

Deutschland Asks for Peace; Britain Cold

90-Day Credit In Arms Buying Irks Opponents

Short-Time Loans Held Adverse to Idea of Cash and Carry

Johnson Act's Ban Upon Credit to Defaulters to Be Amended

WASHINGTON, Sept. 29.—(AP)—Contending that the administration neutrality bill involved "credit and carry," not "cash and carry," opponents of the measure today made its financial section an issue second only to that of repealing the arms embargo.

The measure, finally approved by the senate foreign relations committee during the day, would permit belligerents to buy arms or other materials here on 90-days non-renewable credit, subject to the approval of the president.

Already chafing at this provision of the legislation, this opposition considered it a challenge when Chairman Pittman (D-Ore.) of the senate committee said today that to the extent of the 90-day credits the bill would amend the Johnson act. That law is a statute dear to the hearts of senators who have traditionally counseled American aloofness from the affairs of Europe. Most of them are allied with the opposition of the neutrality bill.

Johnson Act not Applicable to Germany

The Johnson act was passed in April, 1934, soon after an investigation of the defaults of several South American countries on bond issues floated here, and within a year after most European nations had stopped making payments on their World War debts.

The law forbids any American bank, or individual, to make a loan to any government which is in default on its obligations to the United States government. As applied to the present war situation, it would mean that Great Britain, France and Poland could not obtain credit here. Germany, not having had any war loan here, would be free to do so, if she could find lenders.

So, in permitting 90 day credits to the three allies, the pending legislation, Pittman said, would amend the Johnson act. Senator Johnson (R-Calif.) the author of that law, and a prominent member of the opposition, was quick to reply. He agreed with Pittman.

Sea Trade With Canadians Cut

While this issue was developing, the committee approved new language for the bill to make it clear that the 90-day credits could not be renewed, and that unless paid on time, the government responsible could obtain no further extension of credit until the default was made good. It also approved language to clarify the effect of the bill on American shipping to ports to the south of the United States, and on airplane lines to South America and to the orient.

The committee decided that sea borne commerce to Canada could not be permitted, but wrote into the bill a provision permitting American ships and airplanes to leave mail and passengers at the Caribbean possessions of Great Britain and France lying to the south of the 30th parallel of north latitude.

This line runs through New Orleans and its application to the present situation would permit the use of sea and air commerce not only to Canada but to the island of Bermuda as well. However, it will permit airlines to South America to make stops at Trinidad and Martinique, both British ports.

Chungking Bombed

CHUNGKING, China, Sept. 29.—(AP)—Eighteen Japanese airplanes bombed the airport and outlying industrial areas tonight in the second raid within 24 hours. Damage could not be determined immediately.

