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CURTAIN COMES DOWN ON FINAL ACT OF WAR'S DRAMA IN TOKYO TONIGHT

U. S. To Ask Lend-Lease Settlement

Pay In Dollars Won't Be Used

WASHINGTON — (AP) — Nations which received Lend-Lease aid had it straight from Secretary of State Byrnes today that the United States has by no means torn up their IOU's.

They will not be asked to pay in dollars because they do not have the dollar credits. But they are on notice that they will be expected to make some kind of settlement.

It seemed probable they would be requested to pay off in the form of lowered trade restrictions —particularly the British, whose economic officials will arrive next week to discuss possible substitutes for lend-lease.

Byrnes made it clear in a formal statement issued yesterday that President Truman's report to Congress saying the $42,000,000,000 of Lend-Lease might as well be written off did not mean there would be no settlements of a kind not involving cash.

Victory, reverse Lend-Lease and the prospect of free postwar trade because of Lend-Lease operations already had repaid this country, Mr. Truman said.

The State Department issued a press release using as a peg for Byrnes' remarks this question:

"In light of the recent Lend-Lease reports are we to assume that all Lend-Lease debts are to be cancelled and the only Lend-Lease settlements required are settlements for shipments unused or undelivered at the close of the war?"

To this Byrnes replied "there is no justification for that assumption."

NOT ASKING CASH

He went on to say "We are not seeking paper contracts to pay dollars which will not be available to our debtors. But that does not mean that there are no Lend-Lease settlements to be negotiated."

He quoted that part of Mr. Truman's Lend-lease report which said the United States will try to "achieve settlements of our wartime Lend-Lease debts" which will attain "the long-range security and economic objectives of the United States and the other United Nations."

Attacks On U. S. Told

WASHINGTON — (AP) — Seventy-eight days after the Japs sneak attack on Pearl Harbor, a submarine surfaced off the coast of California and hurled a 5.5 shell into an oil field near Goleta.

This was the first blow of the war against the U. S. mainland and one of a total of 169 confirmed attacks, including 166 by Japanese balloons, a survey today of Army military intelligence and operations records disclose.

All were directed against the western part of the country and all presumably were launched by the Japanese While German submarines shelled Caribbean islands, torpedoed dozens of vessels in coastal waters and landed saboteurs in the U. S., the records show the Nazis never made a direct assault on the mainland.

The submarine which fired on the oil field near Goleta got away unscathed after tossing 25 shells which damaged an oil well at the edge of the field. There were no casualties.

Another submarine, also presumably Japanese, moved in close to the Oregon coast on June 21, 1942, and fired "six to nine" 5.5 shells at Fort Stevens. All "fell harmlessly", Army reports said.

This attack came only eighteen days after fifteen Japanese bombers attacked Fort Mears and Dutch Harbor, Alaska, for the first time. They returned on June 5 to bomb Dutch Harbor and strafe Fort Glenn.

On Sept. 9, 1942, a float plane —apparently launched by a sub— flew over Mt. Emily, near Brookings, Ore., and dropped an incendiary bomb. A fire started by the bomb was "quickly extinguished", the Army said, by foresters from Mt. Emily lookout.

MARINES WADE ASHORE ON JAPAN—Marines wade ashore from landing boats at Futtu Saki Peninsula as the U. S. troops enter Japan. (Marine Corps Photo via Navy Radiotelephoto from USS Iowa.)

Retribution In Kind

Nazi Labor May Be Used To Repay War Reparations

By FLORA LEWIS

LONDON — (AP) — A possibility that German workers will be used as repayment for Nazi slave labor to Western European countries entitled to reparations from Germany was seen today in a questionnaire sent out by the British Foreign Office.

Among the war costs and damages the countries are asked to list for prospective reparations the man-hours lost by forced labor of their nationals taken to Germany and man-hours lost in work compelled by Nazi occupation troops. It was considered significant that this computation of labor losses was requested rather than the dollar cost.

The questionnaire asked that detailed answers be filed with United States, British and French Governments by Oct. 1 and it went to all European United Nations except Poland, which will present claims to Russia for payment from the Soviet zone of occupation in accordance with the Potsdam agreement.

In evaluating damages the countries are asked to figure them out in United States dollars, according to the rate of exchange in 1938. The prices are to be specified according to the values in 1938.

The questionnaire makes clear that the countries will have a chance to discuss their views on reparations at a general conference.

As-sociated Press Correspondent Daniel DeLuce, reporting from Berlin last night, said Germany's capacity to pay the victors still is a question of serious argument among the four occupying powers.

DeLuce said the dispute, according to such Allied sources, centered about whether industry and agriculture were being crippled too drastically by the Russians in eastern Germany, whether the Allies occupying western Germany were to be given power promptly for their expenditures in averting famine than the Russians in their removals to compensate for Soviet losses.

