



Buy War Bonds

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Smuts Says Allies Ready for Big Offensive

No Further Tax Increases Until Next Session

President to Sign Biggest Revenue Bill Before Midnight

Washington, Oct. 21 (AP)—Congressional leaders turned an unofficial but emphatic thumbs down today on any further major tax legislation until after the first of the year.

With the biggest of all revenue bills on President Roosevelt's desk for his signature today, after its final approval by both houses yesterday, chairmen of the two tax-framing committees let it be known that they and their aides felt they had done enough for a while.

Chairman George (D., Ga.) of the senate finance committee told reporters that while Secretary of the Treasury Morgenthau might carry out his announced intention of requesting \$6,000,000,000 more in direct revenue, he, George, thought nothing concrete would be done about it by congress until after January 1.

Moreover, George made it plain that he believed the tax load contained in the new bill already approached the maximum.

"Of course," George said, "we are going to have to go into the question of compulsory savings to help in financing the war. It may be that Mr. Morgenthau will bring back from London some ideas of what the British have accomplished in obtaining such forced loans and they may be useful to us."

Major Provisions
President Roosevelt told his press conference yesterday that he would sign the new measure before midnight tonight, thus breathing life into the second of two pieces of legislation he told congress on September 7 he must have quickly to prevent further increases in the cost of living. The first of these, which congress gave him speedily, was firmer control over prices, wages and salaries.

As the tax measure stands, it contained these major provisions: A 5 per cent victory tax on individual income over \$12 a week, with post-war credits. This was combined with stiff increases in the normal and surtax rates on net income and a broadening of the base of the income tax by a cut in exemptions.

A 9 percentage point increase in corporation taxes on normal and surtax income and an elevation of the sliding scale of excess profits to a flat 90 per cent rate.

Battle Raging In Yugoslavia

London, Oct. 21 (AP)—Private advices from the headquarters of Gen. Draja Mihailovich, Yugoslav guerrilla leader, reported today that a large scale battle was raging in southern Bosnia between his Chetnik forces and axis troops.

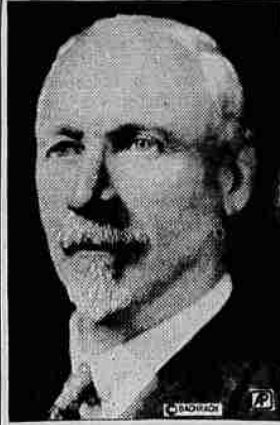
The reports indicated the battle was one of the biggest yet waged in Yugoslavia.

First reports said the towns of Kupres and Foca on the south bank of the Drina river had been heavily bombed by artillery from both sides and that the towns had changed hands.

At the same time, private advices revealed that one of Mihailovich's best officers, Maj. Vladimir Todorovich, had been killed by an independent band of "foreign" guerrillas which infiltrated into Yugoslavia and opposed both Mihailovich and the axis forces.

Losses were reported heavy on both sides in the battle of Kupres and Foca.

Mihailovich, reports showed, suffered casualties estimated between 800 and 900.



Field Marshal Jan C. Smuts, prime minister of South Africa, who told the British parliament that a great allied offensive looms.

Quake Rocks Los Angeles

Los Angeles, Oct. 21 (AP)—A moderate to strong earthquake was felt in southern California today, and reports indicated it was most severe in the Imperial valley near the Mexican border.

Taller buildings in Los Angeles and San Diego swayed to the east and west with the motion of the tremor, which lasted about 30 seconds in Los Angeles and approximately three minutes in El Centro, Imperial valley city.

The seismological laboratory at California Institute of Technology in Pasadena reported the quake "was a good sized one at some distance." Attendees said it was impossible immediately to locate the epicenter.

Reports from areas in which the quake was most severe indicated little if any damage had been done. Plaster was cracked and knocked from the ceiling of some buildings at El Centro. In Brawley, 10 miles to the north of El Centro, the motion was described as vertical. No damage was reported in that city.

Virtually every community in southern California, from downtown Los Angeles to the Mexican border, reported feeling the quake in varying degrees.