Washington Senator Radios Plea for Neutrality Shift

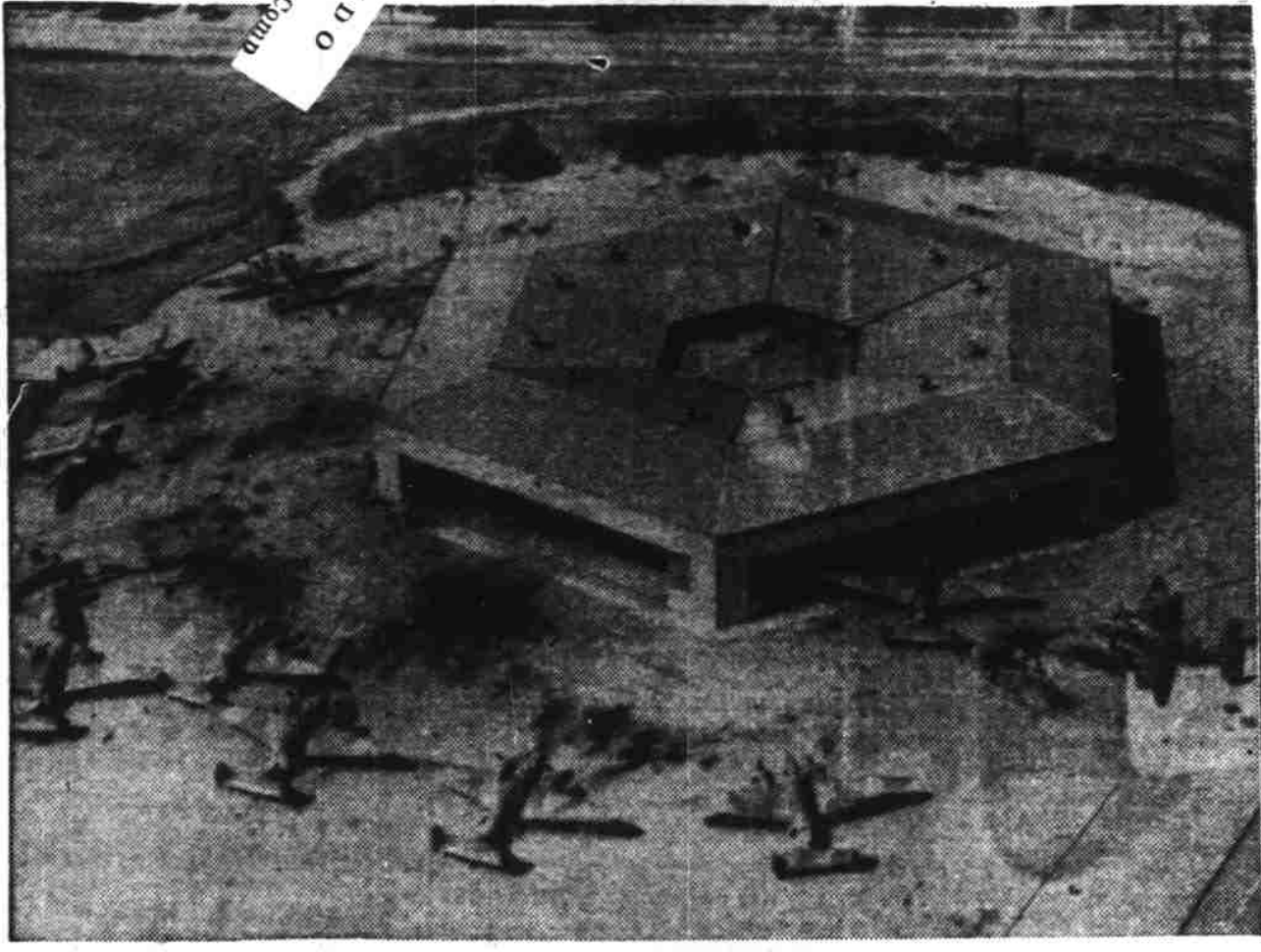
WASHINGTON, Sept. 29.—(AP)—"The United States will stay out of this war," Sen. Lewis Schwelb (D-Wash.) member of the senate foreign relations committee, said tonight in a nationwide radio broadcast in favor of the administration's revised neutrality bill.

"That," he added immediately, "must be the high resolve of every American . . . Your minds must never drift on this subject . . . I am confident that you at your firesides are the ones who can and will keep us out of war."

Referring to the administration bill to be debated on the senate floor starting Monday as "Senator Pittman's proposal for peace," he said "if any law can keep us out of war, this one will."

After warning his hearers to beware of propaganda designed to influence the thinking about the

READY TO DASH TO CANADA, IF—



Poised for instant flight to Canada, a fleet of Lockheed twin-engine bombers is pictured above at the Alhambra, Cal., airport awaiting possible repeal of the US neutrality law. Heavily guarded by detectives, the camouflaged craft, with Britain's insignia on their wings, were recently fueled and made ready to take off for the border immediately, should repeal occur. (IIN photo.)

