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## FRENCH CAPITULATION EXPECTED FRIDAY

### Roosevelt Nominates Knox, Stimson For Cabinet Places

#### Coalition Cabinet Is In Prospect

Knox Nominated Secretary of Navy, Succeeding Edison; Stimson Nominated Secretary of War As Woodring Resigns.

Washington, June 20. — (AP)— President Roosevelt today took steps to form a coalition cabinet today by nominating to the Senate the nomination of Frank Knox to be secretary of the Navy and Henry L. Stimson to be secretary of the War.

Stimson, a Republican vice president in 1936, Stimson, secretary of State in the Hoover administration and secretary of the Interior under President Taft.

Stimson's nomination was announced by a White House spokesman without amplification. Woodring had resigned his post effective June 19, 1940, after a year of administration.

These officials did say that Stimson's resignation was effective June 19, 1940, and that the usual custom would be followed and it would be announced to the public.

Stimson succeeded Charles Edison, who resigned his cabinet job as secretary of the Interior in 1939.

Stimson's nomination, coming only a few days before the opening of the national convention in Philadelphia, was caught by Washington correspondents and set off a campaign of speculation.

Stimson and Stimson on occasion have indicated the administration's policy. Knox has been a vocal critic of the administration's policy.

Stimson, a relatively recent convert to the Roosevelt administration, who recently organized a committee to promote the training of 50,000 fliers.

Stimson's nomination is a surprise to many observers, who expected to see a more conservative choice.

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#### After Nazi Air Raid on English Coast



C. P. Cablephoto

Huge demolition bombs were used by German air raiders who swept the east coast of England, leaving death and destruction in their wake. The raid was in retaliation for British bombing of the Ruhr and Rhine. These houses in Cambridgeshire, England, were leveled by a direct hit. Almost a score were killed in the raids. Photo cabled from London to New York.

### Official Italian News Agency Says French Plenipotentiaries Have Started Back To Bordeaux

#### Italy's Air Force In Operations Over Vast Zone in Mediterranean, Claiming Great Damage to British Positions.

Rome, June 20. — (AP)— Italy's air power was flung today into operation over a vast zone in the Mediterranean and for down the eastern coast of Africa as Stefani, official Italian news agency, declared that by Saturday at the latest there will be no more fighting between the axis powers and France.

French representatives already have left the Germans, said Stefani and are en route back to Bordeaux. The Italian high command declared its wide-spread air raids had caused great damage and had destroyed British tanks in a fight on the frontier between Egypt and Libya.

Acknowledging that her home territory had been bombed on the Ligurian coast and in Sardinia, the Italian reported they had bombed British bases at Aden, Zela in British Somaliland, Port Sudan on the African coast of the Red sea and other points in Sudan and Kenya.

In the sea war, a 2,500-ton French destroyer was sunk by an Italian submarine, the Italians said.

An Italian newspaper said the pincers formed by German forces and the Italian army along the Alpine frontiers was about to close in on the only French army reported here to be still intact.

Italian troops plan to occupy the Savoy regions of France while awaiting the outcome of armistice parleys between France and Hitler, Italian sources indicated.

Savoy is one of the regions Italy had demanded from France, along with Nice, the island of Corsica, and Tunisia in Africa.

#### 15,000-Plane Navy Air Force Is Proposed

Washington, June 20. — (AP)— After hearing testimony that 10,000 planes would not be adequate for a proposed two-ocean fleet, the House naval committee recommended today a Navy air force of 15,000 planes.

The testimony was given by Rear Admiral John H. Towers, chief of the Naval air corps, who recalled that a late-enacted law puts a 10,000-plane ceiling on the Navy. But that, he reminded the committee, was before a new \$1,000,000,000 expansion of the fleet, designed to give it the size of a two-ocean navy, was projected.

At the capital, the Senate naval affairs committee had before it a suggestion by Chairman Walsh, Democrat, Massachusetts, that it might be advisable to give the President authority to halt work on all private and foreign airplane contracts in order to bring production for defense up to requirements.

Establishment of Latin-American bases for the Navy, a usually well informed source said, may be one of the subjects raised at the projected Pan-American conference on hemisphere problems of military and economic defense.

Both aircraft and fleet bases would be involved, this official said.

#### French Troops Try To Escape From Nazi Trap

Bordeaux, June 20. — (AP)— Using the famous hollow square formation, French Maquis line troops of the army of Alsace and Lorraine are attempting to fight their way through German troops which have bottled up their last avenue of escape by a march to the Swiss frontier, a French war office spokesman said tonight.