Red Star Says America Ready

Moscow, Oct. 21 (AP)—Red Star, official organ of the soviet army, asserted today that the United States is ready now in men and equipment to open active military operations.

(The Russian press has expressed the view with increasing frequency recently that Russia's allies have the strength to undertake second front operations at once to relieve German pressure on the soviet forces.)

"Successful fulfillment of war industry problems, growth of the army and airforce and accelerated naval construction create all the necessary conditions for active operations by the United States," Red Star said.

"They have enough men and machines. As to the training and operative ability of the army, this can be determined only in armed struggle."

Crisis in France Over Deportations

Bern, Switzerland, Oct. 21 (AP)—All Serbia was reported under martial law today as a tide of unrest and uncertainty continued to sweep occupied Europe from Norway to France and the Balkans. Private advices from France pictured that unhappy land as entering upon her most critical period since the 1940 armistice. With 11 days remaining to chief of government Pierre Laval before he is expected to report compulsion to meet Adolf Hitler's demands for French workers.

Martial law was decreed by the puppet Serbian government at Belgrade, said a Budapest dispatch to the Basler Nachrichten, after the Nazi military commander in Serbia, Gen. Bader, announced numerous arrests had

Allied Airmen Rule the Skies On Pacific Front

Bombing of Enemy Troops and Bases Continues in Solomons

By John H. Wiggins
Washington, Oct. 21 (AP)—Allied domination of the skies in the vast Pacific battle front appeared growing mightier today as American bombers slugged Japanese invasion bases from the Aleutians to the Solomons.

The fury of the allied bombing of enemy troops and supply concentrations in the Solomons seemed thus far to have stalled, at least temporarily, the full force of a Japanese thrust to retake the American-held Guadalcanal airbase and win control of the Southwest Pacific.

Airbase Bombed
While a large force of Japanese warships and auxiliary vessel in the Solomons and reinforced enemy troops on northwestern Guadalcanal still held an expected attack in leash, United States bombers dropped explosives on the embattled island's invaders on October 18 and 19, and started fires at the Japanese Rekata bay base on Santa Isabel island, 150 miles to the northwest.

At the same time, Gen. Douglas MacArthur's Australian command reported last night, allied bombers were believed to have inflicted extensive damage on the Japanese airbase and shipping at Buin, Bougainville island, about 315 miles north-west of Guadalcanal.

Offensive Expected
All allied planes, meeting no attempts at interception, returned safely from the Buin night raid, the communique said. The navy's report yesterday of the latest American assaults in the Solomons and Aleutians made no mention of any enemy planes rising to counterattack.

Possibility that the Southwest Pacific skies may soon become a horn's nest of allied planes was seen yesterday in an assertion by Secretary of the Navy Knox that the number of navy land-based planes was "steadily increasing."

In the North Pacific, the navy announced that on Oct. 18 the army's heavy four-motored Liberator bombers smashed again at the island of Kiska, the last of three Aleutian bases once held by the Japanese.

Bomb Explosion in Gestapo Offices

London, Oct. 21 (AP)—Several Germans were killed by a bomb explosion in Gestapo headquarters at Cherleroi, Belgium, Belgian sources in London said today.

Another bomb exploded on the same day in a German police headquarters at Mareinelle, the Belgians said, but they had no report on casualties.

A 9 p.m. curfew has been imposed on the area, it was said.



Marines Move Up to Attack Japs on Guadalcanal—United States marines move through the tropical jungle of Guadalcanal island to get into position to attack Jap forces entrenched on the Matanikou river. This picture was radioed from Honolulu to San Francisco. (Associated Press photo.)

Yank Bombers Raid Axis Bases

Cairo, Oct. 21 (AP)—American medium bombers participated yesterday in the broad allied attacks on airfields, shipping and axis armies in North Africa. Eleven enemy planes were downed. Sweeping deep into enemy territory, the American task force scored direct hits on grounded planes, protective revetments and tent areas of the desert war theatre.

Kiska Strafed By Bombers

Alaska Defense Command Headquarters, Oct. 21 (AP)—The latest group of Liberator bombers which are daily attacking Japanese attempting to reinforce their garrison at Kiska reported enemy positions unchanged on the island, the army announced today.

