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PARAGRAPHS ON NATIONAL PROBLEMS AT WASHINGTON

By Hugo Sims
(Special Washington Correspondent)

THE GOLD CLAUSE CASES
CARRIFF LOBBIES ACTIVE
BATTLING OVER THE BONUS
FEAR PENSION DEMAND
TOWNSEND PLAN WEAKENS
WHAT ABOUT "WRITE-UPS"
REPUBLICANS ATTACK
PROPOSE-BANK CHANGES
PROPER FOR PROFIT MOTIVE

The Supreme Court decision on the gold clause cases cleared the way for Congress and the Administration to go ahead with the program of the New Deal, although the legislative branch of the government seems to be in no hurry to pass measures submitted to it.

By a five to four decision the Court upheld the power of Congress to abrogate the "gold clause" in private contracts and although the power of Congress to do the same thing in regard to government bonds was not upheld the further opinion of the Court that holders of these securities can show no loss and are hence entitled to no damages amounts to the same result.

In this connection it is hardly worth while to attempt to cover the argument presented by either the majority or the minority opinions. However, it might not be out of the way to give a few facts concerning the situation. There are outstanding about \$12,000,000 in "gold clause" governmental bonds and about \$15,000,000 of non-gold clause obligations. The gold clause bonds were issued during the war. Prof. Irving Fisher points out that the purchasing power of the dollar is now twice what it was "when the last Liberty loan was floated," and that "persons who lent the government in 1923 and now get \$1,000 back get twice as much in purchasing power."

Obviously this is what the majority of the Court had in mind when it said the plaintiff in the bond case "has not shown, or attempted (Please turn to page eight)"

Junior Order Meeting Here

About 400 people, initiates and members of 16 of the 18 Junior Order councils in this district, attended the initiation ceremonies at the local Masonic temple at which about 40 candidates were made members by a degree team from the local council, No. 41. Jake Winstead, district deputy, said, "The meeting exceeded everyone's expectations," as he pronounced it the largest and most successful session held in some time.

This meeting was held for councils throughout this district, which includes Edgecombe, Wilson, and Nash counties. The local council had the largest delegation present, having about 150 members and initiates in attendance, it was shown. It also had about 30 initiates, the deputy estimated.

The featured speaker of the evening, T. P. Gholson, a member of the state judiciary committee, of Henderson, a street parade and a barbeque supper were on the program.

The following councils were represented with large delegations: Rocky Mount, 150; Tarboro, 48; Wilson, 36; Elm City, 24; Nashville, 19; and Whitakers, 18, it was reported.

John D. Weaver, city, presided at the meeting, and Edgar V. Harris, now field secretary for the eastern part of this state, attended.

Only Macesfield and Buckhorn councils did not have a delegation at the meeting. The other councils in this district, all of whom were represented, include the following: Wilson, Rocky Mount, Tarboro, Elm City, Spring Hope, Nashville, Sandy Cross, Middlesex, Whitakers, Pine-tops, Glover, Bailey, Momeyer, Magnolia, Peachtree and Conctoe.

Readers, when you purchase goods advertised in these columns tell the merchants you saw it in

THE HERALD.

Seek \$15,000 For Market Bldg.

Money Is Assured If Someone Will Donate Site, Administrator Declares

The possibility of an up-to-date curb market building to be erected here loomed today following an interview with ERA authorities.

"I feel certain that the Emergency Relief Administration is perfectly willing to cooperate with local authorities in connection with the construction of a modern curb market building here and will furnish the materials and the labor if someone will tender a lot upon which to erect the buildings," Mrs. R. D. Bulluck, district administrator, stated when asked about the project.

The administrator then stated that she and Mrs. Effie Vines Gordon, Nash County home demonstration agent and director of the local curb market, already had made a visit to a modern market at Florence, South Carolina, and were planning excursions into Virginia and Maryland to determine the most useful type of building which could be constructed here.

The curb market proposition is listed as a "preferred project" in connection with the rural rehabilitation program furnishing a place for farmers to sell their produce, Mrs. Bulluck added.

Cost of a suitable structure for this city would total approximately \$15,000, it has been estimated, and authorities are confident that the ERA will bear the expense if someone will donate a suitable spot upon which to put the building.

Wallace Services Conducted Here

J. Wallace Is Interred At Pinetown

Funeral services for A. J. Wallace, aged man who died Thursday at the house of his son, C. W. Wallace on No. 1020 S. Church Street, were held from the son's home with Rev. A. E. Simerly, pastor of the First Christian Church, and Rev. George W. Perry, pastor of the First Methodist Church, officiating. Burial followed at Pinetown, home of the deceased.

Mr. Wallace, 75, belonged to the Methodist Church at Pinetown.

He leaves one sister, Mrs. Alice Roland, of Pinetown; and three children, Mrs. S. O. Watson; Mrs. Fred Bierman, of the same place; and C. W. Wallace, this city.

The following grandchildren also survive: Mesdames Jessie Baynor, Washington, N. C., Edith Bierman, New York City, and Meady Coekrell city, Donald Wallace, city; Ledford Stewart, Ollie, Edna, Nelda, and Josh Waters, and Joseph, Charlie, Virginia, and Nellie Bierman, all of Pinetown.

