

L.T. - SUNOCO. WEDNESDAY, JULY 30, 1941.

GOOD EVENING EVERYBODY:

Our ^{*trickish*} ~~Danger-fraught~~ relations with Japan produced one sensation after another today. First, ~~of all~~, the bombing of our gunboat TUTUILA in the Yangste River near Chungking. The first reports were quite mild, ^{*and*} merely brought ~~the~~ news that in the course of a raid on Chungking, Chiang Kai-shek's capital, Japanese bombs had damaged ^{*a*} ~~that~~ United States gunboat which was a part of the Yangste River patrol. ^{*TP*} Then came the news that other bombs had fallen on the United States Embassy. Later it became known that the TUTUILA ^{*was at*} ~~was~~ anchored in the safety zone, across the river from the Chinese capital.

Later descriptions of the incident provoked anger in Washington, particularly among leaders of Congress. It was then recalled that this was the second time within a year that this had happened, and not so long since the United States gunboat PANAY was destroyed by Japanese bombers. Congressman Johnson of Texas, a

member of the Foreign Affairs Committee, declared that "those fellows have gone far enough!" Congressman Coffey of Washington demanded an immediate embargo on all American exports to Japan. Senator Thomas of Utah, said, speaking from the floor of the Senate, that the American Embassy had apparently been used as a target by an air squadron. Congressman McCormack of Massachusetts, the Democratic leader of the House, called it a deliberate act of hostility and that it indicates Japan is in the hands of Hitler. The Democratic leader declared that our government cannot permit such an act to pass unnoticed.

Nor did the government permit it to pass unnoticed. Early this afternoon, it was announced at the State Department that the United States Government had made formal representations to the Japanese Government about this latest episode. But Acting Secretary Welles took particular care not to describe his action as a protest.

The next sensation in this chain of events came from Tokyo. Japanese Prime Minister Konoye let it be known that he has prepared four decrees, mobilizing Japan for total war. These decrees he submitted to a body known as a General Mobilization

Inquiry Committee. Konoye asked that they be approved at once, *and*

48 spoke of
~~that~~ what he called "swift determined execution of national policies" *was* necessary in order to cope with the situation

resulting from the Russo-German War. Those decrees will mobilize

all the industries of Japan and, *added* *will* ~~said~~ Konoye, *will* make the nation self-sufficient and establish a new structure of total war.

Then he used these words; - I QUOTE: "The Government is determined to effect a historic renovation of policies, from a totally new standpoint." END QUOTE.

This action, ~~in the xxxxxxxxxx~~ and those words, are surely quite explicit. They evoked one reaction in Japanese newspapers, a demand that the Chinese Incident be settled at once by direct negotiation. It will be more than ever interesting to watch American reaction to Japan's reaction to Mr. Roosevelt's action in becoming suddenly firm with Japan after two years of appeasement.

ADD LEAD

And here's a later report from Washington. Soon after Prince Konoye took that action, President Roosevelt called the heads of the Army and Navy to the White House. It was not announced that it had anything to do with the actions in Tokyo. But naturally it provoked a lot of conjecture.

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It was ~~also~~ announced in Washington that United States officials in Hawaii have seized nineteen fishing boats belonging to the Japanese. That is, they were ostensibly fishing boats, but they were all commanded by officers of the Japanese naval reserve

MILITARY SERVICE

The bombing of the TUTUILA had one blitz effect on Congress. It has inclined the lawmakers to comply with the President's request to keep the selective service men and National Guardsmen in the army. So we hear from Speaker Sam Rayburn of the House. Certain recent events, he declares, have increased the support in Congress of the proposal to hold the army together. Those events, says Speaker Rayburn were the Japanese move into French Indo-China, and today's attack on the TUTUILA.

BRITAIN

London today issued an order closing all British coaling stations to Japanese ships, every British station around the world. Also forbidding Japanese ships to carry goods from one British port to another.

In one respect this is even more drastic than the freezing of Japanese credits and assets, for it will cripple the sea commerce of the Mikado's Empire, in fact almost paralyze it. Any ship denied access to all British coaling stations, will have a hard time getting fuel. Nipponese vessels have not yet been denied access to American fueling stations. But that no doubt will come soon.