The group, one of several conducting the army's raid-a-day tests against the invaders, was led by Capt. Lynn R. Moore. The flight noted hits in the camp area and one especially heavy explosion which may have been a gasoline dump.

The Moore flight, like all since Oct. 3, met no aerial opposition while dropping its 12 tons of bombs on the Japanese.

The latest attack was concentrated on Trout Lagoon and the main Kiska camp. A number of cargo ships already are beached in the lagoon.

The Japanese positions at Gertrude Cove where the reinforcement attempts are being concentrated are also unchanged, the fliers reported.

The raiders met continuing anti-aircraft fire, but most of the Japanese scurried for cover and froze to the ground when they saw the American planes.

Strafing by raiders early this month taught them to find protection when the U.S. army fliers hit the pilots believe.

The Japanese are even using bomb craters for shelters, sometimes putting up tents in such improvised protection.

4 Axis Ships Sunk In Mediterranean

London, Oct. 21 (AP)—The sinking of four axis supply ships in the Mediterranean by British submarines was announced today in an admiralty communique.

Two of the sinkings were credited to one submarine. They were a small axis supply vessel which went down off the Italian coast and a medium size ship which burst into flame and sank after a torpedo hit amidships.

The other two were a large supply ship, hit three times from close range and sunk within two minutes despite extremely bad weather and destroyer protection, and a smaller ship sunk off the Libyan coast.

Trial of Hess Awaits War End

London, Oct. 21 (AP)—Foreign Secretary Anthony Eden told the house of commons today that the government presently treated Rudolf Hess, former No. 3 Nazi, as a prisoner of war but saw no reason why he shouldn't be dealt with like other war criminals, after the war.

He said no request for Hess' immediate trial had been received from Russia, where agitation that he be tried without waiting for the end of the war was growing. An official Russian statement to the refugee governments in London had suggested an immediate trial, and the newspapers Pravda and Red Star echoed the demand yesterday.

"In our judgment," Eden said, "there's no cause to apply to Hess treatment other than is being elaborated by the united nations for dealing with war criminals. Hess is treated as a prisoner of war. There never has been or can be a question of treating him as an envoy or giving him any form of diplomatic privilege status."

Russian newspaper editorials had asked sarcastically whether Hess was "a war prisoner or an envoy plenipotentiary." The allied governments are planning an international tribunal to try war criminals after the war.

Gibraltar Raid Warning
Gibraltar, Oct. 21 (AP)—An air raid warning sounded in this British stronghold last night, but several Italian bombers which flew over the Gibraltar area dropped all their bombs in adjacent Spanish territory.

Lorient Bombed by RAF
London, Oct. 21 (AP)—A Vichy broadcast heard by Reuters said RAF planes bombed port installations at Lorient today, killing 100 persons and injuring 350. Lorient is on the south coast of France's Brittany peninsula.

5 Years' Prison Terms for Bundists

New York, Oct. 21 (AP)—Twenty-four former German American Bund leaders, including Gerhard Wilhelm Kunze, national leader, were sentenced today to five years in prison each for conspiring to counsel bund members to evade the draft law.

Federal Judge Alfred D. Barksdale said that in his opinion all of the defendants were guilty of "far worse than any factual violation of the selective service law" and said that he would not impose fines because that might have the effect of causing their families to lose their homes.

Under the conviction, each defendant could have been subject to a \$10,000 fine.

Temporary Court Order Extended

Portland, Ore., Oct. 21 (AP)—The OPA had another 10-day extension of temporary restraining orders against four Oregon meat packers today.

The packers, accused by the OPA of "upgrading" beef and veal, reportedly were about to reach a settlement whereby government inspectors grade the meats.

Russians Drive Nazis Back in Drenching Rain

Red Army Seizes Initiative South of Stalingrad; All Attacks Smashed

By Henry Shapiro
Moscow, Oct. 21 (AP)—Front dispatches said today that the Russians seized the initiative south of Stalingrad and drove the Germans back across several miles of open country amid drenching rains that bogged the enemy's communications.

