

BESSARABIA GRAB GETS O. K. OF AXIS

(Continued from Page One)

sions yet to be made in Berlin and Rome, where it is desired to prevent an outbreak of war such as might result from attempts by Bulgaria to regain Dobruja or by Hungary to regain Transylvania.

Attack on Britain Awaited

Adolf Hitler and Benito Mussolini obviously hoped to prevent war in the Balkans until they have had opportunity to launch an offensive on a grand scale against the British Empire in general and the British Isles in particular.

One familiar phase of that attack—the propaganda peace offensive—already is well underway, with rumors of peace moves between Britain and Germany spreading to many parts of the world.

These rumors were branded as completely false today by Neville Chamberlain, former Prime Minister of Britain and now Lord President of the Council in the British Cabinet of Winston Churchill.

In an interview with the United Press, Chamberlain—who had been assailed by some political foes as still likely to seek a settlement—declared that the Government was confident the war against Germany would end in victory.

"We Are Just Beginning"

"We are just beginning the struggle," he said. "This would be the worst possible moment to enter peace negotiations."

The British Isles, Cabinet members declared, have been made into a fortress and the defense preparations are constantly being speeded up, while the British air force continues to pound at German military industrial objectives.

The Admiralty also announced that the submarine Tetrarch had sunk a loaded German transport of 8000 tons off the south coast of Norway, where the Nazis have been reported assembling troops and small boats for the forthcoming attempt to invade the British Isles.

In Berlin, a war communique said that German troops had advanced to the Spanish frontier, thus putting the entire Channel and Atlantic Coast of France securely in German hands in preparation for the "Battle of Britain."

British Raids Continue

Raids by British airplanes on German centers were reported, but the communique said that German bombers had replied strongly by attacking arms factories and harbors in Southern England and the Midlands, causing many fires. Nazis strongly discounted talk of peace negotiations at present.

An Italian war communique said that Fascist planes had shot down two British craft and "effectively bombed" British lines and motorized units in North and East Africa.

Efforts of Britain and of French leaders abroad to organize French empire resistance or get control of part of the French fleet continued entirely obscure and without any definite results to date. Frequent statements were made that French colonial forces in North Africa, the Near East and Indo-China would resist "invasion" but to date there has been little or nothing to support the British belief that large forces would refuse to obey the surrender order of the French Government at Bordeaux.

The position of Turkey continued uncertain, but it appeared that the Turkish Government was taking extensive military precautions.

Two additional classes were called up in Turkey and large units of the fleet were reported in the Bosphorus heading for the Black Sea. Troop movements on the Turkish side of the Edirne district, adjacent to Bulgaria, also were reported.

What Russia Takes From Rumania



U. S. LEGALIZES LINERS' SEIZURE

F. D. R. Order Is Believed Applicable to Normandie And Queen Elizabeth.

WASHINGTON, June 28 (U. P.).—The United States was legally prepared today to seize such luxury liners as France's Normandie and Great Britain's unfinished Queen Elizabeth, the two largest ships afloat, if President Roosevelt deems it necessary "to secure them from damage or injury."

Such action was made possible by issuance of a Presidential proclamation yesterday authorizing the Treasury Department, through its collectors of customs, or the Governor of the Panama Canal to seize any foreign or domestic vessel in United States harbors, including those of the Canal Zone.

While there was no formal interpretation of the order, Mr. Roosevelt indicated at a press conference that it could be applied to the Normandie and Queen Elizabeth. But he gave no indication whether the power actually would be used.

President Roosevelt's proclamation generally was believed here to be a move to prevent French ships now in the United States from falling into the hands of Germany as a result of the terms of the German-French armistice.

It could be used in the future for similar "protection" of British vessels. Money assets in this country or other nations conquered by Germany already have been "frozen" to prevent their withdrawal by unauthorized sources.

ITALY TO WORK 48 HOURS
ROME, June 28 (U. P.).—Because of the war, the usual 40-hour work week will be replaced by a work week of 48 hours, it was announced today. The usual day off will be continued.

French Cruisers In Lebanese Ports

BEIRUT, Syria, June 28 (U. P.).—A number of French cruisers have arrived at Lebanese ports, it was learned today.

Gen. Eugene Witterhauser, commander in chief of the French Near Eastern Army with headquarters in Syria, and Gabriel Puaux, French High Commissioner, continued to communicate with the Bordeaux Government.

French authorities, however, have not so far complied with armistice terms regarding the release of enemy subjects, it was understood, and continue to detain 800 enemy aliens in Syria. Defense measures continued. The Mayor of Beirut advised inhabitants to evacuate to the mountains and other safety zones, the poor going at government expense.

Black flags were flown here, and men wore black ties, in mourning for France.

CAPITAL OF FRANCE WILL MOVE INLAND

BORDEAUX, June 28 (U. P.).—France began reconstruction today and prepared to move its capital inland as it awaited for Germany to enforce her armistice terms.