The spokesman reported that German motorized units cut northwest from Lyon today to the Swiss frontier, only 15 miles from Geneva.

In the west, he added, there is fighting some fifteen miles south of Nantes at the mouth of the Loire river.

Along the line of the Loire the French central army withdrew a few miles south of Tours to the Cher river.

#### Nazis Again Raid Britain

At Least Six Persons Killed and Many Injured in Air Raids Over Island Kingdom.

London, June 20. — (AP)— A Nazi air fleet, authoritatively put at considerably more than 100 planes, dumped hundreds of bombs on England, Scotland and Wales last night and early today in the most extensive air raid of the war on this island kingdom.

At least six civilians were killed and "some 60" injured, the government announced. It was the second raid in as many days on Britain and, considering the number of bombs dropped, the reported damage was slight.

The Nazi apparently changed their line of attack and aimed more at the industrial areas than on Tuesday night, when twelve were killed.

British air men exacted their toll of the raiders—downing three bombers while other British aircraft were, the government reported, wrecking hangars and destroying aircraft on the ground at German-occupied airports in France. British planes also attacked the Ruhr, Rhineland, and western Germany.

Anti-aircraft fire accounted for another Nazi raider, while several others were badly damaged.

Meanwhile, more help has arrived for Britain from Australia and New Zealand. Thousands of fighting Anzacs landed from liners at a British port.

The air attacks began shortly before midnight (6 p. m. e. s. t.) and lasted until just before dawn. At some points the alarm lasted five hours. They ranged from the south coast up the east coast to Scotland, across to northwest England and then to Wales.

Weather For North Carolina. Generally fair and slightly cooler tonight and Friday.

#### Place of Meeting of French Envoys and Germans is Not Given; Nazis Report Continued Gains in French Conquest.

(By The Associated Press.) Hostilities between France and the axis armies are expected to cease Friday—or Saturday at the latest—the official Italian news agency reported today, asserting that French plenipotentiaries have started back to Bordeaux with the terms dictated by Hitler and Mussolini.

The place of meeting between the French envoys, who arrived in a snow white airplane "somewhere" in German-occupied northern France, was not given.

Berlin, blaming the difficulties of news transmission via Spain, said a French government communication naming France's four peace plenipotentiaries did not reach the German government until 1 a. m. today (6 p. m. e. s. t. Wednesday).

It could be transmitted to the public only at 4 a. m., the broadcast said.

The high command thereupon gave the necessary instructions immediately and made preparations for receiving the French armistice delegation.

Hitler's high command meanwhile announced the fall of Lyon, France's third largest city, 200 miles north of Marseille and the capture of more than 200,000 prisoners including General Altmeppen, commander of the 10th French army.

Fifty thousand French soldiers from the Maginot line surrendered their arms this morning to Swiss soldiers and poured across the Swiss frontier.

The German radio declared that "members of the French government are not not at all agreed on the question of laying down arms"—leading credit to unconfirmed reports that France has learned the gist of the axis terms, found them too harsh for the nation's honor, and resolved to fight on.

These reports said President Lebrun and members of his government were ready to flee to Algiers, North Africa, to carry on the war from there even if German troops capture all France.

The French admitted Nazi troops have occupied Lyon, but dispatches from Geneva simultaneously gave the first hint that the German mechanized machine has begun to wear out and falter.

Refugees reaching Geneva from the battle zone told of seeing quantities of abandoned German tanks, armored cars and motorcycles along the main highways.

Nevertheless, under dwindling French resistance, Hitler's armies swept further down into France.

Big Defense Bill Passed Senate Approves Emergency Defense Appropriation, Adding to House Measure.

Washington, June 20. — (AP)— A \$1,777,429,733 emergency defense appropriation measure—last major money bill in President Roosevelt's defense program to date—was passed by the Senate today on a voice vote.

### War Profits Taxes Added To Measure

Senate Agrees to Lower Income Tax Exemptions and Most of Excise Tax Boosts Approved by House, Then Adds New Taxes

Washington, June 20. — (AP)— A defiant Senate ignored administration pleas for a non-controversial revenue bill last night and approved defense tax legislation only after voting stringent levies on those who would profit from war.

The chamber agreed to the lower income tax exemptions and most of the excise tax levies which the House passed in an effort to raise an extra \$1,000,000,000 a year. Then the Senate added:

1.—An immediate excess profits tax on all corporations to produce between \$400,000,000 and \$500,000,000 annually.

