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They Shot Down Nazi Planes



According to the caption supplied by the Soviet censor with this picture, the reason for the broad smiles on the faces of this Red anti-aircraft gun crew is that they brought down three German planes during an air raid over Russia by the Luftwaffe. The picture was flashed by radio from Moscow to New York.

FDR Asks Second Huge Defense Fund

Congress Asked to Appropriate \$3,323,000,000 For Navy and Maritime Commission; Two-Day Total of \$8,093,000,000.

Washington, July 11.—(AP)—President Roosevelt asked Congress today for \$3,323,000,000 in cash and contract authorization for the Navy and maritime commission.

With a request yesterday for \$1,770,000,000 for the Army, today's figures struck a two-day total of \$8,093,000,000 for defense.

Included in the \$1,625,000,000 which Mr. Roosevelt sought for the Navy in cash was \$400,000,000 for maintenance and repair of defense installations in government or privately owned merchant ships.

Correspondents at once asked whether this meant merchant vessels would be armed. Mr. Roosevelt assured his press conference that this was not contemplated, and that the bulk of the sum undoubtedly would be used for naval ships. He suggested it would be applied to such things as fitting vessels with equipment to combat magnetic mines. He added he supposed conversion of some private vessels to navy use was contemplated also.

Mr. Roosevelt sought \$693,000,000 in cash and \$1,000,000,000 in additional contract authorization for the maritime commission.

CREWS OF FRENCH VESSELS INTERNED

Ankara, Turkey, July 11.—(AP)—The vice admiral commanding France's Syrian fleet and the crews of eleven warships and armed auxiliaries have been interned after fleeing Beirut, Lebanon, for the Turkish harbor of Alexandretta. The ships dropped anchor in the harbor yesterday and the night before.

WILLIAMSON NAMED CHAMBER SECRETARY

Kinston, July 11.—(AP)—Charles P. Williamson of New Bern was named secretary of the Eastern Carolina Chamber of Commerce today, succeeding N. G. Bartlett, who died last month.

Williamson, a 37-year-old native of Philadelphia, worked for the Hartford, Conn., Courier, the Associated Press, and the United Press, and for a time has in the publicity department of the National Association of Manufacturers.

He has been living in New Bern since 1939.

Strike May Halt Building In Metropolis

(By The Associated Press.)

Officials of the AFL Brotherhood of Electrical Workers had authorization today from 4,000 union members to call a strike in New York City which might halt construction on all buildings being erected in the metropolis.

No date was set for the strike, which union officials said would involve more than 250,000 building trades workers.

A strike of 60 AFL building and

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DNB, Official News Agency, Concedes

Nazis At Standstill

Vichy Rejects Peace Terms

Syrian War Is Expected To Continue

Vichy Government Announces That Terms Are Unacceptable; Dentz May Be Forced to Come to Terms on Own Responsibility.

Vichy, July 11.—(AP)—The Vichy government, after studying British terms for an armistice in Syria, announced today it had found them unacceptable and indications were that the fight with the British and de Gaulle's would go on.

"The English text (of armistice conditions) is in basic and in form unacceptable for the French government," said the announcement.

It added that the terms seemed to have been edited precisely to prevent all possibility of eventual agreement on the points in question. The British demands included complete surrender of arms and warships, occupation of Syria by British forces, and implied Vichy recognition of the de Gaulle movement, according to the Vichy outline.

It was on the last point that the French said they were unable to enter discussions to end the five-week war in the League-mandated land. They called it an attack against "the dignity of the nation."

The French said the British not given in response to a Vichy truce overture, "clearly showed Great Britain's will to conquer territories under mandate."

The French declared "it is impossible for the French government to treat with de Gaulle leaders, traitors to their country."

General Charles de Gaulle's lead-

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Leaf Grading Questioned

Lexington, Ky., July 11.—(AP)—A government economist testified today that he was unable to correlate grading systems of the "big three" tobacco companies with government grades, "or any other common denominator."

The witness was Hal R. Mohr, business analyst for the Department of Justice anti-trust division, who took the stand in the tobacco anti-trust trial to explain his study of the leaf industry which, he said, was to determine whether the "big three" purchased the same kind of tobacco.

He said his sources of data were information on purchases and prices supplied the government by the "big three" and Department of Agriculture certifications of government grades for certain samples of leaf submitted by the companies.

Part of his study, he testified, was to determine to what extent, if any, the same kinds of tobacco purchased by the "big three" were bought "at the same time and on the same market."

FBI Has 'Undercover' Men In Every Tar Heel County

In the Sir Walter Hotel, Daily Dispatch Bureau, By HENRY AVERILL.

