

BELGIAN ARMY SURRENDERED TO GERMANY; FRANCE TO FIGHT ON, REYNAUD DECLARES

Temporary Revenue Bill Suggested

Civilian Pilot Unit To Be Increased

WASHINGTON, (AP)—Indications multiplied last night that Congress might increase taxes before adjournment to pay in part for the big new national defense program.

Leaders of both parties in the House were reported reliably to be polling their memberships on the question. The chairman of the House and Senate committees in charge of revenue conferred during the day. The Treasury was said to be hearing the completion of a study of the problem and possibly formulating recommendations on it.

Meanwhile, \$32,000,000 was added to the prospective defense outlay. President Roosevelt asked Congress for that sum to train civilian aviation pilots. Accompanying his request was a letter from the Civil Aeronautics Authority saying that the Civil Aeronautics Authority was prepared to undertake immediately a program of preliminary training for 45,000 secondary trainees for 9,000 and advanced training for 40,000 within the next fiscal year.

Canvassing Members

While Congress awaited a decision on the tax question, it was learned that Chairman Doughton (D., N. C.) of the House Ways and Means Committee was circulating the sentiment of House Democrats on the subject, and that Representative Traynor of Massachusetts, ranking Republican member of the committee, was doing the same thing among the Republicans.

Doughton conferred during the day with Chairman Harrison (D., Miss.) of the Senate Finance Committee and Representative Cooper (D., Tenn.), chairman of the Ways and Means Subcommittee on Taxation. Later, Doughton told reporters that defense taxes "ought to be levied" before the session ends. If President Roosevelt asked for his opinion, he added, that would be his reply.

Because the end of the session was so near at hand, Doughton said, it probably would be impossible to undertake a general revision of the tax laws. However, he thought some changes could be made and "some revenue could be raised" with a general revision postponed until the next session.

Windfall Tax Suggested

There was apparently no thought that the entire defense bill could be covered by increased taxes, leading to a widespread expectation that the present limit on the size of the national debt might be increased also. This maximum is now \$45,000,000,000, and the national debt is approaching that figure.

Without legislation raising the limitation, funds could not be borrowed which would push the debt beyond this level.

Several senators said they saw no reason why an "emergency defense tax bill" could not be passed without unduly prolonging the session. One proposal was that a "windfall tax" be levied to capture for the Government unusual profits resulting from the defense emergency.

Congress, while awaiting a decision on the financing question, prodded the big armament plan through the various legislative processes. One subcommittee agreed to work far into the night to hasten action on a supplemental \$250,000,000 appropriation for the Navy.

At the same time, the men who manufacture machinery which produces the myriad and intricate parts of an airplane and other defense items met here and

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J. P. Moffat, Career Man, Named Canada Minister

WASHINGTON, (AP)—President Roosevelt, recognizing the growing political importance of Canada to the United States, yesterday picked one of the highest State Department officials—Jay Pierrepont Moffat, chief of the European division—to be minister to the Dominion.

He replaces James H. R. Cromwell, who resigned last week after his nomination on the Democratic ticket for the United States Senate from New Jersey. During his stay in Canada, Cromwell, millionaire husband of Doris Duke, got into difficulties with Secretary of State Hull because of a pronounced pro-Ally speech.

Moffat, tall, slightly stooped, soft-spoken, goes to Ottawa with a diplomatic experience of 23 years behind him.

The appointment of a trained, career diplomat at this moment of possibly crucial relations with the Dominion had been demanded recently in a succession of editorials in leading American newspapers.

The prime importance of Canada to the United States is emphasized by informed observers as follows:

(1) The combined export and import trade of the United States with Canada is larger than with any other nation.

(2) Canada at war is turning into a large manufacturing plant and training center for the British Isles, particularly in aviation.

(3) There has been speculation

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J. P. Moffat
Replaces Cromwell

Communists, Nazis Barred Under Job Bill

WASHINGTON, (AP)—Sweeping legislation barring Communists and "Nazi band" members from jobs in interstate industry, and forbidding employers to use "oppressive" labor practices, was passed by the Senate yesterday on a vote of 47 to 20 and sent to the House.

Introduced by Senator La Follette (Wis.) as a result of a long investigation by the Senate Committee on Civil Liberties, the measure originally was aimed solely at the use of strikebreakers, industrial spies and industrial munitions.

However, the current wave of apprehension over "fifth column" prompted the Senate to embrace heartily an amendment by Senator Reynolds (D., N. C.) prohibiting employers in interstate commerce from having Communists or band members in their employ.