Americas Map Inter-Trading

Panama Conclave Takes Steps to Protect Losses in War

PANAMA, Panama, Sept. 29.—(AP)—Delegates to the Inter-American neutrality conference today took steps to intensify trade between the Americas as a defense against a prolonged European war.

A special subcommittee proposed the creation of a permanent group with headquarters in Washington to study problems of commerce and finances between North and South America. The committee would include a group of five monetary experts in an advisory capacity on monetary and exchange problems.

The proposal was added to the already crowded calendar which was expected to delay the scheduled closing of the sessions tomorrow.

Delegates said the monetary council would attempt to avoid excessive exchange fluctuations brought on by war times. Many questions already submitted to the conference, including Brazil's proposal to study tariff discriminations and a possible customs union, were incorporated in the project.

Work was speeded to crystallize various projects into a coordinated plan to preserve American interests.

War Briefs

BUCHAREST, Sept. 29.—(AP)—Rumania shifted her armed forces today for protection against powerful neighbors peering over her borders at rich areas lost to her in the world war settlement.

Her army, already largest in the Balkans, was steadily being strengthened just in case all peace plans for southeastern Europe fail.

Most important move was strengthening the Bessarabian border defense, facing soviet Russia, by replacing the fifth army corps with the more highly mechanized and mobile second corps.

BUDAPEST, Sept. 29.—(AP)—Diplomatic circles at Ankara reported today Turkey was ready to sign mutual assistance and economic agreements with France and Great Britain.

Texts of the agreements already.

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Eastern US Coast Sees Convoy Use

Foreign Observers Get Impressions of big Westwall Defense

NORFOLK, Va., Sept. 29.—(AP)—The Norfolk Virginian-Pilot says it has learned on good authority that British merchant ships are being convoyed from point to point on the American east coast.

Ships leaving Norfolk, it says, are being escorted by British warships to a point off the Canadian coast where a large convoy is assembled for the voyage across the Atlantic. The paper adds:

"Nine British ships all loaded with merchandise obtained in America were in one convoy leaving the assembling point early this week.

"British ships are moving out of ports in numbers so as to expedite their movement to the assembling point. Four British cruisers are reported to be cruising along the American coast between Galveston and Canada.

"From Hampton Roads recently four British ships moved out to sea simultaneously. They were loaded with general cargo for the United Kingdom. Outside the three mile limit at sea they were met by a British cruiser that escorted them to a convoy assembling point, from which the voyage across the Atlantic began."

Philippines Pat On 1946 Freedom

MANILA, Sept. 30.—(AP)—(Saturday)—Desire for independence in 1946 was reaffirmed early today by the Philippine national assembly.

Following bitter debate, the assembly approved, 53 to 7, a resolution that there is no desire to re-examine the question, because of changed world conditions, but that complete independence is wanted in 1946 as provided by the Tydings-McDuffie act of congress.

Thus ended, at least for the present, the effort of Jose Romero, assemblyman and former floor leader, to have a realistic examination of the question, which political observers had said might split the nationalist party.

Siegfried Held Costly to Take

Foreign Observers Get Impressions of big Westwall Defense

BY LOUIS P. LOCHNER WITH THE GERMAN ARMY ON THE WEST FRONT, Sept. 29.—(AP)—Traveling for three days along 600 miles of Germany's west wall has given a group of foreign observers an indication as to why the western front is so quiet.

This group of six was confronted with much evidence in support of the German conviction that a tremendous sacrifice of men and material would be the price of a foreign army's attempt to force its way through the maze of mines, barbed wire entanglements, steel and concrete obstruction and criss-crossing bunkers in fortresses erected by the Germans.

In the party was a former chief of the general staff of the Finnish army, now representing a large Finnish newspaper.

He expressed the opinion that it would be costly for any force to attempt to break through the west wall, but conceded that theoretically nothing is invincible.

German officers showed us around the fortifications and answered questions freely, explaining though that certain figures, locations and other military information were not to be used in our dispatches.

