

FDR Plans To Spend 100 Billion Dollars On War During 1943

Total Budget Requested By
President Hits 109
Billions

BIG NATIONAL EFFORT
Roosevelt Outlines Program
From Homes To Bat-
tle Lines

WASHINGTON, Jan. 11.—(P)—President Roosevelt told Congress today of plans for spending \$100,000,000,000 on fighting the war in the next fiscal year — plus \$9,000,000,000 to go for other purposes — and recommended \$16,000,000,000 in new taxes or compulsory loans.

Submitting his annual budget message, the chief executive outlined a "national effort of gigantic magnitude," reaching all the way from American homes and factories to far distant battle lines.

"Pass the Ammunition" — "It reflects," he said, "the determination of civilians to 'pass the ammunition'."

Talking about the budget and taxes at a press conference, Mr. Roosevelt said one of his personal objectives was a \$25,000 limit after the payment of taxes, on all incomes. Under executive regulations, net salaries are now limited to \$25,000.

The colossal extent of the contemplated expenditures brought a collective gasp from Congress, which quickly made two things clear: first that all necessary war appropriations will be quickly forthcoming; and, second, that Republicans and economy minded Democrats will insist upon a further reduction in non-war outlays.

Tax receipts will have to be increased by \$16,000,000,000 if they are to cover half the war budget, Mr. Roosevelt said—raised from \$33,082,245,000 the estimated net yield of the present law, to around \$49,000,000,000. He suggested (and congressional talk immediately centered upon) increased outright tax payments supplemented by compulsory savings, taxes to be refunded to the taxpayers after the close of the war.

In addition he urged that so far as possible taxes be placed upon a "pay-as-you-go basis." He emphasized that in any event the tax program would require wartime sacrifices, saying:

"Total war in a democracy is a violent conflict in which every one must anticipate that both lives and possessions will be assigned to their most effective use in the war."

Legislature Hears
Measure To Abolish
Lethal Gas Chamber

RALEIGH, Jan. 11.—(AP)—A bill to abolish the lethal gas chamber and substitute the electric chair for executions by the state was introduced tonight in the Senate, which also received a measure to reduce punishment for rape and first degree murder from death to life imprisonment when recommended by the jury.

The Senate, acting swiftly on the measure on third reading and sent it to the House after adopting an appropriations committee amendment to raise the amount of the proposed fund from \$20,000,000 to \$22,000,000.

Senator Taylor of Anson, author of the reserve fund bill, presented a measure tonight empowering the governor, with approval of the council of state, to invest excess state funds in interest-bearing federal and state securities.

Many Persons Living
In Condemned Houses

Although they have been condemned as being unsafe for occupancy, approximately 50 old dwellings in the City of Wilmington are now being used by persons unable to secure other accommodations because of the housing shortage, Louie E. Woodbury, Jr., manager of the Wilmington War Housing center, declared Monday.

"If the building code were enforced, these people would be thrown on the streets with no place to go," Mr. Woodbury commented in revealing the results of a recent survey of housing conditions in the city.

FLYNN NOMINATION BRINGS CRITICISM

Chief Executive's Choice
Of Envoy Touches
Off Fireworks

WASHINGTON, Jan. 11.—(P)—President Roosevelt's nomination of Edward J. Flynn, retiring Democratic national chairman, as minister to Australia, touched off the first real fireworks of the new Congress today.

Senator Bridges (R-N. Y.) took the Senate floor shortly after the appointment was announced to term it an "insult" to the people of Australia. Democratic leaders nonetheless expressed confidence the nomination would be confirmed.

Flynn himself wrote the Senate Foreign Relations committee asking that "a full and complete hearing" be held on any charges that might be raised against him. He added in a statement that he welcomed an opportunity for the committee to bring into the open "baseless charges" that he had used New York city materials and labor to pave the courtyard of his estate.

In addition to the post of minister to Australia, Mr. Roosevelt named Flynn as his personal representative with the rank of ambassador in the southwest Pacific area. He will, however, receive only a minister's pay, \$10,000 a year, instead of the \$17,500 salary paid to an ambassador.

