

Henderson Daily Dispatch

ONLY DAILY NEWSPAPER PUBLISHED IN THIS SECTION OF NORTH CAROLINA AND VIRGINIA.

TWENTY-SEVENTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., FRIDAY AFTERNOON, MAY 31, 1940

PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY.

FIVE CENTS COPY

British Fight To Hold Dunkerque

"Over A Billion" Asked For Expanded Emergency Defense

FDR Asks Authority To Call Guard

Roosevelt Mentions No Other Specific Details in Expanded Program Asking "Speedy" Enlargement of Defense.

Washington, May 31.—(AP)—President Roosevelt today asked Congress to authorize an expansion of the national defense program by over a billion dollars, a sum demanded by "the dramatic events of the past few days."

The president's message—the first since the attack on France—said that as long as a possibility of a world-wide war, the nation's defense demands that the program be made more certain and that action should be taken without delay. President Roosevelt said that the program would be brought to \$4,500,000,000 and that the program would be expanded to \$5,500,000,000.

(Continued on Page Seven)

STATE DEPARTMENT WARNING AGAINST MOLESTING LINER

Washington, May 31.—(AP)—The state department today issued a general warning to Americans from the Belgian area, cautioned Belgian governments today not to molest the liner Washington.

Leopold Is Nazi Prisoner of War

Washington, May 31.—(AP)—King Leopold of Belgium is a prisoner of war, the state department today announced, and it is unlikely that these circumstances he will be permitted to name a new government.

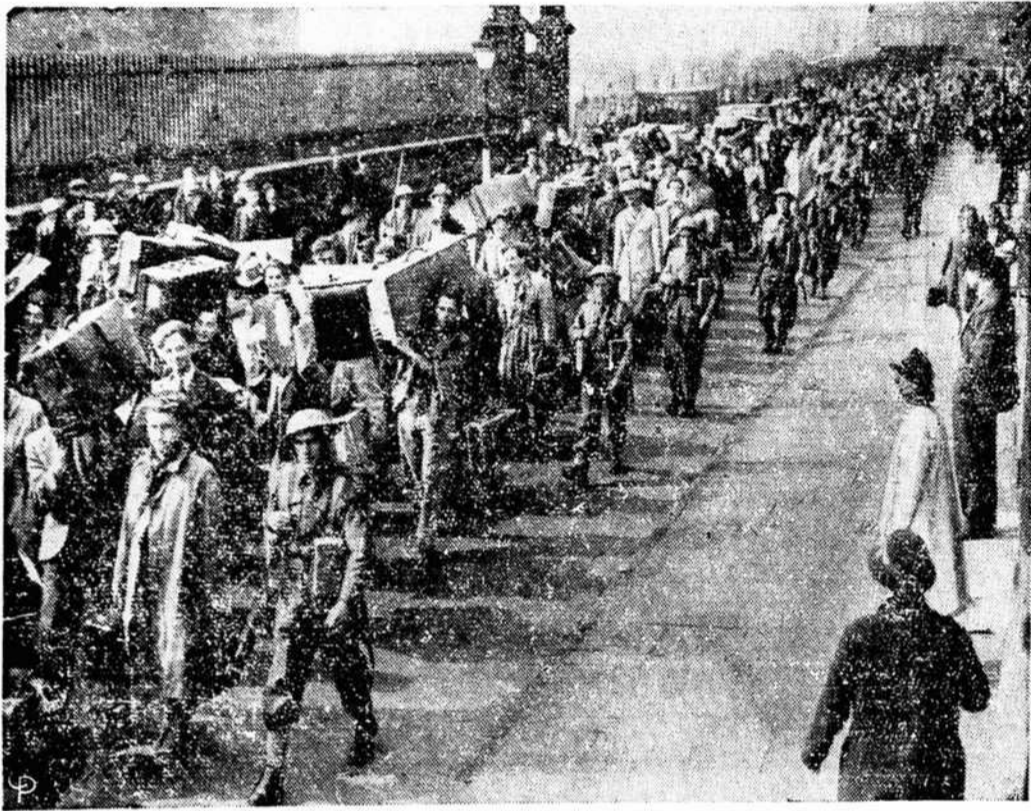
Miss Elliott To Watch Cost Of Living

Washington, May 31.—(AP)—Miss Elliott, only woman on the national defense commission, today was reading out a list of market prices.

They're Still Wearing Out Pencils Analyzing Horton's Chances In Runoff Primary

Raleigh, May 31.—(AP)—The political rials as of this week has been the wearing out of pencils in an effort to analyze the chances, if any there be, of Lieutenant Governor Wilkins P. Horton in his proposed runoff with J. M. Broughton for the gubernatorial nomination.