Raleigh, July 11.—In every North Carolina county the FBI has at least one undercover operative, usually more, who is constantly on the lookout for subversive agents and saboteurs.

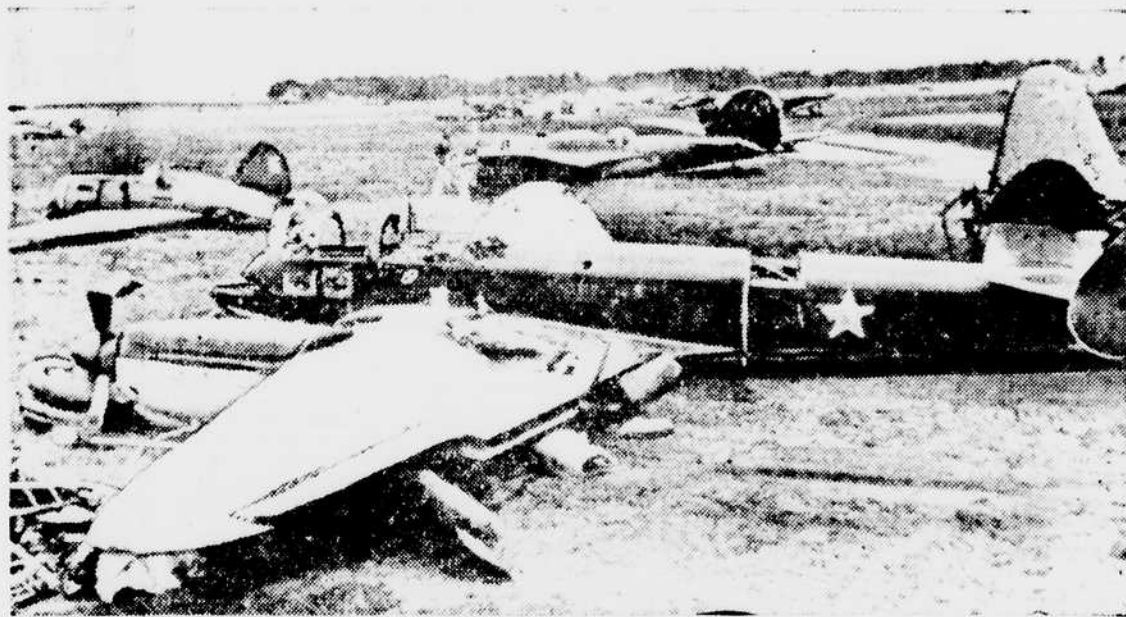
In many counties of the state there are Legion "minute men" sworn in as special deputies, armed and ready to aid the sheriff or other law enforcement officers on instant call.

A large number of North Carolina counties have civic defense groups, made up of representatives of various groups and organizations operating under direction of an American Legion county defense chairman.

Bryce P. Beard of Salisbury, de-

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Nazis Blast Red Warplanes, Caught Napping



C. P. Radiophoto

Hitler's Luftwaffe caught the Soviet air force napping when German bombers swooped down on this Russian airfield, and as a result dozens of Red warplanes were destroyed before they could take to the air, according to the German caption with this radiophoto from Berlin. The picture of the wreckage-strewn field, explained Berlin, was made after the area was occupied by Nazi ground forces.

Americans At Work In Ireland

British Give Peace Terms

Ten-Point Statement Replies to French Request for Armistice in Syrian War.

London, July 11.—(AP)—An informed British source said today the British government replied to the request of High Commissioner General Henri Dentz for an armistice to end the Syrian war with a ten-point statement.

These points, as outlined by the source, follow:

1. Britain has no territorial demands on Syria or Lebanon, but wishes to ensure that they are not used as a base for attacks against British forces.

2. French interests in the Levant are to be protected by the Free French under a Syrian independence guaranteed by Britain.

3. All war material is to be destroyed by Britain and the means of communication are to be undamaged.

4, 5, 6. Options are to be granted to officers and men and civil servants to return to France or to join the Free French forces of General Charles de Gaulle under whom they would retain ranks, salaries and pensions.

7. A grant of amnesty.

8. Syria and Lebanon to join the sterling bloc.

9. The German and Italian representatives to be handed over to the British.

10. All warships to be left in the harbor and the British to be responsible for them.

This source said the terms of the British reply were delayed in delivery because of difficulties of communication.

Income Taxes To Be Heavy

Washington, July 11.—(AP)—Treasury experts, giving a thought to the many state taxes, warned today that the bill of next year's income taxes is going to be heavier than many people anticipated.