The nomination, which the Democratic chieftain revealed in a precedent-shattering announcement in New York last Friday, was one of a number sent to the

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OPA AUTHORITIES STOP CARS HERE

Enforcement Of Pleasure
Driving Begins In
Wilmington

Throughout Monday investigators from the Office of Price Administration continued to stop local motorists to ply them with inquiries as to whether their driving was essential. J. F. Hackler, OPA attorney declared Monday night. According to Mr. Hackler, drivers suspected of not being on necessary driving missions were referred to the New Hanover War Price and Rationing board "to show cause why their gasoline ration book should not be revoked."

O. H. Shoemaker, chairman of the ration board, said Monday night that only one individual had appeared before him during the day with one of the OPA direction cards.

Mr. Hackler reported that one of the six OPA investigators checking on possible pleasure driving in the community commented that he had referred four persons attending the picture shows Monday afternoon to the ration office for action.

As of Monday night neither the Wilmington police department nor the State Highway patrol office had received official orders to assist the OPA investigators in their work of curbing pleasure driving. The OPA attorney believes, however, that orders will be forthcoming on Tuesday.

"Six investigators attached to this office are making a check on pleasure drivers in Wilmington," Hackler reported. "They will also check pleasure driving in the nine-county area covered by the Wilmington field office."

License numbers of alleged violators were taken during the week-end and state securities.

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May Head OPA



Former Senator Prentiss Brown of Michigan, was nominated Monday by President Roosevelt to succeed Leon Henderson as OPA administrator.

U. S. RELINQUISHES RIGHTS IN CHINA

Great Britain Also Gives
Up Extra Territorial Privileges

WASHINGTON, Jan. 11.—(P)—The United States and Great Britain, in identical treaties signed today in Washington and Chungking, formally relinquished their extraterritorial rights and privileges in China.

In effect, the Anglo-American move applies to China what Secretary of State Hull has called, "the principle of equality of treatment among nations."

From the Chinese point of view, it constitutes formal assurance that the post-war sovereignty of China will be free of the fetters of a system which enabled foreign powers to do in China what they could not do normally within the borders of a sovereign foreign nation.

Specifically, the United States, in the treaty signed here by Secretary of State Hull and Chinese Ambassador Wei Tao-ming, relinquishes its right to maintain troops in China or ships of war in Chinese waters, relinquishes its right to maintain its own courts of justice in China, and acknowledges the principle that Chinese nationals in the United States and American nationals in China, should be on the same footing in respect to legal proceedings, the administration of justice and the levying of taxes.

The treaty, still to be ratified by the Senate, will have little practical effect until after the war, inasmuch as Japan now controls much of the areas in which extraterritorial rights existed. Its moral significance, however, is that it recognizes sovereign China as an equal among the nations.

Dispatches from London said the Sino-British treaty does not

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FDR Orders Shipments Of Goods To Russians First, Ickes Reveals

WASHINGTON, Jan. 11.—(P)—Secretary of Interior Ickes told a Russian relief luncheon today that he had received a communication from President Roosevelt directing that Russia henceforth be given preference in shipments of war materials to the front.

Asked afterward to amplify his statement, Ickes told the newsmen the White House doubtless would be saying more on this subject soon.

There was no immediate comment available at the White House.

While Ickes did not amplify his remarks, some of his listeners expressed the opinion he was talking about lend-lease shipments to members of the United Nations.

WEATHER

FORECAST
NORTH CAROLINA: Little change in temperature Tuesday.
(By U. S. Weather Bureau)
Meteorological data for the 24 hours ending 7:30 p. m., yesterday:
Temperature
1:30 a. m., 37; 7:30 a. m., 31; 1:30 p. m., 47; 7:30 p. m., 41. Maximum, 51; minimum, 30; mean, 40; normal, 46.
Humidity
1:30 a. m., 86; 7:30 a. m., 43; 1:30 p. m., 43; 7:30 p. m., 71.
Precipitation
Total for the 24 hours ending 7:30 p. m., 0.00 inches.
Total since the first of the month, 0.98 inches.

Tides For Today
(From the Tide Tables published by U. S. Coast and Geodetic Survey.)
Wilmington
High 2:05a 9:34a
Low 7:50a 4:05p
Masonboro inlet
High 2:15a 9:45a
Low 8:00a 4:15p
Moore's Inlet
High 2:25a 9:55a
Low 8:10a 4:25p
New Topsail Inlet
(Elmore's)
High 2:35a 10:05a
Low 8:20a 4:35p
Sunrise, 7:18 a. m.; sunset, 5:23 p. m.; moonrise, 11:40a; moonset, 12:10a.