See NAZI LABOR on Page 9A

For A Stable Economy

Employment Bill Backed By Snyder

WASHINGTON — (AP) — Reconversion Boss John W. Snyder said today the nation needs a mechanism to maintain a stable economy just as it has subscribed to one to keep the peace.

Endorsing the "full employment" bill, Snyder told the Senate Banking Committee that the legislation won't "produce as much as a single job" in itself but does provide a method for mobilizing the country's resources so everyone can find work.

"In the past," he said, "we have had no machinery by which to organize in a systematic way for the prevention of depressions or of wars. We need such machinery.

"It has taken two catastrophic world wars to bring us into an international organization equipped with effective means of investigating and solving problems which threaten peace."

"I feel certain that it is not necessary to suffer another catastrophic depression to awaken us to the need of establishing a mechanism for a systematic attack on economic instability. We must take positive action to help us achieve full employment."

Snyder, director of War Mobilization and Reconversion said the bill neither implies interference with decisions of private enterprise nor puts the Government into business. It enables the Government to act, he said, so as to keep the free economic system humming somewhere near full production.

Primarily the bill establishes full employment "the explicit policy of the United States" with Congress having the final decision on programs recommended by the President, Snyder declared.

"That," he said, "is the best possible assurance the full employment bill will not mean regimentation."

Snyder was among the last of the scheduled witnesses as the Senate committee's hearings neared an end.

B-29's Continue Mercy Missions

GUAM — (AP) — B-29's ranged over Japan dropping supplies to prisoners of the fifth consecutive day today, and aliment reported the first Superfort landing at Atsugi airport yesterday.

Costly Chaos

Prices Go Wild In Nippon As Black Market, Inflation Hit

By RICHARD CUSHING

TOKYO—(AP)—Money has little value in Japan—either U. S. or Bank of Nippon currency—because this country is embroiled in its worst black market in its history. Barter goods are far more valuable than cash.

The black market, operating since 1940, became really tough in 1345. Tokyo residents report. Police jailed thousands of offenders at the start, but illegal sales snowballed quickly beyond control.

Japan, in fact, seems started toward financial ruin. Seven and a half pounds of sugar (a unit weight, in Japan) which cost two yen 50 sen before the war, now brings 1,500 yen in the black market. The yen at prewar exchange was the equivalent of 23 1-2 cents, American.)

Japanese-made shoes cost 1,000 yen, compared with a prewar price of 13 to 15. A man's shirt, formerly seven yen, now costs 120. The scarcer the item, the greater the price boost.)

Imported Scotch whisky, once available for only seven yen (less than $1.65) now brings 1,000 yen. At the same counter, Japanese whisky customarily priced at two to three yen now brings 350 to 500.

What hurts most sharply, though is the price of rice.

The 3 1-2-pound unit, the sho once worth only 150 sen now brings 65 yen—exactly 170 times as much.

With the black market flourishing, most stores are closed from lack of patronage.

The Japanese raise what they can in home gardens, doing intensive backyard farming even in cities. They also travel when they can to the country, seeking to avoid the blackmarketing middleman by buying direct form farmers.

ASSETS IN BARTER

Best of all "money" is a Kraton chocolate bar, a pack of cigarettes or gum, or a box of matches—little things, but far out of reach of the average Japanese.

Present exchange is approximately 15 yen—instead of twenty—for a dollar, and the Japanese are afraid that's only a starter.

With blackmarkets booming, inflation money rolling in, industry being re-geared from war production and 85,000,000 persons restricted to Japan's home islands rather than an expanded empire, they fear chaos is coming—and fast.

The average Tokyo businessman has one hope: That through a revival of world trade he may be able to survive.

Prisoners Tell Of Jap Bestiality

Yanks Subjected To Brutality

By VERN HAUGLAND

OFUNA PRISON CAMP, NEAR YOKOHAMA — (AP) —Ninety-five Americans and eight English prisoners, liberated from the filth of a hidden concentration camp today related the war's most gruesome tales of Japanese bestiality.

They saw one man beaten to death and seven die of malnutrition.

Some were spit on in the streets on forced marches through irate crowds.

Many were compelled to wear metal bits in their mouths for fourteen hours at a time.

Others were left with their hands tied behind them for 24 hours.

A 21-year-old pilot, Ens. Fred Turnbull, of Highland Park, Mich., tortured after his carrier plane was shot down over Formosa, said:

"I tried to die and made peace with myself.

"My captors tied my hands behind me, made me lie down and covered me with my parachute," the youthful Michigan pilot said. "I heard two shots."

Already wounded when shot down, he was too numb to feel a bullet that entered his arm but felt one that pierced his chest.

A Japanese made a practice swing at Turnbull's neck with a sword after he had pulled the prisoner's collar down and an accered Formosan giving him first aid bit him in the back with a bayonet for not moving fast enough.