Reorganizing his Cabinet, Premier Marshal Philippe Petain appointed Adrien Marquet to succeed Charles Pomaret as Minister of the Interior; named the latter Minister of Labor to succeed Andre Favier, and placed Favier in the important, previously unfilled post of Minister of Transmissions.

The new Cabinet met under chairmanship of President Albert Lebrun and discussed details of the Government's departure to establish a capital somewhere in central France, in a zone not occupied by German troops.

Under the armistice, Germany will control nearly half of France, at least until after the war against Great Britain. The Government probably will leave Bordeaux this week-end after which the Germans will be in control here.

(Reports from London and North Africa said that the new capital probably would be at Clermont Ferrand, 182 miles northeast of Bordeaux.)

Hoagy Father Second Time

HOAGY CARMICHAEL, Hoosier-born songwriter, wired his mother, Mrs. Lida Carmichael, 3120 Graceland Ave., today that he and his wife had become the parents of a 7½-pound boy.

The second son to the Carmichaels was born last night at the Cedars of Lebanon Hospital at Beverly Hills Cal.

Mr. Carmichael wired his mother that he "came through with a vote for Willie" and that the Carmichaels' other son is Hoagy Bix Carmichael, 18 months.

ARMY'S IN STEP WITH THE NAVY

Expansion Program Costing Up to 7 Billion Strösses Latest Warplanes.

WASHINGTON, June 28 (U. P.).—A new Army expansion program, which is being drafted by War Department officials and national defense experts, probably will exceed the \$4,000,000,000 naval expansion program, authoritative quarters indicated today.

President Roosevelt said the new long range Army program is being drafted with a view of giving manufacturers orders far in advance of appropriations.

The Army program has been described as a "companion step" to the Navy's proposal for a 70 per cent increase in the fleet.

May Spend 7 Billion
The program visualizes ultimate expenditure of between \$3,000,000,000 to \$7,000,000,000. Some sources believed it would be completed next week for President Roosevelt's approval preparatory to submission to Congress.

It was learned that acquisition of large quantities of the latest warplanes would be stressed under the program. Other recommendations, it was said, would include huge expansions in the Army's supply of heavily armored tanks, anti-tank and anti-aircraft guns, artillery and motorized vehicles.

The plan also will recommend expenditure of approximately \$1,000,000,000 for new and enlarged facilities to develop additional sources of crucial materials, including smokeless powder, TNT, and ammonia.

One source said the plan probably would contain provisions for huge contract authorizations as an integral part of the Defense Commission's plan to throw industry into high gear on armament production.

Navy to Speed Warships
Meantime, the Navy completed preparations to award contracts totalling a record \$750,000,000 for 68 new warships as part of the defense speed-up program. Funds for the new ships were made available when President Roosevelt signed the \$1,768,913,000 supplemental defense bill yesterday.

Officials said that the contracts would be announced as soon as Mr. Roosevelt signs a bill authorizing the "speed up."

LADY CONAN DOYLE IS DEAD IN LONDON

LONDON, June 28 (U. P.).—Lady Conan Doyle, widow of Sir Arthur Conan Doyle, creator of "Sherlock Holmes," died yesterday in a nursing home.

She had been ill during most of the 10 years since her husband died. She underwent a major operation recently and had been confined to the nursing home about two weeks.

CHAMBERLAIN INSISTS PEACE TALK FOOLISH

'Why, War Has Just Begun,' He Says, Stressing Unity Of Government.

(Continued from Page One)

Spanish Nationalist leader, should sound out Adolf Hitler on peace terms.

"Sir Samuel has plenty of useful work to do in Spain, Chamberlain commented.

Amused at Reports
Chamberlain seemed more amused than annoyed by reports from the United States suggesting that there were differences between him and Churchill. Intimating that he was wholeheartedly behind Churchill in the policy of vigorous prosecution of the war, Chamberlain said:

"I should like to say as emphatically as possible that there is not a single word of truth in these reports. There are no differences between the Prime Minister and myself. Our relations are most harmonious and cordial. Our minds run in the same channel."

As evidence that the Conservative Party, which holds 370 of the 615 seats in the House of Commons, was also solidly behind Churchill, Chamberlain pointed out that the executive committee of the National Union of Conservative and Unionist Associations had adopted unanimously at a meeting yesterday a resolution pledging "wholehearted support of the new Prime Minister and his Government in their determination to prosecute the war to a victorious conclusion."

Then Chamberlain expressed the personal opinion that if, for any reason, he resigned the leadership of the Conservative Party tomorrow, the party would unhesitatingly elect Churchill to succeed him.

"I might add," Chamberlain said, "that I have no intention of resigning."

Charges Termed Fantastic
Somewhat heatedly, he ridiculed reports abroad that he was intriguing against Churchill.