RUSSIANS TEAR THREE VITAL CITIES FROM GERMANS ON ROAD TO ROSTOV; ALLIES SWEEPING SKIES IN TUNISIA

BEATING AT AXIS

British And American Airmen Team Up To
Smash At Enemy

HIT ROMMEL'S LINES

Bombard Gabs And Africa
Corps Supply Lines In
Western Libya

ALLIED HEADQUARTERS IN NORTH AFRICA, Jan. 11.—(P)—American and British airmen operating in perfect synchronization are beating at the Axis from Tripoli to Tunisia, striking at Field Marshal Rommel's lines in his westward retreat from Libya and keeping under running attack the bases where he might seek juncture with the Axis Tunisian army.

In the latest of these assaults in Tunisia, an American Air Force spokesman reported today that American bombers had assaulted Gabs, now a main supply base for Rommel's forces in western Libya, Kairouan, the Axis traffic junction in inland Tunisia, and the German military camp of Kebili, 65 miles to the west of Gabs.

Hit Railroad Yards
Martin Marauder bombers hit the railroad yards and oil tanks at Gabs while Bostons pounded Kebili and Mitchell bombers attacked the railroad junction just north of the port of Hammamet, 40 miles to the southeast of Tunis.

Over Gabs Axis anti-aircraft fire was heavy and the raiding force also was attacked by German planes, one of which was destroyed and another damaged. Two American craft were lost.

The Gabs raid nevertheless was "highly successful," the spokesman declared. The Kebili camp was left aflame.

These attacks followed raids by Marauders on an Axis airbase only 10 miles west of Tripoli, in which hangars and other targets were squarely hit and three German fighters were damaged without Allied loss.

One of the most spectacular air actions reported during the day was a one-man assault by Major Phillip George Cochran of Erie, Pa. Flying alone low over Kairouan he dropped a big bomb, the only one he carried, squarely in the middle of the German military headquarters, smashing it.

(The British Middle East command in Cairo announced that)

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YOUTH SENTENCED IN LARCENY CASE

White Boy Sentenced For
Recently Stealing Automobile Here

Jonnie C. Murphy, alias Buster Murphy, white youth, was sentenced in the January term of criminal court Monday by Judge Q. K. Nimocks to not less than five and not more than seven years' term in the state penitentiary for larceny of an automobile, in Wilmington on December 16, a crime to which the youth had entered a plea of guilty.

Johnnie Byrd, alleged accomplice in the theft, will be sentenced later in the session.