"Fifth Column" Suspects Interned in Britain



Files of armed soldiers escort this great parade of aliens to internment camps in a town in northern England as Britain rounds up thousands of men and women suspected of being in the "Fifth Column." Britain is taking no chances with aliens since German conquest of Norway and the Low Countries was materially assisted by Nazi sympathizers.

Georgians Six Thousand Ship Builders On Strike

Rivers Charges Federal "Snooping" After Jury Returns Indictments.

Atlanta, May 31.—(AP)—Governor E. D. Rivers of Georgia charged today that "federal snoopers have swarmed offices at the state capital in recent weeks" as a federal inquiry into charges of corruption in state government broadened.

The governor made the charges in a statement after a federal jury at Rome, Ga., returned indictments late yesterday against Dr. Hiram W. Evans, former Ku Klux Klan wizard, and Legislative Clerk John W. Greer, Jr., charging mail fraud and conspiracy to restrain trade.

The jury also indicted three large asphalt producing firms on charges of conspiring with Evans and Greer to monopolize trade and fix prices in the sale of \$456,427.42 worth of asphalt to the state highway department.

HALF OF ORIGINAL BEF ARE RETURNED

London, May 31.—(AP)—British authorities estimated today that the number of British, French and Belgian troops already landed after withdrawal from Flanders equals one-half the original strength of the British expeditionary force. (It has been indicated that the original BEF numbered about 300,000.)

Nazi Losses Set At Half a Million On Western Front

Paris, May 31.—(AP)—The semi-official Telefrance agency asserted today that the Germans had lost half a million men since they began their invasion of the low countries May 10.

Compromise In Annenberg Tax Case Reported

Chicago, May 31.—(AP)—United States Attorney William J. Campbell announced today a tentative agreement had been reached for settling the income tax difficulties of M. L. Annenberg, wealthy publisher, for a compromise payment reported to be \$2,000,000.

The prosecutor declined to be quoted on that or any other specific figure, but it was reported reliably at the federal building.

The tentative agreement which would dispose of both civil and criminal cases against Annenberg himself and provide for the dismissal of ten of his associates in criminal income tax cases, was reached in Washington, the prosecutor said.

Walkout Occurs At Federal Ship Building and Dry Dock Company at Kearny, N. J.; Early Settlement Predicted.

Kearny, N. J., May 31.—(AP)—Six thousand workers struck at the Federal Ship Building and Dry Dock Company today, halting work on six warships included in the United States' rush defense program.

Among \$46,000,000 in naval contracts held by the company are a cruiser and two destroyers on the ways, two destroyers in the fitting basin, and a cruiser on which only preliminary work had been done.

Strikers picketed the plant while their leaders, who had argued against the walkout, negotiated with company officials. The men are members of the Industrial Union of Marine and Ship Workers of America (CIO). John Dampsey, local president, said he had opposed the strike, but now "fully sympathized" with the action taken. The naval work was ahead of schedule and would not suffer, he said.

Washington, May 31.—(AP)—Saying "we cannot afford to have trouble of this sort in these times," Secretary Edison predicted today speedy settlement of a strike at the Federal Ship Building and Dry Dock Company, Kearny, N. J.

British Ship Reported Sunk

London, May 31.—(AP)—The admiralty announced today the loss of the British anti-aircraft cruiser Curlew.

The 4,290-ton ship was sunk as a result of a bombing attack some days ago off the north coast of Norway, the announcement said. Four officers and five sailors lost their lives.

The Curlew had a normal crew of 400, which probably was increased to 450 in war time.

It was the second British cruiser admitted lost in this war.

Weather FOR NORTH CAROLINA. Partly cloudy tonight and Saturday; possibly light drizzles in extreme north portion.

Battle Weary Troops Stream Into Allies' "Escape" Port Under Fierce German Attack

French Rear Guard Into Dunkerque

Two Divisions Battered Bloody Retreat Into Escape Port Just as Mechanized Nazi Legions Lay Siege To the Town.

Paris, May 31.—(AP)—Two divisions of the French rear guard for the allied retreat from Flanders have fought their way to Dunkerque, it was announced this afternoon by the ministry of information.

The divisions, numbering perhaps 30,000 men in all before they underwent the shattering attack in Flanders, were said to have reached the channel port—exit from the northern battle zone—just as Germany's mechanized legions laid siege to the town.

Armored columns smashed at the Dunkerque gateway and slashed around the French rear guard, which covered itself in the manner of Caesar's forces—boxed in by armored phalanxes.

The French infantry and artillery kept to the middle of the moving rectangle while tanks guarded four sides.

The divisions, said to be commanded by General Rene Prioux (whom the Germans say is their prisoner) battered a path way through the German lines during the

(Continued on Page Seven)

Railroad Is Directed To Restore Wages

Richmond, Va., May 30.—(AP)—Federal Judge Robert N. Pollard directed today to make restitution of an estimated \$260,000 to approximately 3,500 maintenance-of-way employees for wages which the wage and hour administration charged the company had deducted illegally.