The ink was hardly dry on this latest order when Foreign Secretary Anthony Eden, uttered a grave warning in the House of Commons. He said he could not believe that the statesmanship of Japan was entirely dead or blind, and that he sincerely trusted those responsible for the destinies of the Japanese Empire would reflect while there was yet time, whither the present policy is leading them. "It's a matter of regret to the British Government," he said, "that relations with Japan should have reached the present state, but," added Anthony Eden, "the fault does not lie with the British Government." As for the encirclement of Japan, he declared

that was Japan's own fault because adjacent countries have been forced to act in self-defense.

This latest move by Britain is a drastic attempt at economic strangulation. It remains to be seen whether an ambitious sabre rattling country can really be crushed by such measures alone.

WAR

The Nazi high command today for the first time admitted that the ^{Red} ~~great~~ armies have been counter-^{and} attacking. The admission sounds ~~mighty~~ strange in view of last week's blistering communiques, in which Hitler claimed that Soviet resistance had been destroyed, that the Soviet army no longer existed as an integral force, that, in short, it was completely disorganized.

The German high command communique was not intended as an admission, but carried the tone of a triumphant claim.

Here's the exact wording, I QUOTE: "In renewed attempts of the enemy to release his forces surrounded east of Smolensk, attacks were repulsed. The enemy suffered heavy losses." And the

communique continues, QUOTE "On the remaining parts of the eastern front operations are proceeding according to plan." UNQUOTE.

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In the main, ^{we are still} ~~we're~~ in the dark about the Nazi invasion of Russia. Again, the only fact of which we can be sure is that the Red armies of Stalin still have the panzer divisions of

Hitler blocked. We can take ~~xxxx~~ with a ^{grain} ~~teaspoonful~~ of salt the

crowings of PRAVDA, ~~is~~ the Communist Party newspaper. PRAVDA announces proudly that the blitzkrieg has failed, and that the

smashing power of the Nazis is gradually weakening. PRAVDA goes on to claim that the main forces of the Red army, equipped with thousands of planes and aircraft, have gradually come into action and that in certain sectors of the large front, the Nazis have frequently been forced to pass from the offensive to the defensive. PRAVDA goes on to point out, with considerable reason, that the Nazi propagandists have changed their tone, and that the high command communiques as well as D.N.B. claims have been markedly different from what they used to be.

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On the other hand, ^{Berlin} D.N.B. today claimed ⁵ that the situation of the Red armies is obviously hopeless, that the fighting west of Smolensk is the desperate and useless attempt of trapped armies to resist. Soviet infantry, says D.N.B., repeatedly assailed the German positions in broad waves, only to be driven back with bloody losses.

Another German dispatch reports that German troops have occupied a city on the upper Dneiper, a city which is not named. This report is unofficial. If it were true, it might mean that another German column has penetrated behind the Soviet lines on the way to Moscow.

HOPKINS

Dictator ~~Joe~~ Stalin today gave an audience to Harry Hopkins, friend of President Roosevelt and administrator of lend-lease. This was learned late this afternoon through an announcement by the Moscow radio. Hopkins was accompanied in his visit to the Kremlin by our Ambassador Steinhardt, and Foreign Minister Molotove also took part in the conversation.

There has been considerable discussion in various places all day since it was learned that Hopkins, without any announcement or advance notice, had suddenly appeared at the Soviet capital.

He arrived there ~~naturally~~ by airplane and evidently it didn't take long for him to get prompt admission to the ~~balance~~ ^{Kremlin}.

^{dramatic} official explanation of his trip was made today at the State

Department. Acting Secretary Welles said that President Roosevelt himself had instructed Hopkins to fly to Moscow and discuss the

expediting of ~~war~~ war materials to the Soviets. Welles explained

further that Mr. Roosevelt assigned ^{the task} ~~the detail~~ to his confidant

because ^{Hopkins is} ~~he was~~, particularly well informed on the state of production

in the United States, and ^{is} ~~was~~ the man best equipped to coordinate

Russian orders with those of other nations.

