

# Petain Yields to Nazi Demands, Giving Laval High Cabinet Post; Riom War Guilt Trial Suspended

## Axis Collaborator Expected to Be Government Chief

By the Associated Press.

French Chief of State Petain agreed today to reorganize the Vichy government under pro-Axis Pierre Laval for renewed collaboration with the Nazis.

Foreign diplomatic sources in Bern, Switzerland, who saw the possibility of a diplomatic break between the United States and Vichy France, said Laval would return to the government Thursday with a new title, "chief of the government."

This title will make him No. 2 man in the government under Marshal Petain, who remains "chief of state," and enable him to inaugurate full Axis collaboration, these sources said.

At the same time the Vichy government suspended the Riom "war guilt" trials of France's republican leaders, to which Adolf Hitler had objected.

## Petain Becomes Figurehead.

Under the prospective reorganization France would pass completely to the Axis sphere, aged Marshal Petain, although remaining "chief of state," would become a figurehead and Vice Premier Admiral Jean Darlan would retain only his present post as Foreign Minister.

The posts of premier and vice premier probably will be abolished in the new government, the Bern diplomatic sources said.

Marshal Petain was reported as continuing to preside over the Council of Ministers (the full cabinet and the chief of the state) without the technical title of premier.

The Vichy announcement said Petain, Laval and Admiral Darlan met today and decided on the "constitution of a government established on new foundations." Their next meeting was set for Thursday when, presumably, the places of Laval and Admiral Darlan will be allotted.

## Trials' Scope to Be Broadened.

On the day the Riom trials were to have resumed after the Easter recess, a special law decreed their indefinite suspension to permit broadening of their scope to include political as well as military "mistakes which led to war and defeat" for the Third Republic.

The special law, signed by Marshal Petain, was based on a report to the chief of state by Admiral Darlan and Justice Minister Joseph Barthelemy, which said in part:

"The responsibilities incurred from the fact of inadequacies in our national defense and of political and military mistakes which led to war and defeat are indivisible because they contributed to the same disaster."

## Sees Darlan For Hour.

Laval, who has taken part in numerous conferences in the past fortnight with leaders of the Vichy regime, first conferred for an hour today with Admiral Darlan at the Pavillon Sevigne, in Vichy. That meeting lasted from 10 to 11 a.m. Then he went to Marshal Petain's private office at the Hotel du Parc, where he remained from 11:15 a.m. to 12:25 p.m.

The announcement was read to the press by Paul Maréchal, secretary general for information, in the conference room of the information secretariat building.

The conference was so hastily called that most of the foreign press missed it.

## Recess Taken April 2.

The Riom trials recessed April 2, and there had been indications that the sessions would not be resumed, at least for the time being.

The projected broadening of the trial would be Germany's political purpose—to make its five defendants, erstwhile leaders of the French republic, scapegoats not only for France's defeat, but also for having led her to war against Germany in the first place.

The Riom decree was explained by D.N.B., official German news agency in Berlin, as meaning that "the question of responsibility for the war will be raised."

A report published in the official (See FRANCE, Page A-3.)

## Heavy Cebu Fighting Continues; Defenders Resist Stubbornly

### Japs Attack Corregidor Four More Times; Manila Bay Fortresses Are Pounded

Heavy fighting still is in progress in the Philippine Island of Cebu, where outnumbered American-Filipino forces are stubbornly resisting Japanese invasion, the War Department reported this morning.

The Cebu action was the heaviest noted in the Philippines as the embattled United States forces in the defense of the islands continued their last-ditch stand against the Japanese.

Flights of heavy bombers continued to hammer the defenders in four raids on Corregidor Island, while Japanese artillery battered the American fortresses in Manila Bay.

The air raids caused some casualties among the troops on Corregidor, but only slight damage to military installations.

The morning communique, outlining the military situation as of 10 a.m., also reported fighting in progress in the Digos area of the island of Mindanao.

The American-Filipino forces are engaged in sharp skirmishes with the Japanese in that area.

