

# Leopold Tells Army to Quit

## French, British to Fight on Declares Premier; Says Line Is Held

(Continued from Page 1.)

French people a grave event. This event occurred last night. France can no longer count on the Belgian army.

"Since 4 a. m. Tuesday (7 p. m. PST Monday) the French army and the British army have been fighting along in the north against the enemy."

"You know what the situation was."

"After the rupture of our front May 14, the German army filtered between our armies, which found themselves broken into two groups, one to the north and the other to the south."

"On the south it is the French divisions which are holding the new front following the Somme and Aisne rivers and then rejoicing intact the Magnot line."

"In the north was a group of three armies—the Belgian army, the British expeditionary corps and several French divisions in which many of us have loved ones."

"This group of three armies was under the command of General Blanchard. It was supplied via Dunquerque. The French and British armies were defending this port on the south and west, the Belgian army on the north."

"It was this Belgian army which has just bravely capitulated unconditionally on the field of battle on the order of its king without warning their French and British comrades in combat, opening the way to Dunquerque to the Germans."

"Eighteen days ago this same king sent us a call for help. To this appeal we replied following the plan which had been established last December by the allied general staffs."

PARIS, May 28.—(AP via radio)—Premier Paul Reynaud told his countrymen today in an address awaited with world wide interest that France's "faith in victory is still intact."

"The French troops are holding now along the line of the Somme river," he said.

His speech lasted less than five minutes.

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."

# Gannett Blames Hysteria on FDR

## (Continued from Page 1.)

lively before the executive committee of the Texas republican central committee. Dewey suggested that national defense should be based on these points:

1. "We must first decide what we are going to defend. It is imperative that the army and navy know what areas they must protect."
2. "A non-partisan national defense board to plan and direct our program of rearmament should be immediately established. This board x x x should have real power and full authority."
3. "The national administration must remove from office its socialists, communists and fellow-travelers. It has been shown repeatedly that the government departments are plentifully sprinkled with subversive activities. x x x We want no fifth column in our government."
4. "The administration must abandon its war on business. x x x We cannot wait until next January. Enterprise must get going now. The unemployed must be given a chance to go to work."
5. "Our national morale must be revitalized."

# Farley to Speak To Postmasters

CORVALLIS, May 27.—(AP)—Postmaster James A. Farley will be a featured speaker at the Oregon chapter of the National Association of Postmasters' annual convention here June 13-15.

Farley and Harrison Parkman, ingpostoffice department purchasing agent, will speak at a banquet June 14.

# 20-Room Macleay Lodge Burns Down

GOLD BEACH, May 27.—(AP)—The 20-room Macleay lodge, former home of Roderick L. Macleay, and Wedderburn landmark, was destroyed by fire early today.

Cocos-Curry county fire patrol association had been using the place as its headquarters. It was owned by the First National bank of Portland, trustee for bondholders of the Macleay estate company.

# Dr. Hunter Illustrates "Cycle of Destruction"

BEND, May 27.—(AP)—The Bend high school graduates listened attentively to the commencement speaker, Chancellor Frederick M. Hunter of the state board of higher education.

"Are we entering a new cycle of destruction?" he asked with a downward sweep of the hand that struck a water pitcher, spilling aqua pura over the shining diplomas.

# STATE LIBERTY

LAST TIMES TONITE

**George Raft**  
Joan Bennett in "HOUSE ACROSS THE BAY"  
Companion Feature  
WEAVER BROTHERS and ELYRIE  
"IN OLD MISSOURI"

STARTS WED. - TWO HITS

YOU'VE GOT A DATE to see MAXWELL ANDERSON'S Pulitzer Prize-Winning Comedy Hit

**JOHN GARFIELD-SHIRLEY**  
SATURDAY'S CHILDREN  
CLAUDE RAINS - ROBERT LIVINGSTON  
RAYMOND HATTON  
DUNCAN RENALDO

COMPANION FEATURE  
The Three Musketeers in "COVERED WAGON DAYS"  
Featuring  
ROBERT LIVINGSTON  
RAYMOND HATTON  
DUNCAN RENALDO

# Seek Navy Construction Jobs



I. I. N. Phonograph

A scene outside the Brooklyn navy yard showing part of the huge lineup of skilled workers applying for jobs on the government naval construction program. More than 3,500 have registered for jobs.

