

NEW GERMAN DEBACLE IN FRANCE LOOMS

Trapped Germans Fight Fiercely in Baltic Area

TRIPLETS IN UNCLE SAM'S SERVICE



MEET THE ONLY TRIPLETS in the U. S. Army Nurse Corps. They are (l. to r.): Lts. Elizabeth Flavia, Mary Virginia, and Ellen Rose Chapplear of Benedict, Md. The triplets are stationed at the Army Air Corps Regional Hospital in Coral Gables, Fla. (International)

Wilmington Section And Beaches Badly Damaged by Storm

40-Foot Waves Sweep Over Beach Resorts; Inland Towns Hard Hit; Crop Loss Heavy

Wilmington, Aug. 2.—(AP)—A tropical hurricane apparently spent itself over the swamps of Eastern North Carolina today after damaging Wilmington's beach resorts and temporarily paralyzing the city's utilities.

Waves forty feet high at times crashed huge sand dunes at the summer resorts of Wrightsville Beach and Carolina Beach, even at the Coast Guard and details from nearby Camp Davis, a military post, evacuated thousands of persons in the nick of time.

The storm refugees poured into Wilmington, normally a city of 415,000, swollen to double its population by shipbuilding and other war-related activities, and created a critical housing problem. Hundreds of them were taken in large convoys to Camp Davis.

So far as it could be ascertained, every one was evacuated from the beaches.

Shattered storm casualties were hospitalized in Wilmington, but no one was seriously hurt. Traffic was at a standstill here, with scarcely a block not littered with fallen trees and limbs.

The board walks and piers at the

beach resorts were washed away. A number of cottages were damaged and unroofed. At the request of Governor J. M. Broughton, a military detail from Fort Fisher patrolled deserted Carolina Beach today.

Although the winds began diminishing in this area after 10 p. m. last night, gales and rain continued past midnight. Winds of gale force whipped towns farther up the coast, but no extensive damage was reported.

Heavy winds were felt in inland towns of Eastern North Carolina before the storm was dissipated. A number of trees were blown down and crop damage was reported to be extensive in some areas in the path of the storm.

Power and water facilities were being restored today at Wrightsville and Carolina Beaches, and a daylight check-up disclosed that no residences were destroyed, although many suffered storm damage.

New \$88 Billion Budget Assumes Peace By 1945

Washington, Aug. 2.—(AP)—Budget Director Harold D. Smith, assuming that the fighting in Europe will be over by next summer, estimated today that the United States would spend \$88,000,000,000 for war in the fiscal year begun on July 1.

Also, he said, in presenting revised estimates of Federal finances for the year, American taxpayers will contribute toward that sum the largest government "take" of record.

Smith revised upward by nearly five billion dollars his January estimate of net receipts—\$10,765,000,000 in the fiscal year ended June 30 totaled \$44,149,000,000, double as preceding year.

Except for employment taxes, which Congress failed to increase, and customs, Smith revised upward all his taxes.

Direct taxes on individuals he estimated at \$18,935,000,000 instead of \$18,113,000,000, but still below the \$20,290,000,000 actually collected in the last fiscal year, when adoption of the pay-as-you-go plan caused unusual collections.

Other top estimates, compared with the January estimates: Director taxes on corporations, \$15,588,000,000 and \$15,404,000,000; excise taxes, \$5,837,000,000 and \$1,251,000,000; employment taxes, \$2,081,000,000 and \$3,182,000,000; customs, \$367,000,000 and \$438,000,000; miscellaneous receipts, \$3,613,000,000 and \$2,037,000,000.

This brings total receipts to \$47,246,000,000, but a deduction of \$1,581,000,000 for Federal old age and survivors insurance cash fund reduces the net to \$45,663,000,000.

Daring Raid Upon Albanian Port Is Made by British

Rome, Aug. 2.—(AP)—British land, naval and air forces cooperated in a successful raid last Saturday against the Albanian port of Himare and inflicted heavy casualties on the enemy, a special Allied communique announced today.

The bulletin said the raiding forces brought back thirty prisoners, but gave no other details of the operation.

Himare is near the southwest corner of Albania, about 60 miles across the Adriatic from the heel of the Italian boot.

Reds Sweep Fast Over The Vistula

German Armies Are Split by Russians On Northern Front

Moscow, Aug. 2.—(AP)—Thousands of Germans trapped in Latvia and Estonia by a swift Russian plunge to the Baltic sea, 30 miles west of Riga, thrashed at the Russian noose today, while other Nazis fought violently on a 20-mile suburban arc in defense of besieged Warsaw.