The court decree, entered in the district court for eastern Virginia, directed the company within two months to compute the amount due each employee and submit it for the approval of the wage and hour division of the United States Department of Labor.

In its complaint, the wage and hour division charged the company with arbitrarily deducting unreasonable sums for the rental of houses "many of which were non-existent and others unfit for human habitation."

A separate stipulation which was made a part of the judgment provided minimum standards of housing for which deductions may be made and prohibited the railroad from compelling employees to live in company-owned houses.

(Continued on Page Seven)

U. S. S. Washington Will Be Launched Tomorrow

Washington, May 31.—(AP)—The first new American battleship in 19 years slides into the water tomorrow at the start of a drive to speed warship construction unmatched in intensity since World War days.

The 35,000-ton U. S. S. Washington will be launched at the Philadelphia navy yard. It is the first of 68 warships still under the riveting hammer which the Navy, by day and night work, intends to complete months ahead of their original schedules.

The record appropriation for the sea forces now before Congress includes more than \$100,000,000 to be expended solely to speed the trans-

Allied Problem



After a hurried flight out of the path of the German war machine through northern France, this little refugee munches contentedly on a piece of bread at a Paris welfare station. So many refugees from the battle areas are flooding into French and British centers that the Allies are reported seeking U. S. aid in the problem.

(Central Press)

Morgenthau Urges Taxes

New Taxes and Increase in Debt Limit Both Essential, Treasury Head Says.

Washington, May 31.—(AP)—Secretary Morgenthau said today that "additional taxes" and "an increase in the limit" on the public debt both "are essential" to meet expanded demands for national defense.

Urging enactment of a \$656,000,000 defense tax bill, the Treasury head told the House ways and means committee that as things stood now the Treasury's borrowing "power would be completely exhausted by the end of next February."

Also, he added, the working balance of the Treasury—now about \$1,300,000,000—would be dangerously depleted.

The maintenance of a balance "approximating the present one," Morgenthau testified, "is distinctly in the interest of economy and financial strength and is especially to be desired in the troubled world of today."

Noting that the measure also provides for a \$3,000,000,000 increase in the federal debt limit, Secretary Morgenthau said:

"The orderly financing of federal expenditures, expanded as they are by emergency expenditures for na-

(Continued on Page Seven)

Early Offer Of Separate Peace Looms

Communication "Of Greatest Importance" From Italy Reported Received by Hitler May Set Date For Italian Entrance.

(By The Associated Press) Italy's entrance into the war—taking the long awaited plunge to join the axis partner, Germany—was generally considered imminent by observers with the German army on the western front today.

Hitler was reported preparing a "sensational announcement" involving Italy, as word spread that a communication "of the greatest importance" had been received from Italy by the Nazi Fuehrer.

Italian journalists were leaving Paris today.

(By The Associated Press) British Tommies fought hand-to-hand with German troops south of the Yser canal today in a fierce struggle to hold the allies' "escape" port of Dunkerque and stem the sweep of Nazi legions advancing to the sea.

Dunkerque itself was a kettle-drum of dimming anti-aircraft fire. Naval guns, cooperating with British pursuit squadrons operating from

By LOUIS P. LOCHNER With the German Army on the Western Front, May 31.—(AP)—Word spread today through the zone of operations that a communication of the greatest importance has been received from Italy. The general opinion was that Premier Mussolini's entrance into the war was only a question of brief time.

This information, if correct, is believed to mean that Adolf Hitler considers the French air force no longer a formidable threat to Italy.

An understanding was said to exist that the Italian premier would come in to the war after any formidable danger of attack from the air for his industrial region fronting on France had been removed.

bases in England a few minutes away, made the air "literally forbidden" to Nazi bombers.

Thousands of battle weary troops, both French and English, streamed into the port through a pass between muddy seawater several miles wide, which guarded the city like the moat of an ancient fortress. Canal locks opened by the allies spilled deep-

(Continued on Page Seven)

AMERICAN FLIERS WITH FRENCH FORM 1940 ESCADRILLE

Paris, May 31.—(AP)—A "Lafayette Escadrille of 1910" soon will be created with American fliers and money to fight for France. Humbert J. Clemente, commander of the Paris American Legion post, announced today.

It will be successor to the famous American air squadron of the World War.

Three Drowned As Car Plunges Into Stream; One Saved

Salisbury, May 31.—(AP)—Three persons were believed to have been drowned when an automobile plunged through a bridge into swollen Town creek last night.

The victims were William Franklin Freeman, 12, his sister Peggy Jean, 10, and a hitch-hiker whose name was not known.

The driver, L. F. Jordan, 35, extricated himself from the wreckage and was rescued.