Mrs. Wallace, his wife, died about six years ago.

New Mens Store Opened In City

Messrs. Dan W. Whitlock and M. B. Whitlock have recently moved to Rocky Mount and have opened up a complete mens store and Haberdashery. They had their formal opening this morning and it is expected that this new enterprise will add greatly to the trading facilities of Rocky Mount.

They are located at 143 South Main Street. They have extended a most cordial welcome to the Citizenship of Rocky Mount and surrounding territory to visit their store and inspect their shop.

Gold decision brings revival of general business activity.

Soviet revises collective farm rules to win more members.

Rare \$20 gold coin of 1862 brings \$875 at auction.

Nazis behead two women for "betrayal of military secrets."

Here Are Nippon's Healthiest Babies



These youngsters, here being held by their proud parents, were judged the healthiest babies of Japan after a nationwide contest that was concluded in Tokyo.

Does Not The Renter Pay The Tax?

The recent hearing before the finance Committee shows that the same argument is being used to keep the State from taxing the income from foreign stocks, as was used by the special interest when they had foreign stocks exempted from taxation some years back, which argument was, "that they must not tax this class of property for if we do we will drive some wealthy citizens from the State, although it is admitted that he is not paying tax now and when he dies we will miss his inheritance tax." The second argument was, "that if foreign stocks were relieved of taxation then certain former residents of the State would receive inheritance taxes when they died." There were certain Legislators who claimed to speak with authority, who asserted that the Hon. J. B. Duke, the Honorable Benjamin Duke and other distinguished and wealthy North Carolina citizens would immediately return to the State and establish their citizenship, if these foreign stocks were relieved of taxation, and that when they died the inheritance from these estates would be sufficient to relieve the State's debt. After a great struggle the non-taxors prevailed, but these distinguished gentlemen did not return to the State and when they passed away North Carolina did not receive inheritance taxes.

Now, this very same argument was used last week before the Senate finance Committee, which was that if additional income taxes were placed on foreign stocks that certain wealthy citizens would probably leave the State and go to Florida. The attorney for one of these wealthy citizens appeared before the committee, a Mr. Vaughn of Winston-Salem, and admitted that his client's income was one million and one quarter dollars a year and that his wealth was invested in non-taxable stock and that such income tax as he was required to pay was paid by the Corporation, which would make his client's income net.

Yet the finance committee of the Legislature has rejected the McDonald-Lumpkin bill which would have reached this class of property in a small way, and left the tax on meat, meal, self-rising flour and long sweetening and all other necessary foods. Certain members of the committee appeared to be shocked and outraged when it was reported that a certain gentleman of the committee intimated that the committee might be stacked.

Our belief is that all classes of citizenship should help support the Government in proportion to their ability to pay. When these foreign stocks were being exempted by the Legislature Senator Haymore, a Republican from the Mountain county of Surry stated, "that he had attended mountain dances as a youth and that it was always a custom among the boys that all of them should help pay the fiddler and that these people with exempted foreign stocks enjoying the blessings and privileges of citizenship in North Carolina, were not observing the mountain rules in not helping pay the fiddler, as their property was being relieved of taxation."

We hear a good deal being said about the man who does not own any property not paying any taxes and that in order to reach him we must put a sales tax upon him. This is nothing but propaganda for those who buy real estate for rental purposes are expected to charge, and in most instances do charge, sufficient rental to cover interest on investment, taxes and insurance and yet we hear intelligent people say that a man who does not own a house, but who is paying a good rental, is not a taxpayer. This reasoning is absolutely fallacious and false. When a man rents a house or farm and pays a reasonable rental for same it is expected that this rental shall cover interest on investment, depreciation, taxes and insurance.

HOW LONG WILL ROCKY MOUNT NEGLECT HER CHILDREN FOR AIR PORTS

The Spring is approaching and we have called attention to the need of additional play ground space for the children of Rocky Mount. Our wee park has been taken from us for the water tank and yet the Board of Aldermen has apparently made no move in securing additional park space.

Out at the Airport dirt is being moved from place to place, one hole filled up and another one opened, being filled and re-opened and refilled. Already an excess of one hundred thousand dollars has been poured out on this piece of ground and it does not appear that the field is much more level than it was when the work was started. How long will Rocky Mount continue to pour money into this place when the need is so much greater in other directions?

Mr. J. B. Exum, the owner, has recently returned from New York where he purchased a most complete and up to date stock of merchandise, including dresses, coats and accessories.

The store held its formal opening on Tuesday morning and the attendance was most gratifying. They cordially invite the public of this city and surrounding territory to visit their store and inspect their merchandise.