Northeast of the invaded Polish capital, General Chemakovsky reopened a huge drive toward East Prussia on a 200-mile front, striking within ten miles of the rear frontier of the land of the Junker generals.

(The German communique suggested that Russian troops were pointing across the broad and swift Vistula river south of Warsaw, asserting that Nazi planes sank on the Vistula 28 Soviet torpedoes crammed with troops.) The communique said "heavy, fluctuating fighting" was continuing on the approaches of East Prussia, between Augustow, eight miles from the frontier, and the Memel river. The Germans acknowledged loss of three cities and said they recaptured one. Fighting still was reported against a Russian bridgehead below Warsaw. Continued Russian advances toward the Bialystok pass through the Carpathians to Czechoslovakia were reported.)

The German 16th and 18th armies have been operating in the Baltic states and these were split by the drive to the sea west of Riga.

Once estimated at 30 divisions of perhaps 30,000 men, there was no official estimate of the number trapped in an area about the size of South Carolina.

The Red army had cut and was astride all railroads and highways leading from the Baltic states to East Prussia. From Tukums on the coastal railroad, a Baltic army group fanned off rapidly in three directions: 1, Dashing less than 20 miles from Riga itself, 2, northward along the Gulf of Riga, and 3, toward such escape ports as a Leapaja, 85 miles east, Ventspils and Mazirbe.

Only the sea remained as an escape route for Hitler's trapped legions, but the wide sweeping Russian air force, indicated it may be only a matter of days until the enemy is wiped out in Latvia and Estonia.

Hurricane's Damage Put At \$2 Million

Wilmington, Aug. 2.—(AP)—The tropical hurricane which struck the Wilmington shipyards and resort section last night caused property damage which police estimated at around \$2,000,000.

No loss of life has been reported. Ten persons were hospitalized and two Negroes were badly shocked from touching a fallen wire.

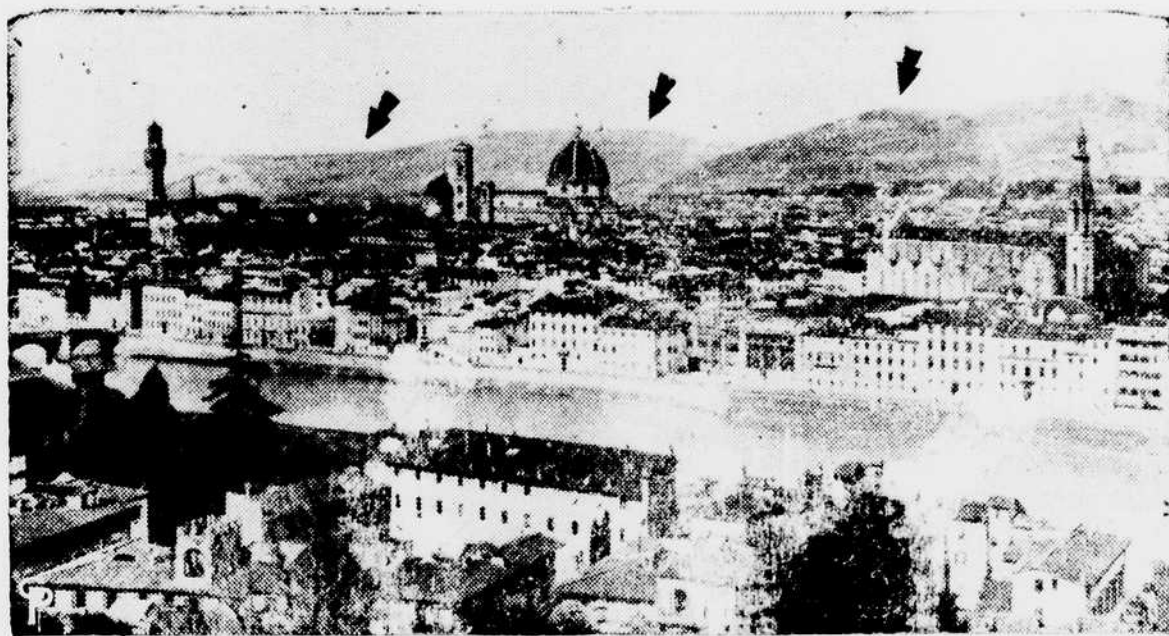
Only small shacks were blown down at nearby Wrightsville and Carolina beaches, but some residences were unroofed and water reached second story levels in many of them. The board walks at the beaches were uprooted and concession stands alongside were destroyed. High water caused most of the property damage.