For instance, assuming enactment of the new federal income tax program along the lines planned by the House ways and means committee, a married man with one child and a \$10,000 taxable income will owe Uncle Sam \$1,100.

But if this man lived in New York, he would have to add on about \$260 for the New York income tax, and his total bill for income taxes would be \$1,360. In California, he'd add \$92; in Missouri, \$163, and in North Carolina \$548.

These figures are not necessarily typical, but all states have individual income taxes similar to the federal levy. Besides income taxes, both state and federal government have a multiplicity of other taxes.

Nazis Free Americans

Washington, July 11.—(AP)—Sumner Welles, acting secretary of State, announced today the release by German authorities of 21 American ambulance drivers who survived the sinking of the Ethiopian steamer Zamzam on April 17.

Arrangements for release and repatriation of the ambulance drivers were made in extended negotiations with the German government, Welles said.

The Zamzam was sunk by a Nazi surface raider.

Welles said the United States was still negotiating for the release of two other prisoners, who were wounded when the raider fired on the passenger ship.

They are Eugene Viovari, co-leader of the ambulance drivers, and Ned Laughlinhouse, Wilson, N. C., tobacco man. They are believed still to be aboard a German warship receiving treatment for their wounds.

'Shooting' War Denied

Knox and Stark Make 'Categorical Denial' in Senate Committee Hearing.

Washington, July 11.—(AP)—Secretary Knox and Admiral Harold R. Stark voiced what were termed by committee members "categorical denials" before the Senate naval committee today of published charges that the American navy had engaged in combat with naval units.

In a closed session lasting more than three hours, the secretary of the Navy and the Navy's chief of operations were reported to have denied "line by line" demands made in a resolution introduced by Senator Wheeler, Democrat, Montana, to know whether the Navy had engaged in "shooting war."

Senators before Knox left the committee room. President Roosevelt said that he could not be engaged if American steel had gone into 50

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WEATHER

FOR NORTH CAROLINA. Mostly cloudy with local thundershowers this afternoon and early tonight and again on Saturday.

Extended forecast for the period from 7:30 p. m. July 11, to 7:30 p. m. July 16.—South Atlantic States: Occasional moderate to heavy showers; temperatures near normal in Florida and below normal elsewhere.

Mighty New Offensive Under Way

On Success or Failure of New German Drive, London Sources Say, Success or Failure of Russo-German War May Depend.

(By The Associated Press.) Adolf Hitler's invasion armies driving eastward into Russia from the Bialystok-Minsk sector have come to a standstill in several places, the official German news agency conceded today, while a Soviet communique implied that the 20-day old Nazi blitzkrieg has been stopped cold.

At the same time, reliable sources in London said that a mighty new German offensive to crush the Red Army was under way. On its success or failure, observers said, may depend the outcome of the Russo-German war.

DNB, the Nazi agency, attributed the halt to the necessity of clearing roads littered with the wreckage of Red Army machines.

According to previous reports from Vichy military circles, the German juggernaut has been virtually stalled for more than a week now, in sharp contrast to its hurricane sweep through the low lands of Belgium, Holland and Luxembourg into France last summer.

For the fourth straight day, Hitler's high command made no claims to new gains on the 2,000-mile front stretching from the Arctic shores to the Black sea.

The Russians indicated that the sting had been taken out of the Nazi blitz, and that German legions were no longer attacking.

Red warplanes were declared to have shot 58 German planes out of the sky, or destroyed them on the ground, compared with a loss of nine Soviet aircraft.

Silent on present operations, Hitler's field headquarters went back to

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Ship Building Program Fund To Speed Work

Washington, July 11.—(AP)—The \$1,625,000,000 requested today by President Roosevelt for the maritime commission provides for the construction of 566 merchant ships at an estimated cost of \$12,466,500,000 and \$350,000,000 for the requisition, purchase and repair of existing ships.

The remaining \$50,000,000 will be used to provide additional ship building facilities.

Details of the additional construction program were announced by the commission, which said it already had developed plans to the point where actual construction of facilities

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Nazi Targets Again Bombed By British

London, July 11.—(AP)—British bombers last night attacked Cologne and other targets in the German Rhineland and blasted at Ostend, Calais and Boulogne on the Nazi-occupied channel coast, the air ministry said today.

Bad weather over the continent interfered with the raids and made observation difficult, a communique said, but large fires were reported started at several points in western Germany.

The British acknowledged that two of their planes were missing. German night raiders, meanwhile, concentrated on England's northeast coast.

Some damage and a number of casualties were reported from one coast town, but the government said that elsewhere there was little damage and few casualties.

In the fiercest of air battles in recent weeks Germany lost 16 fighters and England eleven planes yesterday, the air ministry said.

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