(The German high command admitted significantly that Marshal Semyon Timoshenko has sent fresh reinforcements into his drive from the north between the Don and the Volga rivers. Radio Berlin had reported yesterday that there were preparations for a big attack northwest of Stalingrad.)

Battle at Steppes
Some of the biggest battles of the campaign in the Stalingrad area were being fought in the barren and unfortified steppes for possession of isolated water wells, the main objective of both sides. Domination of a single well often means control of an area of hundreds of square miles, dispatches said. The wells are a necessity for the opposing tank, cavalry and motor patrols.

South of Stalingrad, an enemy village manned by a Rumanian garrison fell easily before the Russians, experienced in steppe fighting.

In Stalingrad itself, the Germans were throwing 30,000 storm troops and 60 tanks into a narrow sector in a frantic effort to take the city before winter settled. The red army was smashing every attack.

Food Situation Severe
The communist newspaper Pravda reported that the food situation among the German assault troops had become severe while heavy rains that had fallen unabated for three days threatened to bog down their drive.

The conclusion was implicit though not stated in the communist party organ Pravda's documented description of hunger among the German hordes at Stalingrad, that the Nazis' 1,900-mile-long communications, which had for weeks supported one of the greatest battles in history were at last faltering.

There also was a possibility that the heroic Russian resistance had forced such an expenditure of munitions that the Germans were now being compelled to transport more munitions and less food for their troops.

Big Naval Bill Back in House
Washington, Oct. 21 (AP)—The house completed its work today on a supplemental appropriation bill authorizing expenditure of another \$15,000,000,000 to build a greater navy, and senate approval later in the week was expected to send the measure to the white house.

Washington, Oct. 21 (AP)—A bill authorizing the expenditure of \$15,841,196,997 for war purposes, \$15,000,000,000 of it by the navy, was returned to the house today for action on senate amendments.

This supplemental appropriation bill came back with \$104,240,266 added by the senate to the amount passed by the house on Oct. 8, including \$100,000,000 for war housing and \$1,000,000 for a farm labor survey by the war manpower commission.

As passed by the senate, the bill appropriates \$6,341,196,887 outright, including \$5,599,000,000 for the maintenance and expansion of the navy. In addition, the navy would be authorized to begin letting contracts on a \$9,500,000,000 construction program aimed at adding 2,101,000 tons of floating craft—500,000 tons of new aircraft carriers, 500,000 tons of destroyers and escort vessels and 200,000 tons of auxiliary ships.

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South African Urges Second Front on Nazis

German Army Being Bled to Death by Russians; Time Near to Strike

London, Oct. 21 (AP)—In a broadcast address, breaking parliament's traditional ban of the radio from its chambers, Field Marshal Jan Christian Smuts, prime minister of the Union of South Africa, told a joint meeting of the house of commons and lords today that the allies have arrived at "the offensive phase of the war."

The German army is "bleeding to death" in Russia and "the stage is set for the last, the offensive phase of the war for the united nations," Smuts declared.

He said the "appalling blood-letting which is necessary for Hitler's ultimate defeat is being administered by the Russians."

Although he said "they alone can do it," he urged "whatever help... we can give to Russia... in the fullest measure and with the utmost speed."

Russia, Smuts said, is "bearing more than her share of the common burden" and he urged that "whatever help in whatever form we can give to Russia to sustain her in her colossal effort should be given in fullest measure and with utmost speed."

Defense Phase Ended
In reference to the second front, Smuts said the defense phase of the war for the united nations has ended.

"The final alignments both of the allies and of our enemies have been made," he said. "Resources have been developed and mobilized on a very large scale. Ours are still on the increase, those of the enemy are on the decline. Our manpower is still growing, that of the enemy is getting depleted, while he makes ever heavier drafts on his suffering vassal peoples."

"The spectre of want, hunger and starvation are beginning to stalk through the subject countries and the spirit of unrest is heaving and rising. The explosive limits of endurance are nearing. We are approaching the point when both on the war fronts and on the home fronts in the enemy countries, the situation is ripening for far-reaching developments."

(Concluded on page 10, column 7)

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