Police Chief Bruce Valentine of Carolina Beach said damage there approximated \$1,000,000, while R. L. Benson, city clerk, estimated it at \$500,000 in Wrightsville Beach. The Wilmington News reported damage within the city at \$500,000.

Many residents had returned to the beaches by noon.

WEATHER
FOR NORTH CAROLINA.
Fair and mild tonight. Partly cloudy and moderately hot Thursday, with afternoon thundershowers.

FLORENCE—NOW CENTER OF HEAVY FIGHTING



THIS IS A VIEW OF FLORENCE, historic Italian city, near which the British Eighth Army and the desperate German forces are grimly battling for possession of commanding high ground, some of which is indicated by arrows, is one of the immediate objectives. This view, looking toward shows the Arno River, the Palazzo Vecchio and the famous Cathedral together with other historic landmarks. (International)

Drives Agreed On At Teheran

War News Is Good Everywhere, Told by Churchill

London, Aug. 2.—(AP)—Prime Minister Churchill disclosed today that the Normandy invasion and the coordinated Red army offensives resulted from an agreement with Marshal Stalin at Teheran, and said the Axis armies were recoiling "on every battlefield all over the world."

The news from Normandy, he told a cheering House of Commons, is extremely good, and "the first American army advancing down the Atlantic coast might well be approaching the important railway center of Rennes, about half way across the base of the Breest peninsula."

Of Italy he said: "We may hope that operations of the utmost vigor will be continued by General Alexander (Allied commander-in-chief) and his armies throughout the summer and autumn."

But he added that while things were going well there, it is the Russian armies who have done the most work, "tearing the guts out of the German army."

The prime minister brought the war sharply home to Britain with the disclosure that 4,735 persons have been killed by rocket bombs, with 14,000 injured, and 17,000 home destroyed since the attacks began June 15.

He said the invasion of Normandy June 6 fulfilled a promise made to Stalin at Teheran that such a plan would be put into operation at the end of May or the beginning of June.

In return, he said, the Soviet leader promised "that the whole of the Russian armies would be thrown, as indeed they have been, into the general battle in the east."

Churchill said that Britain's fleet in the Asiatic waters would be greatly strengthened by the end of the year, and expressed belief that the interval between the defeat of Hitler and the defeat of Japan "will be shorter, perhaps much shorter, than I had at one time supposed."

Telling of the plan to augment British Asiatic naval forces, he said, "It is possible, however, that the Japanese fleet will have its time taken up with the Navy of the United States, which is already double the size of that presumptive power."

"In the air, on sea and under the increase with steady strides," the sea, our well established supremacy confident prime minister told the House.

BUTNER HAS NEW ADJUTANT
Camp Butner, Aug. 2.—New adjutant at Camp Butner, Major Raymond J. Delacroix, of New Orleans, La., and Macon, Ga., has just assumed the duties of his new post, it was announced today by Col. Herbert M. Pool, post commander. Major Delacroix replaces Major C. E. Yeager, who recently left for another assignment.

GOES INTO JOURNALISM
Chapel Hill, Aug. 2.—Nancy Smith, Phi Beta Kappa graduate of the University in the class of 1941, and daughter of Betty Smith (Jones), author of "A Tree Grows in Brooklyn," has left the Carolina campus to enter newspaper work in New York.

While still a senior last year, Miss Smith served as correspondent for town news for the Durham Morning Herald. She also worked on the Bridgeport Times Star and the New Haven Register during the summers.

Turkey Breaks With Germany

Leads Reich Drive



THE 37-year-old Jewish tank-cavalry expert, Gen. Ivan Chernakovsky is leading his Third White Russian Army troops into the Suwalki Triangle, annexed by the Germans to East Prussia in 1939, thus placing the Soviet forces within a few miles of the pre-war borders of Germany. (International)

May Seize Philadelphia Transport

Washington, Aug. 2.—(AP)—The War Labor Board, in extraordinary meeting, considered today the advisability of asking President Roosevelt to seize Philadelphia's transportation system and operate it under Army control until its labor troubles have been ironed out.

WLB Chairman William H. Davis met this morning with Sylvester Garrett, Philadelphia regional chief, and Ed Back, of the branch office, to discuss the need for such action.

