

L.T. - Sunoco. - Monday, July 20, 1942

SIBERIA

46 ✓
From China we get more evidence today that the Japanese are preparing for an attack on Siberia. The Chungking radio broadcast a report which came, it said, from unimpeachable military sources. According to that report the Mikado's Generals have begun concentrating fresh waves of troops in inner Mongolia and in all the three northernmost provinces of China. Japanese divisions are being withdrawn from Malaya, from the southeastern provinces of China as well as from Formosa. They are building fortifications, establishing lines and evidently making ready to outflank the Russians in outer Mongolia.

It is intimated that these withdrawals of Japanese troops in China may account for the recent victories by the Chinese. Over the weekend Chiang-KaiShek's Army gained another advantage, recaptured twenty-five miles of railroad and two important towns. A number of Japanese troops have been withdrawn from the eastern half of Chekiang Province, and key cities on the ~~railroad~~ railroad are now guarded only by skeleton garrisons of "puppet troops".

The Japanese, for their part, claim that the fighting in Mongolia is for the purpose of cleaning up the eighth Chinese Communist Army in Inner Mongolia.

RUSSIA

47
In Russia the Soviet spokesmen are putting the best face they can on the news. But they do not deny ^{that} the main body of Hitler's machine is grinding its way slowly south. Timoshenko on the Red side is collecting large masses of reinforcements, concentrating everything on the defense of Rostov. There lies the gateway to the northern Caucasus and ~~in~~ there a desperate and titanic battle is bound to begin almost any day.

The Nazis had thrust one formidable wedge into the Donets Basin towards Rostov. Timoshenko counter attacked and turned that one back. But Moscow admits that the enemy is getting closer to that vital city at the mouth of the Don.

The Nazis claimed ~~that~~ that they have the Reds on the retreat along the lower ~~reaches of the~~ Don and that German Armies are pursuing them and have them surrounded on three sides. The Nazis even declare that they have penetrated positions east of Rostov. They add that the apparent check of the German advance in the last few days was due to heavy rains. ^{that} The rains

are now over and the advance continues.

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Dispatches to London from Stockholm report ~~xxx~~
that the German dive bomber squadrons are blasting at the
railroad ^{lines near} ~~of~~ Rostov, preparing the way for the advance of the
Panzer squadrons.

A report ~~from~~ from Kuibyshev claims that the Red
Air Force in the Don area is now better than that of the
Germans.

Timoshenko still holds on to Voronezh. Messages
from the front line announced that his men have virtually
annihilated four ~~whole~~ German regiments and one batallion.
The dispatch even mentions the regiments by number.

Timoshenko reports that all the parachutists whom the Germans had landed from transports in the rear of the Russian lines have been found and destroyed.

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A correspondent with the Soviet northern fleet tells an exciting story of the arrival of an American-British convoy at Murmansk. For the last stage of the convoy's journey it was protected by Soviet warships and fighter planes.

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It was attacked by the Nazi air fleet which hurled more than two hundred and twenty bombs and fourteen torpedoes at it.

There were moments when each side had more than two hundred

air combat.
planes in the ~~dogfight~~. The commander of the Soviet flotilla ordered his destroyers to close in around the convoy and create a solid barrage of fire. The convoy reached its Arctic port safely.

EGYPT

In Egypt the allied air forces pulled off a surprise raid on one of Field Marshal Rommel's positions. It is described as one of the greatest surprise attacks of the whole ~~world~~ war. The Royal Air Force was helped by planes from the United States Middle East Air Force. Heavy American bombers played ²~~their~~ part in it. They swooped down at a point called El Daba Field, just West of Rommel's front lines. As the British and Americans flew away they saw several Axis aircraft burning on the ground, and as they left they encountered German and Italian planes coming in for landings. They shot down four bombers and one dive bomber.

50
Cairo reports that the British General Auchinleck still holds the initiative and that the British have taken more than six thousand prisoners in the last ten days.

ADD EGYPT

The Axis now claims to have the British Mediterranean fleet completely bottled. According to the newspapers in Paris, which are Nazi-controlled, strong squadrons of Jap submarines are in the Red Sea. They are lying in wait for the British fleet in case it tries to escape through the ~~Sa~~ Suez Canal.