They said the apparent calmness of the German troops was caused by their faith in the strength of the fortifications. We saw some of the soldiers employed in helping farmers harvest their crops. Others were helping residents of some towns abandon their homes. Many were seen playing cards and other games.

Hunter Who Shot Woman Given Year in Prison

ROSEBURG, Sept. 29.—(AP)—Marvin Ackerman, 22, of Vaughn was sentenced to one year in the state penitentiary today for the fatal shooting of Mrs. Norman Weatherly, 39, mother of five children. Mrs. Weatherly was shot near her Elkton home Sept. 8 when Ackerman mistook her for a deer.

Empire Stamps Veiled Threats Bogey-Man Try

Allies to Carry on War to Redeem Lost Poland

Nation Steels Self to Continue Expected Lengthy War

LONDON, Sept. 29.—(AP)—The Times replied to the German-soviet Russian peace gesture tonight with the blunt declaration that "there can be no peace with Hitlerism."

The newspaper said the only difficulty in drawing up an answer "will be to express it within the normal vocabulary of diplomacy."

As to the Russians, the Times said, "relations with Stalin will be decided by events and when they disclose his intentions, still far from clear."

LONDON, Sept. 29.—(AP)—Britain tonight presented a front of steady resistance to the Moscow peace gesture which Germany and Russia backed by an implied threat of joint action if the western allies do not accept their terms.

The Soviet-German move, which included the partitioning of Poland, Britain's ally, was seen in authoritative quarters as an effort to "frighten" France and England into ending hostilities.

Newspaper placards from backdrops of sandbags on the Strand and Piccadilly screamed "peace threat."

Chamberlain Speaks Again Monday

Pending a formal statement which Prime Minister Chamberlain will make to the house of commons on Monday, reaction to the Soviet-German agreement and peace gesture did not carry official stamp, but authoritative persons in position to present the government's opinions made these points:

First, it is a supreme "bogey man" effort to frighten Britain and France into peace, but it will not alter in any way Britain's determination to continue.

(Turn to Page 2, Col. 8)

American Fleet Going to Hawaii

Detachment to Sail for Islands Thursday Is Fast Striking Unit

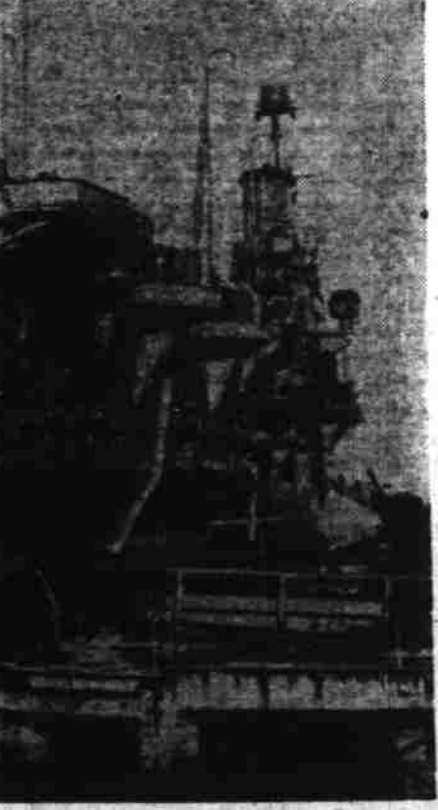
SAN PEDRO, Los Angeles Harbor, Calif., Sept. 29.—(AP)—The Los Angeles Times says a "fully balanced, fast striking" force will be detached from the United States fleet here Thursday and dispatched to Pearl Harbor, Hawaii, to form a "powerful spearhead of security" in the Pacific.

Unofficial reports said the force would include the first and second destroyer squadrons, the tender Dobbin, Cruiser Raleigh and Carrier Enterprise, with her 36 fighting, scouting and bombing planes. Official confirmation could not be obtained.