5-Year Sentence

The penalties for willful infractions of this amendment would be a \$10,000 fine and five years in prison. No method for detecting whether a prospective employee was a Communist or band member was stipulated in the legislation.

Another Reynolds amendment accepted by the Senate provides that not more than 10 per cent of the employees of a firm engaged in interstate industry shall be aliens, except where the supply of citizens is inadequate.

In addition to banning strikebreakers and labor spies, the La Follette bill outlaws, as oppressive labor practices, the use of armed guards outside the employer's premises except to prevent theft of articles in transit and the employment in a labor dispute of private guards known to have been convicted of homicide or assault with a dangerous weapon.

Meanwhile, with a unanimous chorus of "ayes," the House speedily approved President Roosevelt's plan to shift the Immigration

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Leave Rome To Be Safe, Britons Told

Americans Battle To Get Passage

ROME, (AP)—With war fever flaming throughout pro-German Italy, the British embassy last night advised inquiring nationals to return home unless they had urgent reasons for remaining.

Embassy officials made it clear they had not issued a general notice to British citizens in Italy. They said they were telling persons who asked for advice that it was better to leave the country now, especially if they had families.

British newspaper correspondents also said their employers advised them to be prepared to leave.

Diplomatic circles reported without confirmation that Italy had closed her French and Swiss frontiers. In Bern, Switzerland, it was stated both highway and railroad stations on the Italian-Swiss frontier were open as usual this morning.

Meanwhile, hundreds of Americans stormed shipping offices and sought passage home in belated response to the advice of United States diplomatic officials that they leave as soon as possible.

Americans Board Liner

The United States liner Manhattan began taking on board at Naples the first of about 2,000 Americans who will sail for New York. She will leave Genoa June 1.

About 500 others were unable to get passage and waited for the United States liner President Harrison, expected to sail from Genoa June 2.

Another chance—pessimists said it was a slim one—remained in the liner Washington. She is expected to sail from Italy June 15 but the belief was expressed that the Washington might not be able to complete her next eastward voyage before this country became a belligerent.

A passenger on the Manhattan said the liner halted off the Azores on the afternoon of May 23 at a time when Italy's war preparations were accentuated.

Course Changed

The vessel resumed her voyage but changed course slightly to keep within sight of the Portuguese coast for several hours before finally entering the Mediterranean.

The Manhattan was stopped only about 14 minutes at the British contraband control station at Gibraltar. Crewmen said the captain protested because his ship was halted and the Italian liner Rex was allowed to proceed without stopping.

Concerned Hosiery Suit

The far-reaching decision, embodying a further clarification of labor's status under the Sherman Act, was delivered in the case of the Apex Hosiery Company of Philadelphia, which sued a local of the American Federation of Full-Fashioned Hosiery Workers (C. I. O.) for triple damages under the act as a result of a seven-week sit-down strike in 1937.

The company won a verdict of \$700,000, but a Circuit Court of Appeals, which also held the Sherman Act inapplicable, said the union "should be compelled to answer in damages" in a State court.

The Supreme Court majority, in an opinion by Justice Stone, likewise declared that the union, "by substituting the primitive method of trial by combat for the ordinary processes of justice and more civilized means of deciding the civil and penal laws of Pennsylvania." But it added that violence, "however reprehensible, does not give the Federal courts jurisdiction."

No Intent at Polling

The court found "abundant" evidence that the effects of the strike, tying up not only manufacture, but the movement of 130,000 dozen pairs of stockings ready for shipment, constituted a restraint of interstate trade within the power of the Federal Government to prohibit "if Congress has seen fit to exercise it."

"But," said the court, "the Sherman Act admittedly does not condemn all combinations and conspiracies which interrupt interstate transportation. It is not seriously contended here that a conspiracy to derail and rob an interstate train, even though it were laden with 100,000 dozen

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London Says Flanders Unit Hard Pressed

Enemy Battling To Rule Channel

LONDON, (AP)—British forces in Flanders were described in informed quarters last night as facing a situation of increasing gravity, despite violent counterattacks against massive German forces pressing for a grip on the entire seacoast of Northern France and Belgium.

While official statements said the British had gone to the relief of Belgian and French forces on their flanks about 30 miles southeast of Calais and had stood off the Germans, the general picture showed the Allied armies hemmed in a narrowing corner.

The Germans appeared to be slowly broadening their wedge of steel between the French army south of the Somme and the Allied forces north of that salient in Flanders.

B. E. F. in Danger

With the salient broadening, it appeared the position of the British Expeditionary Force was becoming more critical with each passing day.