# Call Board

- GRAND**
- Today — Boris Karloff, Roger Pryor in "The Man With Nine Lives" and "Convicted Woman" with Rochelle Hudson and June Lang.
  - Saturday — "Lillian Russell" with Alice Faye, Don Ameche, Henry Fonda and Edward Arnold.
- HOLLYWOOD**
- Today — Charles Laughton in "The Hunchback of Notre Dame" with Sir Cedric Hardwicke, Thomas Mitchell and Maureen O'Hara.
  - Wednesday — Lupe Velez in "Mexican Spitfire" with Leon Errol and "Our Neighbors, the Carters" with Fay Bainter, Frank Craven and Edmund Lowe.
  - Friday — Mickey Rooney in "Judge Hardy and Son" with Lewis Stone and Roy Rogers in "Days of Jesse James" with George "Gabby" Hayes.
- LIBERTY**
- Today — "Green Light" with Errol Flynn and Anita Louise plus "First Love" with Deanna Durbin.
  - Wednesday — "Miracles for Sale" with Robert Young and Florence Rice plus "Wings of the Navy" with George Brent and Olivia DeHavilland.
  - Friday — "Red River Range" with John Wayne, plus "Nancy Drew, Detective" with Bonita Granville. Chapt. 1 "Dick Tracy's G-Men."
- STATE**
- Today — "Four Wives" with the Lane Sisters and Gale Page, and "Hell's Kitchen" with Margaret Lindsay, Ronald Reagan and the Dead End Kids.
  - Thursday — "Sidewalks of London" with Vivien Leigh, Charles Laughton and "Espionage Agent" with Joel McCrea and Brenda Marshall.
  - Saturday midnight show — "Little Old New York" with Alice Faye and Fred MacMurray.
- ELAINORE**
- Today — Jack Benny, Andy Devine and Rochester in "Buck Benny Rides Again" and George Brent and Isa Miranda in "Adventure in Diamonds."
  - Thursday — Ann Sheridan in "It All Came True" with Jeffrey Lynn and Humphrey Bogart, and "The Challenge" with Robert Douglas and Joan Gardner.
- CAPITOL**
- Today — George Raft and Joan Bennett in "House Across the Bay" with Walter Pidgeon, and Weaver Brothers and Elyrie in "In Old Missouri."
  - Wednesday — John Garfield and Anne Shirley in "Saturday's Children," and "The Three Musketeers" in "Covered Wagon Days."

# Parsons to Head Tri-State Wreck

BAKER, Ore., May 27.—(AP)—Gardner Parsons of Boise, grand chief of state of Idaho, was elected president Saturday of the Tri-State wreck association of the 40 and 8 Dr. E. D. Newton of Walla Walla, Wash., and Lyman Patton, chief de gare of the Baker route, were elected vice-presidents.

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# Germans Near Ypres, Report

## Eastern Arm of Allies' Northern Force May Be Re-Encircled

(Continued from Page 1.)

the secret French cabinet session, except that the military and political situation had been reviewed. It was known that France was greatly concerned over the likelihood of Italy's entering the war.

In bitter fighting throughout the night the Germans appeared to be slowly widening the gap between the French army south along the Somme and the allied armies trapped in Flanders, above the main salient to the sea.

Having fallen back during the day, the allies were making their stand along a new line defending the channel.

The German high command said its armies, striving to snap the steel trap on approximately 1,000,000 allied troops in Flanders, were pounding at the historic World War sector of Ypres, Belgium, after storming across the River Lys at several points.

In crossing the Lys, the Germans broke through the last river barrier separating them from the channel ports of Ostend and Zeebrugge.

The biting jaws of the Nazi pincers in the Ypres sector—threatening to sever the eastern arm of the allied forces already encircled in northern France and Belgium—were reported only 18 miles apart.

French troops fell back under the terrific impact of the Nazi assaults, which swept in wave after wave apparently heedless of manpower losses, and took a new stand in the sector north of Valenciennes, west of the Scheldt river. Here was the main target of the Nazi fury, driving from the east toward Ypres and from the southwest towards Lille.

Simultaneously, the Germans widened by approximately 15 miles the northern side of their vital "bottleneck" of their corridor to the English channel.

The French admitted that this "feed-line" to Nazi troops now swarming along the channel coast had been deepened to extend now between Peronne and Arras.

Previously, the "neck" ran from Peronne only to Bapaume, a distance of 20 miles—with the French central army crossing the Somme river to establish bridgeheads at several points, thereby menacing the slender opening of the German salient to the sea.

But while the Nazis bulged their positions northward, Generalissimo Maximilian Weingand's central army in northern France signalled the start of an intensive "lower jaw" thrust against the salient by capturing several villages and other points on the Somme river.

In the quickening battle for mastery of the English channel, the fate of Calais—potential base for German invasion of England, just 22 miles across the straits of Dover—was still in doubt.

North of Calais, the channel port of Dunquerque was in flames, fired by German bombs in an attempt to destroy a likely embarkation point in case of British withdrawal from the continental battle scene.

Meanwhile, emphasizing the darkening situation in the Mediterranean, British embassy in Rome advised its nationals they had "better go" to avoid being caught in the whirlpool of an apparently imminent Italian declaration of war.

While the French retreated to reform their lines in Flanders, British tommies supported by French tanks successfully counter-attacked against massed German troops in a day marked by "violent attacks," a British communiqué said.

"The British front (in Flanders) remains intact," the communiqué declared.

The British air ministry declared that in the past 24 hours the royal air force destroyed or damaged 28 Nazi planes and disrupted German rail, road and river traffic over a wide area in the Rhineland.

To boost her armed strength to 3,000,000, Britain called men 28 and 29 years old to register for army service next month.



I. I. N. Phonograph

While History Instructor Paul E. Cram lectures inside, these gas-masked Harvard students picket outside the classroom at Harvard university, Cambridge, Mass., denouncing any U. S. intervention in the European war, as suggested by Cram.