"At a hospital close to an airfield, shrapnel and bullets were removed without an anesthetic," Turnbull said.

"BIT TREATMENT"

Eight survivors of a twelve-man crew on a privater plane were given the "bit treatment" after their ship had been shot down south of Tokyo Aug 11.

"The bits were used to keep us from talking," said Naval Lt. John B. Rainey, of Houston, Tex.

Every half-hour, they came in to test and, if anyone complained,

See ALLIED on Page 9-A

Will Seek Annulment

KANSAS CITY — (AP) — Mrs. Ann Birdwell-Marshall, 19, announced today she would seek an annulment of her marriage to Jack Marshall, 33, Wichita, Kas., mortorcar mechanic, made of her first husband, Sgt. Gene D. Birdwell, 21.

She married Marshall thirteen days ago and discovered Thursday that Sgt. Birdwell reported killed in action last October, had been found alive.

Birdwell was evacuated with other American prisoners of war of Japan and is on the way to Pearl Harbor aboard the hospital ship Reeves.

NO REPLY YET

Mrs. Birdwell-Marshall said she had received no reply from the gobbegram she sent the sergeant yesterday.

"I want Gene to hear the news from me if at all possible," she said. "But I'm so afraid he might be in bad condition right now and that this might make him worse."

The pretty blonde saw in the possible annulment of her second marriage the only solution for the predicament she found herself in.

"At least, after I get an annulment, I can wait until Gene gets home and then see what happens," she said. "I'm so mixed up and so tired right now I don't know what to do."

Marshall, who brought his young bride to Kansas City as soon as they learned of Sgt. Birdwell's liberation, has been staying with relatives and will return to Wichita.

Mrs. Birdwell-Marshall is staying with her mother, Mrs. William F. Ross.

"I believe I liked one boy as well as the other," the mother said.

Historic Occasion

Truman To Talk On Nationwide Hook-Up Tonight

WASHINGTON—(AP)—The White House announced today that the Japanese surrender ceremonies on the battleship Missouri in Tokyo Bay will go on the air at 9:30 P. M. Eastern War Time tonight.

Gen. Douglas MacArthur, Supreme Allied Commander in Japan, notified the White House to this effect.

From Washington, President Truman will broadcast a speech of about eight or nine minutes during the ceremony, after which the broadcast will be switched back to the Missouri for brief addresses by Gen. MacArthur and Admiral Chester W. Nimitz, Pacific Fleet Commander.

The White House also announced that the President will take part in a two-hour radio program beginning at 9 P. M. Eastern War Time tomorrow night to be conducted by the Armed Forces Radio Service.

The President's brief address on the Sunday program will begin at 9:15 P. M., and all networks are expected to carry at least part of the program.

Presidential Secretary Charles G. Ross said he did not know whether the broadcast of the surrender ceremony aboard the Missouri will be a delayed and recorded affair or whether it will be simultaneous with the actual signing.

The MacArthur message did not make this clear. All it said was that the ceremony would go on the air at 10:30 A. M. "on the second" Sept. 2 Tokyo Time, in Tokyo Bay, 9:30 P. M. tonight Sept. 1 in Washington.)

It was not known this morning how long the ceremony will last.

The President will be standing by in the broadcast room of the

See WHITE HOUSE on page 9-A

Newspaper Theme

Re-Education Of Jap People Urged

By ASSOCIATED PRESS

Re-education of the Japanese people to fit them for a place in modern society was advocated today by the prominent Tokyo newspaper, Yomiuri Hochi, which warned that "without a change in the people's spirit and adequate training democracy cannot be established."

"The basis for modern society is democracy," Yomiuri added. "Unless repentence and allegiance are based on democracy, it is futile to hope for political results from the rebirth of the Japanese nation.

The Potsdam declaration can not be carried out by mere passive observance of its terms, the newspaper advised in an editorial which was broadcast from Tokyo and recorded by the FCC commission, but there must be "spontaneous and vigorous action" in the formation of a democratic government.

The duration of occupation will depend largely on how long it takes the people to prepare themselves for that kind of government, the paper added.

OTHER PROBLEMS

Re-organization of the Japanese agricultural system and reconstruction of the railway system were other pressing problems discussed in FCC-recorded Tokyo broadcasts.

The newspaper Asahi labeled the food shortage as one of the nation's most pressing problems, and urged the planned formation of new farming villages in the reclassification of the agrarian system.

The Domei News Agency disclosed that 1,600 kilometers of the nation's rail network, reported that 1,600 kilometers of track, 10 important bridges and 20 kilometers of important key classified tracks had been destroyed by bombing during the war.

Also destroyed were 800 locomotives, 1,800 passenger cars, 8,000 freight cars and 550 trolley cars.