Word of the heavy fighting in Cebu was received at the War Department this morning after communication with that island, temporarily broken yesterday, were re-established. A force of approximately 12,000 Japanese was reported to have landed on Cebu last week.

The continuing attacks by the Japanese on the Manila Bay forts have not silenced the heavy guns of Corregidor and Fort Frank. The communique reported that the crack American artillerymen on those fortresses returned the fire from the Japanese on both sides of Manila Bay. Yesterday, Corregidor's guns blasted two Jap tank and truck columns on Bataan and sank a me-

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## 13 Jap Flying Boats Smashed by Allies in Andaman Islands

NEW DELHI, India, April 14.—American and British flyers here struck strong blows in the defense of India, threatened by a Japanese fleet of three battle-ships, five aircraft carriers and other warships in the Bay of Bengal, smashing 13 big flying boats in the Andaman Islands and attacking an airdrome in Burma, it was announced today.

Thirteen flying boats used by the Japanese for long-range scouting, patrol and bombing were sunk, set afire or damaged when the R. A. F. struck 800 feet across the Bay of Bengal and found them anchored in the harbor at Port Blair in the Andamans, potential springboard for an Indian invasion, the British said.

Another communique said the Japanese lost seven aircraft when the American Volunteer Group fiercely attacked Japanese raiding an A. V. G. airdrome in the northern Shan States of Burma at low level Friday. Three more Japanese planes were said to have been destroyed by the A. V. G. Sunday at Tounghay.

At the same time the British announced for the first time in days extensive activity of their own aviation in Burma. They said a heavy attack was made by their Blenheim bombers on Japanese forces in a village north of Prome Sunday, and that their bombers were working in close support of British land forces.

The British troops in Burma under Gen. Harold Alexander, who with Chinese forces under United States Lt. Gen. Joseph W. Stilwell, are fighting the battle for the land approaches to the Indian frontier, were still retreating, however.

Japanese soldiers moving up the Irrawaddy River have occupied the village of Myingayung—20 miles south of Magwe and 80 miles north of Prome—in heavy fighting, the British announced.

Hard Fighting Continues.

The British communique said hard fighting continued yesterday over the entire Burmese front.

"The enemy succeeded in occupying the village of Myingayung and is increasing pressure southwest of Taunggying," the communique said.

Myingayung is on the east bank of the Irrawaddy.

Taunggying is 90 miles north of the Irrawaddy.

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## Economic War Board to Do All Import Buying

### Roosevelt Shifts Task From Jones' R. F. C. To Wallace Unit

By JOHN C. HENRY.

President Roosevelt today placed in the Board of Economic Warfare the concentrated responsibility for purchasing and importing all materials considered essential to the war production program.

The action, taken by executive order, transfers from the Reconstruction Finance Corp. and Federal Loan Administrator Jones and agencies under his supervision the basic authority for accumulating stock piles and vests this power in the board headed by Vice President Wallace and Executive Director Milo Perkins.

Bitter controversy over responsibility for critical shortages in such stock piles has been raging in recent weeks, with Mr. Jones under fire for his policies with respect to purchasing natural rubber and financing of synthetic rubber manufacture.

The new setup, it was indicated by the order, will give the economic board direct and positive power to locate and to purchase essential materials abroad, rather than merely to recommend to other agencies that such purchases be made.

The economic board will receive directives as to quantities, specifications and required delivery schedules for vital materials from Chairman Nelson of the War Production Board. The economic agency is then empowered to send agents to foreign sources of supply, and to finance the purchases either through existing subsidiaries of the Reconstruction Finance Corp. or through such newly-established corporations as may be necessary.

The order makes clear that materials vital to civilian economy, as well as those marked for direct war use, may be acquired through the board.

"This order in effect will give us a checkbook and permit us to go out to world sources of supply and buy on the spot things that are necessary," a board official said. "Agents of the board are doing this for years past and beating us to the punch in many cases."

