliament, and saw Big Ben high up there in his tower. But he was not telling the time, either for us or for German fliers; he was all dark.

We drove onto Victoria Embankment and along the Thames. We saw Westminster Bridge and a little later Waterloo Bridge. I was astonished to see them still standing there. Since then I have found that all the London bridges are standing, every one of them open to traffic.

We passed the great obelisk called Cleopatra's Needle, which was ridden by bombs from a Zeppelin in the last war but hasn't been touched this time. Then we turned off into a maze of streets that finally brought us to Fleet Street, the greatest newspaper street in the world. There George got out to go to his destination.

The driver couldn't locate the number. He yelled at the shadows of some men unloading something from a truck. He yelled at vaguely seen passers-by. Nobody knew where the number was.

FINALLY the driver—and this was the only unpleasant thing I had encountered so far in England—told me to get out and hunt. It seemed that it was not his responsibility to get me there.

But I said, "Good Lord, man, I've only been in London 10 minutes and I was never here before in my life. How in heaven's name am I going to find anything in this blackout?"

So he grunted a little and yelled at some more passers-by and finally did locate the address. I paid him off and carried my bags and sugar sack up to the door. A tiny blue light shone over it. The entire front was packed high with sandbags.

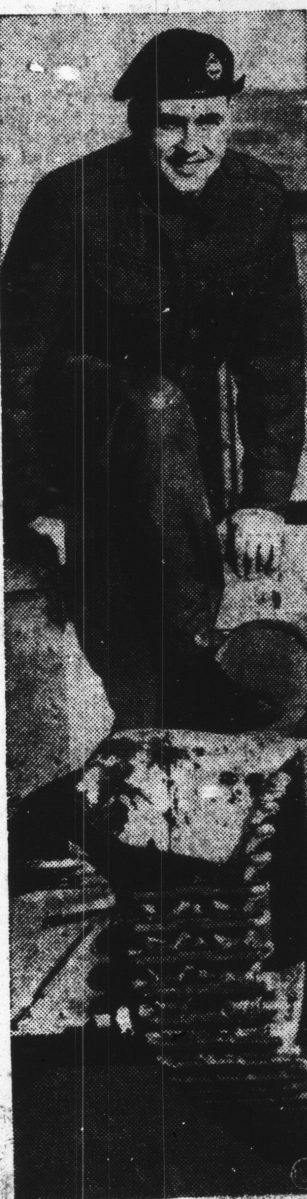
I didn't know whether I dared enter or not, for fear of letting out light. The tenderfoot treads cautiously in London these nights. He doesn't want to make a fool of himself.

But finally I gingerly pulled open the glass door, reached in and touched a heavy curtain and pulled that aside. There, behind was a typical office-building lobby, lighted up. I was in the right place.

On an upper floor I found the men of the United Press at work. Their windows were blacked out. The hats and gas masks lay thrown

(Continued on Page Three)

Real Drama



How about it, girls? Recognize that smiling face? Yes, ma'am, it's none other than movie star Richard Greene. That tank is no stage set, either. The young English actor returned to Britain at war's start and is now serving in the Royal Armored Corps.

NEW OFFICIALS ARE SWORN IN

Father Administers Oath to Blue; Storms, Brown and Ayres Take Over.

New Year's Day marked the inauguration of four new officials and a number of deputies at the Marion County Court House.

Three new officials were sworn in by Municipal Court Judge Dan V. White. They were Coroner Roy B. Storms, Surveyor Paul R. Brown and Commissioner William T. Ayres.

Prosecutor Sherwood Blue was sworn in by his father, Irving P. Blue, 4233 Boulevard Place, an employee in the finance division of the Post Office.

Mr. Blue, in turn, swore in 29 deputies, who will aid him in the criminal divisions of county and municipal courts and in the juvenile and civil courts.

He named Samuel Blum of 440 Harvard Place as supervising deputy in the criminal division of the Municipal Courts today. Other municipal deputies announced today are Alex M. Clark, 4809 Central Ave.; Eugene M. Fife Jr., 303 E. 19th St.; George C. House, 1227 Park St.; John M. Miller, 4534 Wash. N. Pennsylvania St.; William G. O'Nan, 626 Fletcher Ave., and Samuel B. Huffman, 858 Congress Ave.