"The idea that it would be possible for me to intrigue against my leader is fantastic," he said. "It shows a complete lack of knowledge of my character and convictions. If I disagreed with the Prime Minister I should resign and go in opposition. But intrigue—never. He paused for a moment before the 'never' to give it additional emphasis.

The tempo of the war was now bound to increase so far as Britain was concerned, he said, and continued: "I have been scoffed at for saying so, but I still believe that time is on our side. Hitler is gambling on a short war. He is not too sure of the morale of his people if they have to go through another war-time winter."

'He'll Find Us Tough'
"But to win, he must conquer this island. That is a formidable undertaking. It requires reckless audacity. He will be a very rash man if he tries it, but I think he will try. He will find us a tough nut to crack—too tough."

"We have fighting spirit here, and we are united. And there is a great deal of idealism in this country. We are not only fighting for ourselves. We feel ourselves trustees for civilization as we have known it. What the Germans have is not civilization. It is a medieval barbarism. We are not going to disgrace our ancestors by allowing that to sweep the world."

JAPANESE DEBATE EAST INDIES MOVE

TOKYO, June 28 (U. P.).—Japanese concern over the future status of the Netherlands East Indies and French Indo-China, and indications of possible measures to bring them under Japanese control were reflected by the Foreign Office and the press today.

A Foreign Office spokesman said that Masayuki Tani, vice Minister for Foreign Affairs, and Netherlands Minister J. C. Faber, this afternoon discussed the Japanese Government's desire that the Netherlands and the Dutch East Indies Government "actively take appropriate measures in order to definitely assure the export to Japan of desired quantities of goods from the East Indies."

SHOE REPAIR DEPT.
SATURDAY ONLY!
HALF SOLES
and
RUBBER HEELS

79c
Pr.

Choice of composition or leather soles
While you wait if desired
Use your charge account

Block's
DOWNSTAIRS STORE

NEW Watches for OLD

Let's TRADE WATCHES TOMORROW!

At ROST'S

Wear a New Watch on Your Vacation

Especially liberal Trade-In Allowances on your Old Watch—regardless of make or condition. A big money-saving opportunity to own a truly FINE timepiece. Make your selection at ROST'S—from Indiana's Largest Assortment of these Nationally Famous Makes:

HAMILTON ELGIN
BULOVA GRUEN WALTHAM

PAY WEEKLY OR MONTHLY

For 53 Years Your Dependable Jeweler

No Carrying Charge

Rost
25 S. ILLINOIS ST.

Fairway Furniture Says:

Thanks

FOR HAVING MADE OUR 4TH ANNIVERSARY SALE THE BIGGEST IN OUR ENTIRE HISTORY

The biggest Anniversary Sale in our entire history is the record set up these past few weeks. Hundreds of Thrifty Indianapolis Housewives have learned it's smart to save at Fairway. Shop tonight or tomorrow.

LAST CHANCE!

To Save on a Host of Super-Anniversary Values

Not just in one department, but all through the store you'll find amazing values. There is still time to save if you act quick! Shop tonight!

SPECIAL GIFT OFFER!
Still Good Tonight and Tomorrow



Fairway Furniture

Formerly Pearson's W. Wash. St. Store

NOW YOU MUST WEAR OUR NEW...

La Conga

A DARING PLATFORM FLAT WITH A DUTCHIE HEEL

\$1.99

Marcel Mode

for Coiffure... for real thrill to foot pleasure! There is nothing simpler than to try on a La Conga shoe and try on a pair today. We have them in black patent, linen, and kid.

JULY 4th SPECIALS! \$1.00

Hundreds of pairs to choose from. Pumps, Straps and Play Shoes and Wedgies

Always Greater Values Today and Every Day

MILLER-WOHL BASEMENT

45 East Washington St.

4 the 4th!

Kamber Clothes For Style And Coolest Comfort

From Our Own Factory DIRECT TO YOU! UNION MADE

TROPICAL WORSTEDS \$13.95

The ideal summer suit—light weight—cool as a breeze. All Wool Tropical Worsted Suits. They'll hold their shape and they'll give you a "dress-up" appearance and you'll enjoy real comfort. All models, all sizes and shades—a real buy at this price.

GABARDINE SUITS \$16.75 and \$19.75

Gabardine Suits—summer's smartest shades—ideal for business and sports wear. With odd slacks there's a "two-way" suit and for real value, you'll not equal a KAMBER GABARDINE. All sizes and models.

SPORT SLACKS \$1.95 to \$5.50

SPORT COATS \$9.95

SHIRT AND SLACK SETS \$3.95 and \$4.95

We've the SPORT ENSEMBLE SHOW of the town—fine gabardines and spun rayons—an assortment of shades that gives you the season's smartest. Tailoring found only in high priced sets. ALL SIZES—BELTS TO MATCH.

At \$16.75
HIGH QUALITY YEAR 'ROUND SUITS

Kamber Clothes

DIRECT FROM FACTORY TO YOU

36 East Washington Street