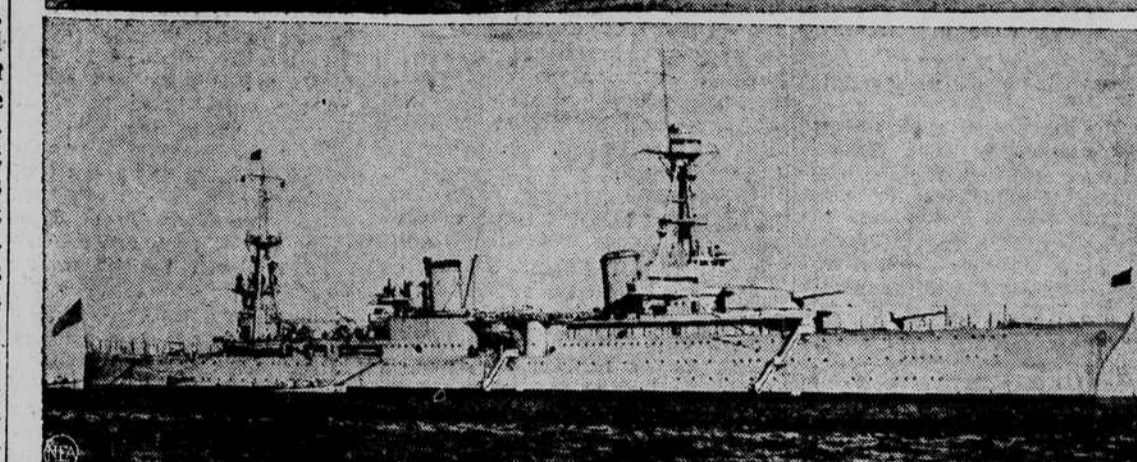
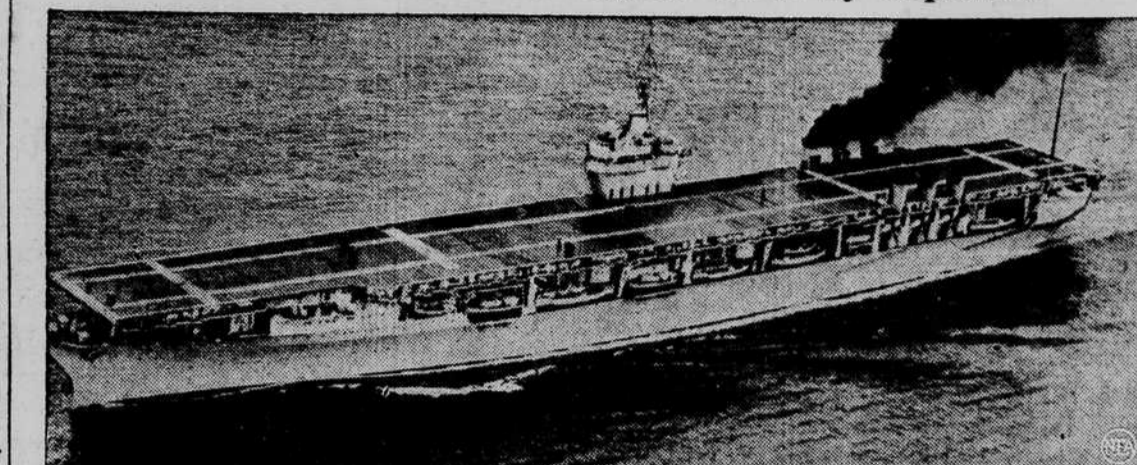
Judge Nimocks, in passing sentence upon the Murphy youth for stealing the car and carrying it to Fayetteville from Wilmington, declared that "this is the first time I have imposed such a sentence as this on a boy so young."

Murphy was already serving a suspended sentence of 12 months for alleged theft of an automobile; the suspended sentence was revoked in favor of the prison term.

Judge Nimocks granted divorces in the cases of Roy Jefferson Walker versus Jessie Lee Daniels Walker; Paul S. Ganloff versus Catherine Ganloff; Margaret E. Hinnant versus Hugh H. Hinnant; Charlie Williams versus Mary Williams.

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The Hornet and Northampton Sunk by Japanese



The U. S. S. Hornet, 20,000 ton aircraft carrier (top) was sunk in the battle of the Santa Cruz islands last October 26, the Navy announced Monday. At the same time, the U. S. S. Northampton, heavy cruiser, was also lost.

U. S. Aircraft Carrier Hornet Lost In Battle Of Santa Cruz Islands

WASHINGTON, Jan. 11.—(P)—The Navy announced tonight the 20,000-ton Hornet was the American aircraft carrier sunk in the battle of the Santa Cruz islands last October 26, and identified at the same time three cruisers and seven destroyers which had heretofore been reported sunk but not identified.

The other vessels named as lost, all in battles in the Solomon islands area of the south Pacific, and their commanders are:

The Northampton, heavy cruiser, Captain Willard A. Kitts, 3rd, of Oswego, N. Y. He is safe.

The Juneau, 6,000-ton light

stroyer, Lieutenant Commander John Eggett Taylor, of Churchill, Bucks County, Pa. He is safe.

The Atlanta, 6,000-ton sister ship of the Juneau, Captain Samuel Power Jenkins, of 1145 21st street, San Diego, Calif. He is safe.

The Monssen, 1,630-ton destroyer, Lieutenant Commander Charles Edward McComb, of 633 Hanover street, Martins Ferry, Ohio. He is safe.

The Cushing, 1,465-ton destroyer, Lieutenant Commander Edward N. Parker of 58 East Curtin street, Bellefonte, Pa. He is safe.

The Benham, 1,500-ton destroyer, Lieutenant Commander John Eggett Taylor, of Churchill, Bucks County, Pa. He is safe.