Already stationed at Pearl Harbor are 72 giant flying boats of patrol wing 2; submarines of squadron 4, four units of destroyer division 28 and nine units of mine squadron 1.

The 100 ships and 400 planes which took part in four days of tactical exercises off the Southern California coast returned to their San Pedro and San Diego bases tonight.

NAZIS CLAIM SECOND HUGE AIRCRAFT CARRIER



Strongly hinting Britain's gigantic aircraft carrier Ark Royal was sunk in a successful German air raid against Britain's naval might, Berlin continued to announce that "an aircraft carrier of the most modern construction sustained a square hit of the heaviest calibre in a September 27 German air raid." The 22,000-ton Ark Royal, pictured above, carrying a normal complement of 60 planes, was completed in 1929 at a cost of \$12,000,000. Germans also claimed to have sunk a British destroyer off Scotland. All claims continued to be denied by the admiralty in London. (IIN photo.)

Acceptance of Poland's Fate, Free Hand in Balkans and Baltic Is Germany's Price

European Aims Reached by Nazis so They're Satisfied for Time; Allies' Cause Held Lost

Russian Supplies and Open Road East Elate Nazi Chiefs; Ribbentrop Sees Hitler on Return

Planes Attack German Fleet At Home Base

Two Sides Conflict on Results of Daring British Sortie

Nazis Claim 6 Downed, Invaders Admit Loss but Hint Damage

(By the Associated Press) British aviators attacked the German fleet at its formidable Helgoland base yesterday—but contradictory statements by the warring powers left the result in doubt.

The German high command declared five or six British warplanes had been shot down by German pursuit planes after six royal air force warplanes unsuccessfully attempted to bomb ships at the Nazis' North sea island base.

The British in London acknowledged in a statement that some of the attacking planes had not returned. However, they declared the attacks were "pressed home at a low altitude" despite "formidable anti-aircraft fire."

Insist No Loss To Own Fleet

At the same time, the British admiralty insisted again no British warship had been bombed or sunk in the last two days. The British last night denied the report of the German high command that a British heavy cruiser had been "successfully attacked" by German aircraft off the Scottish coast.

The sinking of three Norwegian ships raised neutral Scandinavian losses to 10 yesterday as Germany, France and England continued a verbal warfare of conflicting claims of victory at sea.

The Norwegian freighters Taktaas (sunk yesterday) and the Jern (sunk Tuesday) but reported yesterday, both loaded with wood pulp, were torpedoed and the 2000-ton Salaa reportedly struck a mine in the North sea. No lives were lost.

Norway's casualty list thereby mounted to four ships; Finland and Sweden have lost three each.

The total known losses of all nations rose to 57 having a gross tonnage of 239,925. Besides the Scandinavian, they were divided as follows: British 31, German 5, French 2, Dutch 2, Greek 1, Soviet 1 and Belgian 1.

At least 745 lives have been lost.

ALBANY, Ore., Sept. 29.—(AP)—Patricia Buckley, six-months-old daughter of Mr. and Mrs. Lovel Buckley, was burned to death in an auto court fire here tonight despite efforts of her grandfather, Charles Buckley, 55, to rescue her.

The grandfather was seriously burned around the head and hands. The parents were absent at the time.

Murderers Dead In Gas Execution

CANON CITY, Colo., Sept. 29.—(AP)—Angelo Agnes, 31, Denver negro, and Pete Catalina, 41, Salida, pool hall operator, were executed in the state gas chamber tonight for murder.

Catalina was convicted of shooting John Trujillo, 23, of Salida, on March 15, 1938, in a quarrel over a 50-cent stack of poker chips.

Agnes was convicted of shooting his estranged wife, Malinda, on Nov. 30, 1937.

Both convicts were pronounced dead at 8:02 p.m. (MST), exactly two minutes after cyanide eggs were dropped into jars under their chairs.