Meanwhile Nazi U-boats are ~~strong and active~~ ^{on the prowl} near Gibraltar.

SINKING

Nazi u-boats have sunk at least four hundred and ~~ten~~ ships in American waters, ~~four hundred and ten~~ since the middle of January.

That's the total figured out from the announcements made from time to time by our Navy. The actual total must be larger as the Navy ~~xxx~~ usually waits a few days before making the news public.

One of the latest vessels to be destroyed was a Swedish merchantman, absolutely unarmed and with a huge blue and yellow flag painted on the side of the ship. The u-boat not only torpedoed that neutral vessel without warning, but also shelled it and fired machine guns. ^{the} ~~The~~ Nazis ~~even~~ shot at the lifeboats after the crew had launched them. Nevertheless the crew of thirty-eight and four passengers made their way in safety to a port in the West Indies.

TAXES

The new tax bill is on its way through Congress. The House passed^d it today and sent it to the Senate. ~~He~~ The measure had a quick passage in the Lower Chamber, quick but uproarious. The noise, however, was merely vocal, just a letting off of Congressional steam.

The guessing is that the tax rates in the nineteen forty-two bill should bring about six and a half billions into Uncle Sam's ~~XXXX~~ treasury. But another prophecy is that the new act won't have such smooth going in the Senate. The Congressmen of the upper Chamber are sharpening their ~~blue~~ pencils and have all sorts of amendments ready, ideas of their own. In other words, it will take some time to pass that tax measure through the ~~Sen~~ate, where there is no limit on either debate or amendments.

The representatives made some last minute changes in the short time they had. They boosted the excess profits rate on corporations to ninety percent. And they also voted a forty-five percent combination of normal and surtax rates on the incomes of corporations.

As for private individuals the normal tax ~~rate~~ rate goes up from four to six percent. Surtaxes begin at thirteen percent on the first two thousand dollars of taxable income and goes up as high

TAXES - 2

as eighty-two percent on everything over two hundred thousand a year. Personal exemptions, five hundred dollars for them unmarried, twelve hundred for married men. Beginning the first of the year five percent will be deducted by employers from salaries and wages, that is five percent after personal exemptions have been deducted. But that five percent won't help you on your nineteen forty-two income tax. It will be applied to the nineteen forty-three income.

HIGGINS

A clamor comes from Louisiana, a clamor of protest against that order of the Maritime Commission cancelling the contract of the Higgins ~~shipyard~~ shipyard at New Orleans to build two hundred liberty ships. State and city officials, business men, labor leaders, are lifting their voices in a chorus of complaint. The American Federation of Labor of Louisiana telegraphed to the Maritime Commission, to the War Production Board, and also to President Roosevelt ~~himself~~. Masses of workers assembled in the streets and shouted their protests. More than seven thousand men have been thrown out of work by the order. Mayor Maestri of New Orleans wired the President that it was a serious blow to the National war effort. Governor Sam Jones of Louisiana telegraphed to war Production Chief Donald Nelson.

The Maritime Commission admitted that the assembly line plan made by the Higgins concern was particularly well engineered. It provided for no fewer than two thousand men to work on each ship at the same time. The first of these liberty cargo vessels was to be launched in September. The Maritime Commission attributed its cancellation order to ~~in~~ a shortage of steel. Andrew Jackson Higgins, the head of the corporation denied this and said it had

HIGGINS - 2

been brought about because the big steel companies and the shipyards in the east didn't want ships to be built on a large scale in the south. As evidence he brought up the fact that there are huge deposits of ⁷ore in Tennessee, Kentucky and Alabama which are not being worked. ^{TR} The latest development is that the Higgins Corporation has been offered all the steel it needs from Mexico. Higgins ~~next~~ ^{ing word to that effect} received ~~that word~~ by telephone from Mexicans in Vera Cruz and Monterey.