To advise on Lease-Lend Payments.

An added section of the sweeping order provides that the Board of Economic Warfare shall advise the States Department on terms and conditions to be included in master agreements with nations receiving Lend-Lease aid. The responsibility of the board will be to arrange for receipt by the United States of reciprocal aid and benefits other than arms or munitions.

The economic board likewise is designated to represent the United States in dealing with other United Nations economic warfare agencies in integrating the economic efforts of the anti-Axis bloc.

Heretofore most of the Government importation of essential war materials has been accomplished through the Rubber Reserve Co., the Metals Reserve Co. and the Defense Supplies Corp., all of which are subsidiaries of the R. F. C.

Seven cabinet officers, including Mr. Jones, who is also Secretary of Commerce, are members of the board. The board's headquarters are in the State, Treasury, War, Justice, Navy and Agriculture, Nelson Rockefeller, Co-ordinator for Inter-American Affairs, also is a member of the board.

Recapture of a "locality of great importance on the northwestern front" and occupation of some additional communities were announced without detail in a communique broadcast by the Moscow radio.

Another communique said a Kalinin front stronghold was seized by the Russians in fighting which cost the Germans 900 killed, 8 field guns, 15 machine guns, a mortar battery, 2 tanks and 8 pillboxes.

Red Army men operating behind the lines.

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'Where are you going, my pretty maid?' 'To join John Lewis, sir,' she said.

## Motorists, Pedestrians Urged To 'Play Safe' in Blackout

### Public Warned to Take Shelter Tonight When Sirens Sound in City, Nearby Area

A last-minute appeal for motorists and pedestrians to "play safe" during Washington's first total blackout tonight was made by civilian defense officials today.

The city and nearby counties will rehearse for an air raid sometime between 9 and 11:30 p.m. with air-raid sirens sounding the warning for the public to take to shelter and motorists to pull over to the curb.

The sound of the sirens will also be the signal for the city to be darkened—every home and business, street and traffic lights.

The raid test will last for an indefinite period, defense officials said, but will not exceed half an hour. The total blackout may be in effect for only 15 or 20 minutes during the 9 to 11:30 "alert" period.

Reminding that all traffic and street lights will be turned off, Defense Co-ordinator Young asked for patience and intelligent co-operation of every resident of the area.

"If we are to come through without unnecessary loss of life by accidents," he said, "that all of our citizens understand the purpose behind our plan."

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## U. S. Wool Shortage Equals Rubber Crisis, Guthrie Tells Probe

### Former W. P. B. Official Says Stocks Won't Last Beyond 1943

Robert R. Guthrie, former War Production Board official, told Senate investigators today that reluctance of certain W. P. B. officials to curtail civilian production had confronted the Nation with a wool shortage similar to that existing in rubber.

Testifying at hearings conducted by the committee on request of Donald M. Nelson, W. P. B. chairman, Mr. Guthrie said his resignation on March 14 as director of the textiles branch of the agency resulted from a "basic disagreement" with other officials as to the speed with which civilian industry should be converted to war purposes.

He asserted that since his resignation Mr. Nelson had done a "commendable job of . . . requiring the conversion of virtually all civilian goods industries to war work."

"Unfortunately," he added, "the consumption of the all-out program which Mr. Nelson has announced rests in the hands of men who found it impossible to formulate such a policy themselves."

Names Two Officials.

"The type of thinking which allowed pin ball and juke box manufacture to continue until May is not a Jap-stopping type of approach," Mr. Guthrie named Philip Reed, chief of W. P. B.'s industry branches, and Kenneth Marriner, whom he described as an officer and owner of a Boston wool firm and one of the directors of the W. P. B. wool program, as among those who opposed his policies.