2.—War profits taxes which Senate Connally, Democrat, Texas, the sponsor, estimated would raise about eight billion dollars a year from individuals and possibly a like amount from corporations. The levy would go into effect only upon a congressional declaration of war.

"This amendment," Connally said, "fills the old cow down to the point of exhaustion but it doesn't quite put her out of business."

The legislation now goes to a joint House-Senate committee which many lawmakers predicted would throw out the Senate proposal.

Senator La Follette, progressive, Wisconsin, argued that the country would regard as "pure sham" any revenue bill which increased income taxes on individuals and made no provision for curbing or excess profits from industries which profit from the European war.

La Follette went 41 to 31, despite arguments by administration henchmen that excess profits legislation should await a thorough study by congressional committees.

### U. S. To Aid Mexico In Expanding Army

Bankhead Named Demo Keynoter

Chicago, June 20. — (AP)— The committee on arrangements today selected Speaker William B. Bankhead for keynoter and recommended Senator Alben W. Barkley of Kentucky for the post of permanent chairman of the Democratic national convention.

### GOP Oppose War Plank

Philadelphia, June 20. — (AP)— Opposition was reported developing today in the Republican national convention's resolutions committee in any plank advocating United States assistance to the European democracies.

All M. Landon, chairman of the sub-committee on national defense, announced he had postponed a scheduled meeting of his group until tomorrow "because of developments."

The 1936 Republican presidential nominee did not apply his statement but it was understood that at least five members of the eleven-member sub-committee had banded together to oppose the party committing itself to any type of aid to England or France.

Meanwhile, the resolutions committee was confronted with a demand that it declare itself against any measures that might lead America into war.

It came from a delegation of 26 Republican House members led by Representative Hamilton Fish of New York, who denounced President Roosevelt's foreign policies, and declared:

"Republicans should stand for keeping America out of war."

HINCKLEY NAMED FOR NEW POSITION

### United States To Bolster Unity Through Money Credits and Navy Technical Experts.

Mexico City, June 20. — (AP)— A high source declared today President Cardenas had approved a program which would more than quadruple Mexico's armed forces with the aid of the United States.

This source asserted that within a few weeks a credit of more than \$16,000,000 from the United States would be made available to the Mexican government to carry out this expansion under 60 technical experts from the United States Army and Navy.

Additional millions would be allocated later by the Mexican finance ministry.

The United States government was said to be determined that Mexico should not be used as an avenue of invasion by any aggressor nation and it was understood the American credits would be made available on generous terms. The American determination was said to have been communicated to President Cardenas before yesterday's cabinet session at which universal military training and other defense measures were introduced for submission next month to an extraordinary session of congress.

This defense program was reported on high authority to include: Increase of the standing army to more than 200,000.

Increase of the officer corps by approximately 10,000, of whom 1,000 would be sent to American Army centers for special training.

Acquisition of six destroyers from the United States to strengthen the Mexican navy.

Establishment of air bases at strategic points.

### Petain Sadly Tells Of Reasons For Defeat

Bordeaux, June 30. — (AP)— Old Marshal Henri Philippe Petain, France's premier of defeat, sadly told his people today they had lost the fight to Germany because they had "fewer friends" than in 1914-18—fewer young men, less arms, too few allies.

But, he promised in a radio broadcast: "We will learn our lesson from the last battle." He blamed defeat on the lush years since the World War victory when "our sense of enjoyment predominated over our sense of sacrifice."

Petain disclosed that at the beginning of the "battle of France" the nation had but 2,780,000 soldiers, or 500,000 less than after three years of bloody fighting in the World War.

In contrast with 45 British divisions in May of 1940, he said, there were but ten in May of 1914.

### Sacrifice Is Demanded

Babson Says U. S. Must Choose Between Real and Fake Security Measures.

WALTER W. BABSON, Copyright 1940, Publishers Financial Bureau.

Washington, June 20. — The United States today is in a state of false security. Every citizen realizes that this country is spending billions of dollars to defend itself. Yet, for ten years the United States has failed to build a real defense, due to a lack of foresight, due to a lack of foresight, due to a lack of foresight.

We cannot add the defense of the United States to the defense of the world. We cannot add the defense of the United States to the defense of the world. We cannot add the defense of the United States to the defense of the world.

France, too, has been misled by the illusion of security. She clung to the hope that she could win the war by a combination of the middle class and the lower class. England, too, has been misled by the illusion of security. She clung to the hope that she could win the war by a combination of the middle class and the lower class.

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(Continued on page two)