Whether the gap between the Allies could be closed remained to be seen, but every hour it stayed open made the Germans on the coast stronger, and the position of the hemmed in Allies more untenable.

The Royal Air Force sought to relieve the pressure by heavy bombing raids.

The German air forces meanwhile were centering attacks on shipping, including hospital ships, and inflicting serious loss of life, authoritative British sources said.

Channel Fight Proceeds

While the furious Channel fight proceeded, Britain kept an eye on the Mediterranean threat.

The day was one of incessant fighting on the northern front, with street clashes in Calais, whose fate was still in doubt last night while battle planes thundered overhead. British naval guns pounded away at Nazi columns.

At the end of the day the British war office reported the British front "remains intact."

R. A. F. Hammers Foes

The Royal Air Force, a communique said, flew far behind the front, battering German communications and airbases, and troop concentrations in the rear of the German army.

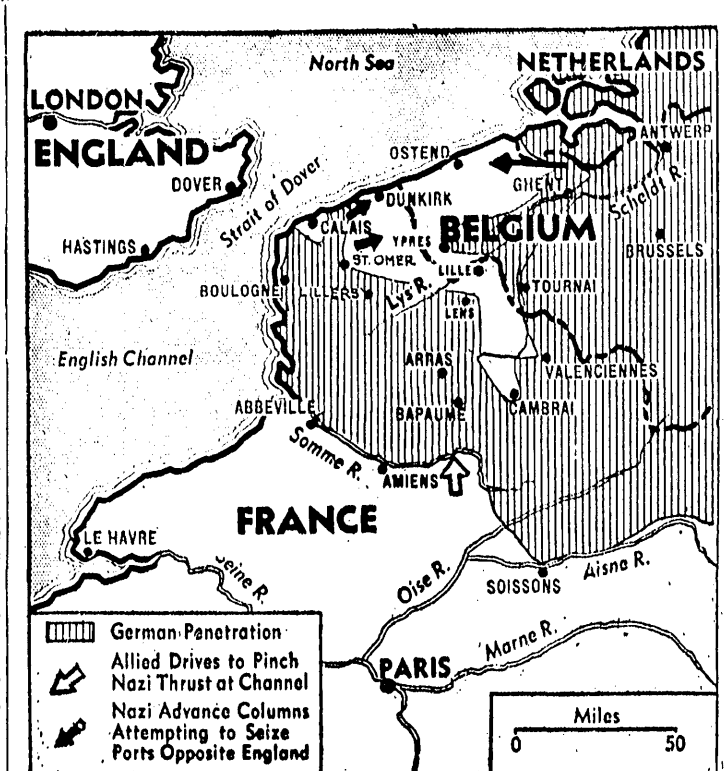
Armed anti-aircraft guns raked the clouds for enemy planes and brought down a "number" of them.

Twenty-eight German planes were reported destroyed or seriously damaged in 24 hours during one of the most farflung raids yet staged by the Royal Air Force. Five British craft were missing.

Road, rail and river traffic was disorganized over a wide area from the Rhineland to the French frontier, the air ministry reported, in raids which lasted throughout Sunday night and yesterday.

The air ministry added that 150 high explosive and incendiary bombs were rained on airports at Brussels and Charleroi, the latter a naval certificate telling the

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Map Illustrates Latest Changes on Western Front

London Bans Cotton Imports; U. S. to Suffer

Ships, Dollars Needed For War Requirements

LONDON, (AP)—The British Board of Trade last night prohibited the import of cotton from the United States and other non-Allied countries except under a license in a new move to conserve dollars and shipping space for war requirements.

The order becomes effective May 30 and applies to raw cotton, cotton linters and waste and yarns and thread wholly or mainly of cotton.

Cotton on route before May 30 will not require a license.

It was explained that since the outbreak of the war imports of raw cotton from the United States have been particularly heavy—nearly 1,000,000 bales from August to mid-May or more than for the whole of any recent year.

Britain Forced to Act

Britain was said to be "compelled" to reduce next season's imports. Future imports will be discussed in talks with United States authorities.

The blanket order applies to all countries but cotton from France and French possessions, Egypt and Anglo-Egyptian Sudan would be admitted under an open general license.

Previous licensing orders restricted the import of fruit, tobacco and other United States products.

Food Enough for Weeks

LONDON, (AP)—England could feed itself for a few weeks without any outside help even if an invasion disrupted transportation and communications, Lord Woolton, food minister, said yesterday.