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Pan

Hopkins's mission in Russia is comparable to that of General Golikov, head of ~~the~~ Russian military mission that arrived at Washington the other day. Incidentally, it was remarkable, not to say extraordinary, to observe the quietness, almost obscurity, with which the arrival of that mission was greeted. Ordinarily, you would say that the coming of a military mission of the Reds to our country ^{would be} ~~was decidedly~~ page-one news. ~~But~~ extremely little has been said about it. However, ^{the} Acting Secretary Welles made it known that he had had another conference with Golikov yesterday concerning the war materials which this government has available for ^s the use of ~~the~~ Soviet. But Welles emphasized the fact that there's no question of invoking the Lend-Lease Act for help to the Soviets. The Russians declare positively they have cash to pay for all the materials they need. ~~The one wonder that arises is , how on earth war materials can be conveyed to Soviet territory.~~

Warships of the Axis should consider all of Uncle Sam's vessels as belligerent craft and fire upon them at sight. Says who? Italian Fascist Editor Virginio Gayda, described as the editorial mouthpiece of Premier Benito Mussolini back in the days before Mussolini became a mere Hitler satellite.

UDET

A sensational story was going the rounds today about one of Hitler's aces, General Ernest Udet. Udet is known to be the man responsible for the technical efficiency of German aircraft production, responsible for all supplies and repairs to the units of that mighty air arm. In fact, he's the man to whom Air Marshal Goering turned over the job, that Hitler turned over to him.

Udet is known in this country, every aviator considers him one of the most brilliant aces who ever flew a plane. The story about him is that he committed suicide, as a protest against the invasion of Russia. And it is interpreted as another fact pointing to the rumor that Goering is in disgrace, Goering having also protested against the invasion of Russia.

However, the story ^{has been} ~~was quickly and~~ emphatically denied in Berlin. It was declared ^{there that} ~~most positively that~~ General Ernst Udet was at his desk today in the Air Ministra.

PRICE-FIXING - follow Living

The report on the advance in the cost of living is followed today by a long-expected message to Congress, in which the President asks for a law to put a ceiling not only on prices but also rents, which are said to be mounting rapidly.

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The President states that increases in the cost of living are already threatening to undermine our defense effort.

For the last twelve months, the Government has tried to maintain a stable level of prices by getting business men to cooperate voluntarily. But the authority of the Government, he says, has been indirect and circumscribed; also weakened by evasion and bootlegging. And, in some cases, says the President, the Government has been openly defied.

He points out that the greatest hardship from this price inflation falls upon the middle classes, people whose income is fixed and whose bargaining power is too weak to enforce increases to meet the cost of living.

We all have to make sacrifices, but

not the sort of sacrifices that come from unbridled inflation.

The sacrifice of one must not be the profit of another, said the

And he added that
President. [^]Nothing would sap the morale of the nation more quickly or more ~~xxx~~ ruinously.

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Of the increase in the cost of living, three and a half per cent of it has happened this year. In one ~~single~~ month, from the middle of May to the middle of June, it jumped two per cent.

One figure on which Mr. Roosevelt does not want Congress to establish a ceiling, is wages. [^]There will always be a need for wage adjustments from time to time ^{he explained,} to rectify inequitable situations. [^]

But, he added that labor as a whole will fare best from a policy which recognizes that wages in the defense industries should not substantially exceed the prevailing wage rates in non-defense industries where fair labor policies have been maintained. The obligation not to exceed an excessive profit in the defense emergency rests with equal force on industry and labor.

So what ~~xxxxxxx~~ does the administration want specifically? First of all, the authority to establish ceilings for prices and rents; secondly, the power to bring about stability

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when necessary by government purchase of materials and commodities; third, the authority to deal with excessive instalment buying. He added that Congress should keep a check on these powers by specifying a time limit. He urged, moreover, that the authority should be flexible. For instance, the idea is not to fix or freeze prices, but to set a top figure beyond which they may not rise. Below that limit, they may fluctuate.

So that's the government's proposal for coping with inflation. ~~"Inflation", that there's a word to bring fear into the hearts of everybody.~~

TUGWELL

Here's a once familiar name. Rexford Guy Tugwell. For several years his was a page-one headline name at least once a week. One of the president's original brain-trusters, an ex-professor and by some considered the stormiest petrel of the New Deal. More controversies raged around Tugwell than you could count, and he took them all with complete nonchalance. Then, suddenly we heard no more about Rex Tugwell.

He dropped out of the New Deal in Nineteen Thirty-Seven; I had to look the date up. Then he went to work for the City of New York, and became a tycoon of big business, something to do with molasses. Molasses took him off the front page, but he's on again. Rex Tugwell is to be the new Governor of Puerto Rico, succeeding Guy Swope of Pennsylvania. Swope resigns to become Director of the Division of Territories in the Department of the Interior.

Governor Tugwell of Puerto Rico! Once the most discussed man in the New Deal. And now Hugh.