Heading the other appointments was Albert Ward, former U. S. District Attorney, who was listed by Mr. Blue as one of nine Criminal Court deputies.

The new Prosecutor did not name any of the 21 appointees as the (Continued on Page Three)

TWO NAZI CRAFT STILL ON LOOSE, SURVIVORS SAY

Tales of Heroism Revealed as Marauders Strike Suddenly to Take Heavy Toll of Shipping.

MELBOURNE, Australia, Jan. 1 (U. P.).—At least two and probably more German raiders are loose in the South Pacific where they have inflicted a heavy toll on British, Norwegian and French shipping since last August, survivors rescued from lonely Emarau Island said today.

Tales of heroism at sea and fights against overwhelming odds by vessels attacked by raiders were told by the survivors 496.

They said that attacks came suddenly at night under dire threats against calls for assistance. Some survivors said they were well treated but others charged that 132 prisoners had been kept under the hatch of one raider for three days without water.

The survivors, brought aboard Australian naval vessels, were among passengers and crews of seven vessels sunk since last August and they said that the prisoners from at least three other vessels still were held aboard the raiders.

AIR WAR STOPS OVER HOLIDAY

Nazis Call It 'Truce,' British Blame Weather; Greeks Gain on All Fronts.

BULLETIN
CAIRO, Jan. 1 (U. P.).—Royal Air Force planes attacked the Middle East command wound up the old year with smashing attacks on the great Italian naval bases of Taranto and Naples, the Sicilian port of Palermo, Valona in Albania and Torre Annunziata, it was announced today.

In the quiet of what Germany described as an unofficial truce in the war of the air, the new year started in Europe today with the terrifying threat that before it is spent the biggest battle in the history of man's violence against man will have reached a bloody climax. Adolf Hitler yesterday predicted victory in 1941.

Neither the Nazi air force nor the British Royal Air Force conducted offensive operations last night, the German High Command said, explaining that an unofficial armistice like that of the Christmas holiday prevailed.

In London the failure of the opposing air forces to strike was attributed to bad weather.

Other developments included: Vice Admiral Geoffrey Layton, commander in chief of the China station of the British Navy at Singapore said that "appropriate measures" were being taken against the closure of 500 passengers and crew members of ships sunk by the raiders had been rescued from Emarau Island, in the Bismarck Archipelago where they had been marooned.

New advances by Greek troops on all fronts in Albania were reported in Athens after Premier Gen. John Metaxas had told his countrymen of his hope for complete victory in 1941 and the "glorious return" of the (Continued on Page Three)

U. S. FILES SUIT ON ORDNANCE UNIT SITE

Action Reveals Selection of 160-Acre E. Side Tract.

Suit to condemn an East Side site for the U. S. Navy's new ordnance plant was filed in Federal Court yesterday by B. Howard Caghran, acting District Attorney.

The site chosen, as revealed by the suit, is a 160-acre tract on the Saul Munter farm east of Arlington Ave., between 16th and 21st Sts.

The \$6,000,000 plant, which is to be operated by the Lukas-Barold Co. of New York, will manufacture various products including, it is reported, the Navy's secret bomb sights and fire control instruments for naval guns.

MUMMERS' PARADE ATTRACTS MILLION

PHILADELPHIA, Jan. 1 (U. P.).—This city's famed New Year's Day Mummers' parade attracted an estimated 1,000,000 spectators today as the shooters, 18,000 strong, swung down Broad St. to the tune of "On Dem Golden Slippers" in welcome to 1941.

Hundreds of thousands jammed the streets as the big City Hall clock tolled in the New Year and many continued their celebration until parade time. Happy night club owners reported the most riotous festivities since pre-depression days. The fun-making five-hour parade is expected to be the largest in years with 29 clubs participating.

Plucky Fight Reported

The Turukins was reported sunk on Aug. 20 after a plucky fight against a raider. Survivors said they had learned from a German guard that she fought for 2½ hours against a raider armed with a number of guns to the Turukins' one.

The raider was reported as a vessel of superior speed manned by a trained fighting crew. The Turukins surrendered only after two-thirds of her crew of 58 had been lost.

The Rangitane was attacked on the night of Nov. 26. She was fired on by the raider as soon as the wireless operator sent a message reporting her position. The vessel, which carried 101 passengers, suffered many casualties and was seized by the raider's gunfire.