Repair work on the disrupted rail system during the war was

See RE-EDUCATION on Page 9A

Attempt That Failed

Rabid Pilots Defy Emperor's Orders

By RICHARD CUSHING

TOKYO—(AP)—The Japanese said today that for two days after Emperor Hirohito told his people the war was over, several planes—evidently flown by fanatical suicide pilots—dropped pamphlets on major Japanese cities asking the people to disregard the Emperor's word and fight on.

A Tokyo resident, describing their action, said that the great majority of the people were shocked by the mere thought of disobeying the Emperor. The move died quickly, he said, for lack of popular support.

He quoted the Kamikaze planes' pamphlets as saying "Don't listen to the Emperor—he has been ill-advised. The Emperor doesn't know the real conditions.

"We have enough food and planes left to continue this war. We shot down an American Grumman and the pilot told us food conditions in the United States were very bad.

"When the Americans land in Tokyo we are going to give them a real surprise."

The informant said Japanese normally follow the Emperor's word like sheep, and that the Kamikaze fliers responsible for the pamphlets undoubtedly would be put to death if caught.

MacArthur And Nimitz Will Sign With Japs

Half-Hour Event To Be Broadcast

By ASSOCIATED PRESS

YOKOHAMA—The world's bloodiest war will come to an official end tomorrow when emissaries of Japan step aboard the battleship Missouri for a surrender ceremony starting about 9 A. M. (8 P. M. Saturday, Eastern War Time.)

Gen. MacArthur conferred with Admirals Nimitz and Halsey and Air Generals Spaatz and Kenney on the momentous meeting which will be broadcast to a world which once trembled to the threat and acts of the pugnacious Empire.

President Truman will broadcast from Washington during the height of the ceremony, which is expected here to continue for at least 30 minutes.

Both MacArthur as Supreme Allied Commander and Nimitz as the official signatory of the surrender document for the United States will broadcast from aboard the Missouri.

The men who will sign for Japan have not been announced, but it will have to be someone high in the councils of the present government, probably Prince Naruhiko Higashi-Kuni, the Premier, and representatives of the Imperial General Staff.

TAKING NO CHANCES

Up to the last moment MacArthur was taking no chances that some fanatic, some die-hard militarist, some Kamikaze such as those known to have flown their own planes off into hiding, might start something.

Spaatz warned that at any sign of trouble in this occupation his planes were ready to drop at least 8,000 tons of bombs on Japan.

Boats came and went in almost endless procession in Tokyo Bay, the scene of the signing, as final plans were made for the surrender.

American troops extended their steel grip along both sides of the bay and were up to the southern edge of Tokyo.

Tokyo was reported declared out of bounds to all Americans, including correspondents, because of an incident but the particulars were not known here, nor could the order itself be confirmed.

The White House announced it had been notified by MacArthur that the surrender ceremonies would go on the air at 9:30 P. M. Saturday, Eastern War Time.

The White House said Mr. Truman would broadcast a speech of about eight or nine minutes during the ceremony after which the broadcast would be switched back to the Missouri for brief addresses by MacArthur and Nimitz.

(The President will be standing by in the broadcast room of the White House, listening in on the surrender-signing ceremony and waiting for the signal for him to speak).

Last of the actors to take their

See SURRENDER on Page 9A

Would Alter Jobless Bill

WASHINGTON — (AP) — Secretary of Labor Schwellenbach suggested today that any Federal payments for unemployment compensation should be repaid, at least in part, from State funds.

He told the Senate Finance Committee it should consider that possibility in studying legislation for a national maximum standard of at least $25 a week for 26 weeks in unemployment compensation.

As the measure now stands, the Federal Government would supplement state unemployment payments to achieve the national standards.

PRESENT PAYMENTS

Schwellenbach said state maximums now range from $15 to $25 a week.

He did not go into the question of how the Federal Treasury might secure repayments from the states.

Endorsing the general principles of setting national standards for pay to the jobless, the Labor Secretary said the measure should be amended to provide uniform standards of eligibility for benefits.

"Many state laws," he commented, "contain restrictive disqualification provisions tending to deprive those most in need of unemployment compensation of benefits which they should receive."

A Reminder

LONDON—(AP)—Six years ago today, Sept. 1, 1939, Hitler sent his forces smashing into Poland to touch off the global war.

At high noon of Sept. 3 Britain declared war on Germany, and two and a half hours later France followed—with a similar declaration.

Cruiser Reno Hit By Jap Torpedo

WASHINGTON—(AP)—Struck by a Japanese torpedo last Nov. 3 while operating with Task Force 38 in the Philippine Sea, the light cruiser Reno lost four killed and 11 missing.

WEATHER

Clear to partly cloudy, continued warm today, tonight and tomorrow.

Temperature at 3:30 Today — High and Low Last 24 Hours — Sunset Today — Sunrise Tomorrow