To care for the people in an emergency he said the country had been split into 800 self-contained areas, each with one main food depot and one reserve.

Split Movement Tried

Having bottled up about 1,000,000 British, French and Belgian soldiers holding that line on the coastal plains of Flanders and Artois, the Nazis were trying to break up the defense by splitting the trapped Allied forces.

Two German thrusts, one wheeling eastward from the coast and the other pushing northward from Arras, were reported last night progressing rapidly toward a meeting north of Lille.

One was said to have penetrated northeast of Lens, north of Vimy Ridge, and the other to have advanced close to Ypres, on the opposite side of the gap which the Nazis are attempting to close.

Authoritative sources said this maneuver was aimed at cutting off the bulk of British and French troops in the sector, leaving the Belgians to be taken in two small pieces by a smash through westward from Ghent.

Allies Counter

It was authoritatively estimated that about 700,000 British and French troops were in the Lille trap.

Evidence that Allies were countering with a similar pincer movement to chop off the German spearheads through Flanders and

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Germans Battle To Win Control Of the Channel

Effort Made to Split Northern Allied Forces

BERLIN, (AP)—German forces, lunging through the Allies' Flanders line almost to Ypres, added a length yesterday to the steel wall with which they are trying to split the Allied armies in Northern France and Belgium.

Both sides were fighting to pocket large units of the opposing army. The action on a scattered, complicated battlefield included bombed cities, sunken ships, millions of men and the fastest, hardest-hitting weapons either army could put into battle.

The German goal was control of the English Channel coast on which they already have a foothold at Boulogne and claim another at Calais. A war office spokesman in Paris said last night the fate of Calais still was not known.

Next Objective Conjectured

Whether England or Paris would be the next Nazi objective could only be conjectured. It is noted, however, that Germany—in this campaign as well as in Poland and Norway—has not departed from the solid military policy of destroying the enemy's army as the best way of conquering.

On this basis some observers argue that not England—for which domination of the Channel coast would be a springboard—but the French army, standing between the Germans and Paris, must face the next blows of the Reich's military fists.

The Germans have been making efforts to soften resistance against either an advance on Paris or a direct invasion of England.

British ship communications with France have been bombed constantly, with the high command reporting a heavy toll on transports and supply ships.

Will Fight On

The premier said that "all France is thinking of her soldiers at this extremely grave hour."

"The French people and her soldiers make one solid block," he said, declaring that the French army was holding against German pressure along the Somme River line.

"We shall continue to fight on despite the tremendous difficulties we are now experiencing. The unfortunate circumstances of the present time will not prevent us from going on."

"We shall go forward to victory."

Alarm Is Felt

By The Associated Press
Grave alarm spread through the Allied capitals last night over the fate of their armies hemmed in on the English Channel coast and pounded by all the force Germany's charging military machine could muster.

In London, it was said the

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King Leopold Gives Order To Capitulat

Allies' Position Called Desperate

PARIS, (AP)—Capitulation of the Belgian army before the German advance on orders of King Leopold III after 18 days of fighting was announced today by Premier Reynaud.

King Leopold ordered the Belgian army to lay down its arms, Reynaud said, without consulting the French or British governments "which went to the aid of Belgium."

The French Premier made his announcement in a radio broadcast at 8:30 A. M. (2:30 A. M., E. S. T.) hastily arranged after an emergency meeting of the French Cabinet which lasted until the early hours of this morning.

Reynaud said King Leopold had made the decision to capitulate against the unanimous advice of his ministers.

Previously Would "Fight On"

Some hours before the premier's announcement, Premier Hubert Pierlot of Belgium had announced in Paris after a meeting with his refugee cabinet that his government had decided to continue in the war on the side of the Allies. The premier said Belgium would triumph sooner or later and called upon all Belgians to remain confident of victory.

Reynaud followed that up today with the announcement that the Belgian government, in opposition to its king's orders, would continue to function and would "raise a new army."

He said the Belgian capitulation had failed to lower French and British hopes for victory against the German invaders.

Reynaud prefaced his announcement of the capitulation with the words: "I must announce a grave event to the nation."

Under Blanchard

"The Belgian army," he said, "has just brusquely capitulated in the field on the order of its king."

"The king, he asserted, had issued the order without consulting 'the responsible government.'"

He explained that the three Allied armies fighting in Belgium were under the command of General Georges Blanchard.

As the battle continued, he said, troops were sent supplies via Dunkerque.

The French premier spoke with extreme sarcasm when he referred to Leopold.

He said the action of the king of the Belgians was "without precedent in history."

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