He said that civilian uses of wool should have been restricted much earlier, Mr. Guthrie said that the direction of the wool program "remains in the hands of a man who has consistently opposed drastic action to conserve wool, who stated in the presence of several members of the textiles branch that he was in Washington to represent his company and the woolen industry; who reported to a congressional committee only three weeks ago that a shortage of wool positively did not exist, despite the fact that, according to his own testimony, our assured supplies of wool fully clothed an army no larger than 3,800,000 men, and only through 1943, without any allowance whatever for civilian requirements and without allowing a pound for the requirements of our Allies."

Same Situation as Rubber.

"This," the witness added, "would leave civilians in the same position with respect to wool that they are in with respect to rubber."

"Moreover, if a larger-sized army is to be supplied, Mr. Marriner says, the military specifications for woolen fabric will have to be adapted to the available wool and waste supply."

"This means shoddy garments for soldiers, while well-to-do civilians are allowed to buy unadorned, 100 per cent virgin wool garments."

## U. S. War Output Hit By G. E.-Krupp Pool, Senators Are Told

### Biddle Aide Cites Lack Of Metal Hardener as Patent Deal Example

By the Associated Press.

A vast patent pool, described as linking the General Electric Co. in this country with Krupp interests in Germany, was pictured today as a war production bottleneck by John Henry Lewis, special assistant to the Attorney General.

The Government lawyer presented a mass of 124 exhibits from the Justice Department anti-trust files before the Senate Patents Committee to support his charges that General Electric and its subsidiaries had entered into a patent pool arrangement with the German interests involving cemented tungsten carbide.

This, Mr. Lewis told Senators, is a metal-hardening material vital to the machine-tool industry and production of guns, shells, armor-plate, airplanes and many other munitions of war.

"In shortage of this material in this country is notorious," Mr. Lewis said. "The need to produce it, to retool our manufacturing plants with it, and to instruct workmen in the use of such tools has constituted one of the principal bottlenecks in our present production program."

Mr. Lewis, appearing at public hearings on a bill that would permit any patents vital to the war effort, said his anti-trust case resulted from indictments in August, 1940, in the Southern District of New York.

Earlier, Francis M. Shea, an Assistant Attorney General, testified that "short-sighted" business arrangements intended to secure higher profits had appeared in many instances of the use of patents to have restricted capacity for war.

There appears to be substantial evidence that patents issued by the United States have, in some instances, been used by our enemies as a means of restricting production vital to our security," Mr. Shea testified.

Cites O. F. F. Report.

"A recent report by the Office of Facts and Figures concerning the defense program advises that the manner in which our enemy by use of patents and cartel arrangements has worked for many years to weaken our military potential."

"A serious injury to our industrial and military strength can be, and in many instances appears to have been, caused by the restrictive use of patents in short-sighted business arrangements intended to secure higher profits from curtailed supply or monopoly, quite unconnected with the damage to the Nation."

Mr. Shea told Senators that present patent laws and use of patents in time of war "appear to have curtailed our industrial capacity for the present war and might prove dangerous unless corrected."

Landslide Hits City

LONDON, April 14 (P).—The Vichy radio relayed a Bucharest report today that 300 buildings were destroyed by a landslide at the Rumanian city of Iasi, former capital of Moldavia.

Refugee ship torpedoed, 280 safe in Charleston.

War Department asks pay increase for officers and men.

Sharp drop in output of phonograph records expected.

Washington and vicinity. Motorists and pedestrians asked to play safe in blackout.

New tax collection unit proposed for D. C. government.

Cab cost more than income, hearing told.

Mahon expects D. C. realty tax to stand at \$1.75.

Grand jury witness purges self of contempt.

Three deaths bring D. C. traffic toll to 40 for year.

Miscellany. Nature's Children. Marriage License. Births and Deaths. After Dark.

## Knox Says Navy Sees No Need Of Labor Control

### 40-Hour Week Ban Would Bring Delay in Output, He Asserts

By the Associated Press.

Secretary of the Navy Knox told the House Naval Affairs Committee today that suspension of the 40-hour-work-week law would result "only in confusion and delay."

He opposed a flat percentage limitation on war profits and urged a cessation of industrial disputes over the closed-shop issue.