# Mrs. J. Linn Gay Dies at Tillamook

Mrs. J. Linn Gay, 65, died Sunday at her home in Tillamook after an illness of several months. She was born October 23, 1874, on a farm a few miles north of Rickreall, the daughter of James W. and Fannie Edgar.

In 1890, she was married to John Linn Gay.

Mrs. Gay was for many years a member of the Baptist church. Survivors are the husband; three daughters, Lois Gay at home, Mrs. Nettie Snodgrass of Myrtle Creek, Ore., and Mrs. Bonnie Brander of Los Angeles, Calif.; grandson, Linn Denham of California; brothers, James W. and Frank W. Edgar of Salem; sisters, Mrs. Ida Mae Williamson of Rickreall and Mrs. Marion T. Lance of Portland; several nieces and nephews.

Funeral services will be at the Lumberg funeral home in Tillamook Wednesday at 10 a. m.

# Red Cross Pleas Grow More Grave

With Marion county's \$4000 quota for European refugee relief still short approximately \$900, the county Red Cross chapter received another urgent plea for funds yesterday from A. L. Schafer, Pacific coast branch.

"Every cable from our representatives in France paints a blacker and more appalling picture of conditions among the millions of refugees fleeing from the battle zones," Schafer telegraphed Judge George Rossmann, chairman of the county chapter here. "One cable says: 'Paris is swamped by terror-stricken hungry, exhausted men, women, children... Many were too tired to eat. Women fainted at sight of food, too starved to eat. There are pens of unidentified frightened children under eight years of age at every refugee concentration point. French peasants and aristocrats work side by side in best tradition.'"

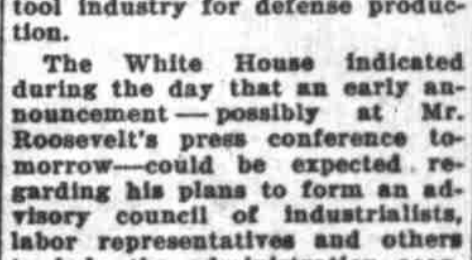
# Tax Increases Are Discussed

## Raising Debt Limit Also Possible; Sentiment Is Sounded Out

(Continued from Page 1.)

Secretary Morgenthau, who conferred with them, said later that he had listed \$200,000,000 worth of machine tools needed for the defense program, but had urged that there be no obstruction to the provision of machinery for the automobile industry's production of 1941 models. Retooling of auto plants for '41 models should be completed within a month and ought not to be interfered with, the secretary said. But, he added, one large manufacturer had already offered to forego new models for 1942 if necessary to free the machine tool industry for defense production.

The White House indicated during the day that an early announcement—possibly at Mr. Roosevelt's press conference tomorrow—could be expected regarding his plans to form an advisory council of industrialists, labor representatives and others to help the administration coordinate defense production.



# Gardener Kate



"Klondike Kate," beautiful Dawson entertainer heralded in song and story during Alaska's gold rush, currently lives a peaceful life at her Bend, Ore., home, where she is occupied with her number one hobby—gardening. A philanthropist, Kate Matson says she is "nearly always broke from helping some one," a habit she unbroken from her frontier days. She is now 60.—IIN photo

# Credit Problems Talked, Chamber

## Winners in High School's Essay Contest Get Attention

There are some 30,000 members of the "faculty" from which Salem young people are acquiring their education, particularly on such matters as honesty and responsibility which are the primary factors in maintenance of sound credit, Frank B. Bennett, city school superintendent, told Salem chamber of commerce members at their luncheon program Monday which was arranged by the Salem Credit association.

That common admonition "you are old enough to know better" is based upon a fallacy, Bennett said in urging adults to set a good example for youth in credit matters.

Doylemales Bunn, first place winner; Duane Ashton, second, and Tom Williams, third in the credit essay contest in the high and declared each family's share of the 45 billion dollar national debt was \$125, while all such "businesses" in the nation have a combined debt of 16 billions. The average family, he said, owes six or seven times its monthly income and about half of them miss one installment payment a month because they have contracted too many.

Views of Cleo, Benjamin Franklin and Sir Walter Scott on the subject of credit were quoted by Dr. Bruce Baxter who spoke briefly.

# Klondike Kate to Trek North Again

BEND, Ore., May 27.—(AP)—Klondike Kate is going north again. Mrs. John Matson of Bend, who admits the colorful sobriquet was conferred on her during her residence on the Klondike during the gold rush 40 years ago, said today she would leave early in June for Dawson.

She will visit her husband, now mining on Matson creek, tributary of the Yukon.

Mrs. Matson, Bend resident for many years, is known to her friends here simply as "Aunt Kate."

# Former Governor Leche Faces Jury

ALEXANDRIA, La., May 27.—(AP)—Former Governor Richard W. Leche, charged with mail fraud in the Louisiana "scandal," went on trial alone today after two co-defendants pleaded guilty to a similar charge.

A jury was selected to try Leche after L. P. Abernathy, former chairman of the Louisiana highway commission, and George Younger, Alexandria truck dealer, changed their pleas from innocent to guilty. US Judge Ben O. Dawkins deferred sentence.

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