It was understood that an order asking the White House to intervene was drawn but that a final decision to submit it had not been taken.

Davis called a meeting of the full board, which took jurisdiction in the case last night to explore further the details of the walkout which has paralyzed the city's entire transportation system.

GETS BRONZE MEDAL
Chapel Hill, Aug. 2.—Lieut. (jg) Porter L. Fortune, Jr., of Old Fort, N. C., a University of North Carolina graduate of 1941, has been awarded the Bronze Star Medal for "heroic and meritorious service" in action as commanding officer of an escort vessel engaged in convoy duty in the Pacific.

Japs Expected To Break With Ankara; Britain Will Help

Ankara, Aug. 2.—(AP)—Prime Minister Saracoglu told the Turkish Grand National Assembly today that Turkey was breaking off diplomatic relations with Germany, effective at midnight tonight.

It was a step which many considered a prelude to a state of war with the Axis.

JAPAN RUMORED READY TO END TURKISH TIES

Ankara, Turkey, Aug. 2.—(AP)—Rumors circulated here today that the Japanese were about to break off diplomatic relations with Turkey.

CHURCHILL PROMISES AID TO TURKEY IF ATTACKED

London, Aug. 2.—(AP)—Prime Minister Churchill said today that if Germany attacks Turkey as an outgrowth of the severance of relations between Ankara and Berlin, "we shall make common cause with her (Turkey), and take the German measure as well as we can in our stride."

Bids Higher For Stocks

New York, Aug. 2.—(AP)—Bids were moderately higher for a number of the leaders in today's stock market, but buying had little possibility and the list had many neglected areas.

Bovens favored such stocks as General Motors, B. S. Iron and Western Union.

Bovens were selectively higher. Commodities were mixed.

New Finnish Government Has Soviet Peace Offer

Stockholm, Aug. 2.—(AP)—Marshal Baron Mannerheim, Finland's new president, was believed today to have received Russian assurances that Moscow is prepared to consider a new Finnish application for armistice which would guarantee Finland's independence.

It was learned reliably that the assurances were given the Finnish commander-in-chief even before he assumed the presidency from the resigned pro-German Risto Ryti.

A source whose information on events in Finland usually has proved

Nazi Center Cut in Two By British

Second Cherbourg Is Developing In Americans' Sector

Supreme Headquarters, Allied Expeditionary Forces, Aug. 2.—(AP)—The British second army has broken through the center of the German line, threatening to crush Marshal Von Kluge's forces in the high ground south of Caen in a second great Normandy debacle, field dispatches announced today.

To the south, American spearheads united through German resistance toward a second Cherbourg—Isolation and capture of the Brittany peninsula, with its two big ports of Brest and St. Nazaire.

Fanning out through Pontorson, 17 miles southwest of Avranches, General Bradley's armored and doughboy columns were within thirty miles of Rennes, the center of the Brittany peninsula base line and the provincial capital.

Although the Brittany peninsula is 100 miles wide, 150 miles long, and roughly a dozen times as big as the Cherbourg peninsula, its reduction was proceeding at a faster clip.

The break in the center of the Germans' line by General Dempsey's British threatened to engulf the remainder of enemy defenses, which had suffered the loss of 20,000 prisoners in a week, and the destruction or near destruction of a dozen divisions.

A front dispatch noted that German troops were stumbling back in retreat north of Villers-Bocage, the keystone of the enemy's defense perimeter in the Caumont sector. Das south of Caumont, British armored patrols were advancing beyond captured Le Beny-Bocage, in the area just north of the key communications city of Vire.

Driving east from Le Vevy-Bocage, British tanks seized a "sausage feature" spur shown on the map as Hill 266. Simultaneously other British columns in the north stormed and captured Hill 391 and gained all the high ground east of the Homme woods, the key completing a virtually stranglehold on a bitterly defended stretch of forest. Germans still fighting in the wood now have only a narrow escape route to the south.

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Germans Confirm Rommel's Injury On French Front

London, Aug. 2.—(AP)—A DNB dispatch broadcast from Berlin today confirmed that Marshal Erwin Rommel was injured in an Allied air attack in France July 17, but said he escaped with a brain concussion and his condition was satisfactory.

His life is not endangered, the German broadcast declared. Rommel was injured while driving in his car, the broadcast added.

This was the first German confirmation of reports received through front line dispatches in Normandy that Rommel had been injured. Some of the reports said he died later in a hospital.

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