US Communist Chief Calls Allies' War Imperialistic

WASHINGTON, Sept. 29.—(AP)—A flat assertion by William Z. Foster, communist party chairman, that he would not support the United States if it entered the present "imperialistic war" in aid of France and Great Britain highlighted today's hearing before the Dies committee.

The grim, unsmiling witness not only declared that he would withhold his own personal support, but would recommend that the party do likewise.

Foster's views were brought out by Chairman Dies (D-Tex.), who asked:

"In event of war between the United States and soviet Russia where would your allegiance lie?" Foster at first protested that the question was hypothetical but went on to say:

"I'm for the defense of the United States and the maintenance of its national independence and the democratic system and the eventual establishment of socialism."

"As far as war against any country is concerned I wouldn't walk blindly into that war, if it was an imperialistic war."

"In the present war, would you support the United States government?" Dies cut in.

"If the United States entered on an imperialistic basis, I would not support it."

Dies then asked specifically whether Foster would support this country's government if the United States entered the present struggle on the English-French side.

"Under the present setup, I regard it as an imperialistic war and under that, I would not support the United States," the poker-faced witness answered.

Speakers, who had observed a strict silence when the witness made that declaration, stood up and cheered when Dies suggested at the hearing's end that the communist party should be disbanded in the United States.

Training Ship Hit by Blaze

Old "Majestic" Is Scene of Mystery Fire, British Avert

LONDON, Sept. 29.—(AP)—The British Press association said tonight there had been "an outbreak of fire" on the British training ship Caledonia.

The Press association said the fire "was in no way due to enemy action."

The Caledonia, which formerly was the Cunard White Star liner Majestic, was taken out of commission following the outbreak of war and docked for extensive alterations.

The Press association did not say when the fire broke out.

It asserted, however, that it was subdued the same afternoon it was discovered.

"A red glow was seen below deck and a pall of smoke hung over the ship," it added.

The 56,000-ton Majestic, which until the advent of the French liner Normandie was the largest merchantman in the world, was sold by the Cunard White Star, line on May 16, 1936.

It was planned then to scrap the liner, a veteran of the transatlantic service, but the British navy decided to convert her into a training ship.

The job was completed early in 1938 at an estimated cost of \$2,340,000.

Auto Court Fire Takes Baby's Life

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EOC Classes Jammed

LA GRANDE, Ore., Sept. 29.—(AP)—Eastern Oregon College of Education's enrollment of 317 is a new 10-year record, Registrar Helen Moor said today. The registration is 44 per cent higher than that of 1938.

They're off! Race, Romance In new Novel

It's past time for readers of a new novel of outstanding interest, "Knight Errant," story of a girl, a gallant horse and a promising colt, beginning today in The Oregon Statesman.

This story gets off to a flying start from the pen of Jack McDonald. Don't miss the opening chapters. They will appear on the editorial page each day.

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Speakers, who had observed a strict silence when the witness made that declaration, stood up and cheered when Dies suggested at the hearing's end that the communist party should be disbanded in the United States.

It was indicated no formal proposal on the part of Germany was called for or necessary but that the plain facts of the situation "must impress on England and France the futility of further hostilities."

Among the new facts which were said to strengthen the German hand was the plain intimation that under certain circumstances military cooperation between Russia and Germany was possible.

It was pointed out in naval quarters, for instance, that if any power on earth now sought to re-establish the republic of Poland, it would be opposing not only Germany, but also Russia, German threats.

The suggestion that Germany would smash hard if the war continues was backed up by the observation that "there will be only one front. In the east, now, our back is not only covered, but strengthened."

At the foreign and propaganda ministries it was regarded unlikely that Germany would take any initiative to inform England and France—officially of the accord with Russia or point out its implications.

"Both England and France have embassies in Moscow which probably are informed and more over the press tells the story to the people of the world who, after all, count most," one official observed.

Asked whether the question of colonies could create difficulty in a settlement with England, the spokesman said there was no change in this issue which England has informed Germany she proposed to adjust by negotiation.

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