He said there was no need for labor legislation so far as the Navy was concerned.

Secretary Knox told the committee flatly that he thought the matter of changing the 40-hour week was only a question of wages and would mean a 10 per cent cut in the income of workers.

He urged for both industry and labor a "psychological appeal" to stimulate production through patriotism, rather than having Congress enact legislation, and expressed belief that the force of the profit motive was diminishing and "would further diminish as the war continued."

Favors Treasury Plan.

Called to testify on the Smith-Vinson bill, which would put a 5 per cent limit on war profits and suspend the 40-hour week law and freeze the closed shop status, Secretary Knox said he thought the profits question could best be dealt with through the Treasury's plan for sharply increased excess profits taxes.

He suggested a vigorous campaign to "arouse and acquaint" the workers in war plants "that their own personal security rests upon the production of the tools of war."

He said that "the Nation needed their type of spirit engendered immediately after Pearl Harbor," adding that a "considerable part" of that wave of enthusiasm still remains.

Production Loss "Negligible."

Secretary Knox emphasized that the loss of production since Pearl Harbor was "practically negligible."

Chairman Vinson of the committee said that his new version of the Smith-Vinson bill.

It would limit profits on large war contracts to \$5,000 plus 8 per cent of the cost of the contract.

It would not apply to contracts under \$100,000, nor would it affect individuals or organizations performing technical or professional services.

Incentive to Small Contractors.

The original bill proposed a 6 per cent profit limitation on Navy contracts over \$10,000. The revision, Mr. Vinson said, was intended to "give an incentive to small contractors to convert to war production."

It applies to all war contracts.

Administration of the proposed legislation would be vested in the Treasury Department, which would have authority to exclude, in computing profits, "improper elements" in construction costs.

While proposing to abolish all double pay for overtime work, Mr. Vinson's new bill would provide payment of time and one-half for hours worked in excess of 40. It would freeze the closed shop as of last March 31, except as to renewals of existing contracts.

Restrictions placed on labor include a limitation of union initiation fees in closed shop defense work to \$5, with a maximum of \$2 per month for dues and assessments, and a ban against denying union membership to any individual or discharging members for dues arrearage of less than two weeks.

Production Bonuses.

Partially to offset the loss of double time and other premium payments, the new legislation proposes that the War Production Board but into operation a system of Government-financed production bonuses not to exceed a worker's "excess profit."

The bonuses, Mr. Vinson said, would be operated by the Navy, the War Department and the Maritime Commission in the case of Government-operated plants such as arsenals, docks and shipyards.

If approved in its present form, the new bill would lay down as a "policy" that "the Government practices are 'inconsistent with the expeditious and successful prosecution of the present war and are prejudicial to those serving in the armed forces.'"

Among these are the retention of "excessive profits" by the makers of overtime wages before a full six days of work, the insertion in labor-management contracts of clauses prohibiting the employment of any but union workers and the charging by unions of "excessive initiation fees, dues and other charges."

Nothing has been decided yet," the official declared, adding that "comparatively little thought has been given the subject in view of other more important matters."

It was reported that the National Coffee Association advised its members yesterday that Government orders were pending which would restrict roasted coffee sales to 80 per cent of those made last year.

A War Production Board official, commenting on the report, said the association had acted independently "and not on the basis of any authoritative statement given out here."

Shipbuilding Record

Of 44 Days Is Set

RICHMOND, Calif., April 14.—A shipyard which was a barren mud flat only a year ago has halved the record for work on a merchant ship of the 10,000-ton Liberty class.

The Richmond Shipbuilding Corp. was credited today by the Maritime Commission with commissioning of the S. S. Zachary Taylor 44 days after she was launched, just half the previous record of 88 days.

Thunderbolt Kills 18,  
Severely Burns 40

BOMBAY, India, April 14.—A thunderbolt which struck a church at Malayattur killed 18 Indian Christians and severely burned 40, a dispatch from the Cochín states city of Ernakulam said today.