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ALLIES TORPEDO BIG JAP WARSHIP

Cruiser Or Large Destroyer
Believed Sunk In The
South Pacific

ALLIED HEADQUARTERS IN AUSTRALIA, Tuesday, Jan. 12.—(P)—Australian airmen scored the first aerial torpedo hit in the southwest Pacific area last Saturday and apparently blasted another Japanese warship—a light cruiser or a large destroyer—from the ocean.

The attack, reported today in the Allied headquarters' noon communique, took place off Gasimata, New Britain. The Australians saw one of their missiles hit and explode directly amidships on the Japanese ship.

Smoke had enveloped the vessel when the Beaufort bombers participating in the attack left the scene.

The next morning reconnaissance planes returned to the area but close search failed to disclose any trace of enemy warships.

While a lull in the aerial warfare prevailed over New Guinea Monday, the communique reported, Australians flying Hudson bombers pounded the jetty at Dobo in the Aru islands.

Before the war, Dobo was the

TRIPLE VICTORY

Mineralnye Vody, Georgievsk And Pystigorsk
Are Captured

OTHER TOWNS SEIZED

Speed Of Red Drive Indicates Rapid Retreat
By Invaders

LONDON, Jan. 11.—The Russians announced a great triple victory in the north Caucasus tonight with the capture of the cities of Mineralnye Vody, Georgievsk and Pyatigorsk in their sweep up from the Grozny oil region along the Baku railway toward Rostov.

The Soviet monitor here recorded the Moscow broadcast of a special communique listing the seizure of these important places as well as six other towns in the same general region.

The swiftness of the Russian drive in the north Caucasus indicated that the Germans were beating a rapid retreat to escape being cut off by other Russian armies striking along the lower Don, already within 60 miles of Rostov.

Important Rail Hubs
Both Mineralnye Vody and Georgievsk are important rail hubs on the Baku trunk line 255 and 275 airline miles respectively south-east of Rostov.

Pyatigorsk is 28 miles south of the Russian commander in the Caucasus was disclosed for the first time as Lieut. Gen. Maslennikov a hero of the campaign last winter that saved Moscow. He was a commander in the Kalinin sector.

Numerous other generals were cited for meritorious action on the Caucasian front pointing up the

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TREASURY BOND SALES RUN HIGH

\$1,309,093.50 Worth Of
Issues Purchased In This
Area In December

Investors in Region 6, embracing the counties of New Hanover, Columbus, Brunswick, Bladen, Pender, Robeson, and Cumberland, bought United States Treasury bonds in the amount of \$1,309,093.50 during the month of December the Victory Fund committee in North Carolina announced Monday. The figures were released by the Federal Reserve Bank of Richmond, Va.

The high sale in Region 6, according to the committee, was representative of unprecedented purchases throughout the nation, as the Treasury department's request for nine billion dollars was surpassed. Sales reached nearly \$13,000,000,000 for the month.

It is expected that the next major Treasury offering will be made in March or April. The Treasury Department has, however, requested that investors continue buying Securities.

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Walter Lippmann Says: FDR Expressed Belief In Message To Solons

By WALTER LIPPMANN
No one can stand up before a great audience, as the President did on Thursday, and talk for nearly an hour without disclosing his real feelings. To such elemental feelings as anxiety or confidence, we respond by animal instinct, as men in a fight do to their commander. Even an accomplished liar and a consummate actor like Hitler must give himself away when he opens his mouth to talk about important things; and, no matter what he says, he is unable to hide what he feels.

In this sense, it seems to me, the President's address to Congress exuded a quite different feeling from all the other addresses he has delivered since Pearl Harbor. He has always been resolute, defiant and hopeful. But this time he was the man who had seen the worst, and had faced the worst, and knew in his own heart that he had come through the worst. Thus, though there was nothing new in the story he had to tell, the way in which he told it was

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NOTICE!

If your carrier fails to leave your copy of the Wilmington Morning Star. Phone 3311 before 9:00 a. m. and one will be sent to you by special messenger.

ADMITS ACTIVITY
NEW YORK, Jan. 11.—(P)—The German radio admitted the existence of activity against the government of Hungary, a junior partner in the Axis, with the announcement that 78 persons went on trial at Klausenburg today as the first of 64 "accused of having tried to overthrow the order of the state by force."