ADD HIGGINS

Later today a Congressman from Louisiana arose in the House and demanded an investigation. Representative Herbert quoted the charge made by the accusation of Higgins that his contract had been cancelled because it conflicted with certain interests represented by dollar-a-year men in the Government service. These are serious charges, declared congressman Herbert, charges of which this Congress and the American people should take full cognizance.

SIGNAL CORPS

Here's a call for help from ~~no less a magnifico than~~ the chief signal officer of Uncle Sam's army. The signal corps needs experts to teach young soldiers the various arts and skills that go to make up modern communications -- electricity, telephone installation and repairs, radio operation and everything connected with wireless.

Major General Olmstead wires me that the signal corps is opening a huge new school at camp Crowder, Missouri. Thousands of young men are to be sent there to learn the various techniques necessary for communication. But it appears that you can't have a school without a faculty. And there's the rub. They ~~have not~~ *enough teachers and* are up against it *for teachers.*

The chief signal officer says the teachers may be civilians and so ~~do~~ *will* not have to pass the rigorous physical tests demanded of a soldier. I asked how soon these technician teachers would be needed, and how many. *The* answer is -- hundreds, and at once. ~~In fact, they were really needed yesterday.~~ *The* chief signal officer uses these words: "The war is going none too well for our side." And he adds, "Our armies need more and more communications experts."

SIGNAL CORPS

So if you are such in electricity, in telephone, or in radio, the chief signal officer asks you to ~~w~~rite at once to general Walter Prosser, Camp Crowder, Missouri. I'll spell the name -- General

- W -
Walter P-r-o-s-s-e-r, Camp C-r-o-d-e-r, Missouri.
^

DEWEY

The political campaign is beginning to warm up in New York.

It is already attracting attention far beyond the borders of the empire state. The republicans believe they have a ~~good~~ fighting chance

to win this year, [^]elect a governor. Washington stories tell ~~that~~ *how*

the White House is keenly interested to prevent it, most anxious to

a Republican
have anybody but ~~a C. O. P. man~~ [^]in the Governor's mansion at Albany.

The opening shot was fired today by the friends of ^{Thomas}~~racket~~

^{E.}~~buster~~ [^]Tom Dewey. The Dewey-for Governor committee opened campaign

headquarters in New York City with the preliminary announcement. It

is no secret that the prosecutor *did so much to* who ~~sent such a long list of bad men~~

smash the underworld
~~to jail~~ has a clear majority of the Republican delegates.

Joe Brookhart of
co-pilot, Lieutenant ~~Robert Ramsey~~ of Washington, D. C. / Owing to the

artistic maneuvering of Ramsey and Brookhart, the gunners had a
perfect target on all the Jap ships they met, *and bagged*
~~What is more, they~~
~~ashed in and shot them all down.~~ *all that they met,*

Incidentally, Lieutenant Ramsey brought back expert ~~information~~
information about the amphibian zeros that the Japs recently ~~brought~~
brought into action. They are ^{the} the same as the land-based zeros, only
they have pontoons which enable them to land on ~~the~~ water. ^{and} The pontoons
cut their speed ~~to land on the water~~ slightly. But they do not
reduce the firing power of the Japs, declared Ramsey, as he pointed to
a ship which was full of holes.

~~The correspondent who reports this adds a personal note~~
~~to Ramsey's girl friend in Salt Lake City. "Ramsey hopes you will~~
~~see this in the newspapers."~~

The proudest outfit in Australia is the group commanded
by Lieutenant Colonel John H. Davies of Piedmont, California. Over
the tent of that group commander ^{flies} flies a battle flag with nineteen
black crosses. Those nineteen crosses indicate ~~the~~ the nineteen German
planes ^{and} destroyed, eleven Japanese ~~vessels~~ including two cruisers,

as well as other ships, plus
damaged ~~sic more ships and done~~ incalculable ~~harm~~ damage to Japanese land
installations in raid after raid.

8 1/2 Lieutenant Colonel Davies recently received a letter from
his former Sunday School teacher. It enclosed a newspaper clipping
quoting Colonel Davies as remarking that his group had given the
Japanese hell. The Sunday school teacher said it was too bad that
evidently the Colonel's lessons in Sunday School had not been too
successful.

9 And now a message from
Hugh that I hope will be
successful.