N. C. Merchants Endorse Plan

RESOLUTION ENDORSING McDONALD-LUMPKIN PROPOSED TAX PLAN AS A SUBSTITUTE FOR THE GENERAL SALES TAX

Adopted by unanimous vote of the Board of Directors of the North Carolina Merchants Association February 21, 1935

WHEREAS, the Directors of the North Carolina Merchants Association have made a study of the McDonald-Lumpkin proposed tax program, and

WHEREAS, we note with pleasure that this program provides for adequate support of the public school system and the financial needs of the State without resort to any tax on land whatsoever, and

Whereas, this program contemplates the elimination of the retail sales tax with its oppressive burden upon those least able to pay and its heavy toll on the retail trade of the State and does not substitute in its place any plan that will impede or hinder trade, and commerce, and it employs the principle of ability to pay and establishes to a great extent equality in taxation as between all tax paying classes and groups, now therefore,

Be it resolved, that we endorse, the McDonald-Lumpkin tax program both in purpose and principle and lend our efforts to the end that equitable tax levies may be adopted in North Carolina to replace the most successful tax on poverty ever invented.

Young Men Are Killed Near Zebulon Sun.

Spring Hope, Feb. 25.—Frank Lee Poole, 20, of Pine Ridge was killed instantly Sunday night when the automobile he was driving at high speed failed to negotiate a curve. Poole, accompanied by Vester Bunn, also of Pine Ridge, is believed to have been racing on with another car driven by Nig Viverette of Nashville. The two vehicles collided and then crashed into a filling station on the outskirts of Zebulon. Poole was killed outright. Viverette, and Bunn were carried to a Raleigh hospital with serious injuries.

Vester Bunn died early Wednesday morning from his injuries, while doctors are of the opinion that Viverette will recover, though he is very seriously injured.

J. D. Watkins Buried Wed.

Former Warehouseman Victim Of Heart Attack At Age Of 68—Rites Wednesday

John Dillard Watkins, for many years a leading tobacconist here, died here early Tuesday after an extended illness.

A heart attack, together with complications, was given as the cause of the death of the 68-year-old former warehouse man.

Funeral services were conducted at 10 o'clock Wednesday morning from the boyhood home of the deceased at Farmville, Va. The body was taken to the Virginia city Tuesday afternoon by a local undertaker.

Mr. Watkins came to Rocky Mount from Farmville in 1910 and erected a warehouse. He remained prominently identified with industry in this section until his virtual retirement about ten years ago. He had made many friends throughout this section.

The deceased is survived by three children, all of whom reside in this city. One son, W. E. Watkins, is connected with the tobacco industry here, while one of his daughters, Miss Janie D. Watkins, is a teacher in the Rocky Mount public schools. His other daughter is Mrs. G. D. Lambeth.

His wife died in Greenville about five years ago.

Harvard study finds sun's rays are hotter in winter.

Huge Gathering of Farmers Approve Tobacco Control

Tobacco Producers Get \$122,142,000

North Carolina Money Crop Is Heavier In Sales Value This Season, Despite Decrease In Acreage

North Carolina's 1934 tobacco crop netted producers of the state \$122,142,000 exclusive of federal benefit payments or an increase of 41 per cent over the 1933 value and 245 per cent over 1932, the statistical division of the state agriculture department reports.

With all markets closed and figures complete except for one day's sales in the old belt in February, the growers sold 394,994,876 pounds of the 1934 crop for an average of \$28.46 per hundred pounds as compared with \$15.93 per hundred in 1933.

Federal rental, benefit and parity payments through the agricultural adjustment administration have been estimated at \$14,000,000 for last year, boosting the total crop value to \$136,142,000.

The increase in sales value of the state's major money crop came despite the 25 per cent decrease in the acreage harvested last year as a result of the control program. Estimated production of tobacco for 1934 was 418,802,000 pounds as compared with 538,859,000 pounds in 1933.

Tobacco played an important part in the advancement of the state from fourth to third place in the nation in total value of all crops, being worth more than half of the \$266,499,000 grand total.

The state had 514,000 acres in tobacco last year as compared with 687,000 in 1933. The value of the crop \$122,142,000 was comparable with the \$86,444,000 for 1933.

The difference of nearly 24,000,000 pounds between the estimated production of 418,802,000 pounds as compared with the actual sales of 394,994,876 pounds was accounted for by the statisticians by sale of North Carolina tobacco in Virginia and South Carolina. The department estimated 27,000,000 pounds of Tar Heel leaf went to Virginia markets with about 6,000,000 pounds being brought from that state for sale in North Carolina. The balance of the difference was said to be accounted for by exchanges over the South Carolina line.

"The flue-cured tobacco situation shows much improvement compared with a year ago," the report stated. "With July 1 stocks in the United States estimated at 770,000,000 pounds and foreign stocks of United States flue-cured leaf estimated at 580,000,000 pounds, the total carry-over into the 1934-35 marketing season amounted to 1,350,000,000 pounds. "The carry-over, combined with the 1934 flue-cured production of 564,520,000 pounds, makes the total supply 1,915,000,000 pounds, which is about 4 per cent below the supply a year earlier. The consumption of United States flue-cured tobacco during the year ended June 30, 1934, showed little change from the preceding year," the report set forth.

The report showed the largest crop value increase in the so-called new belt, from \$47,822,000 in 1933 to \$68,793,000 last year. New belt estimated production was 230,850,000 pounds in 1934 against 291,600,000 the previous year.

The old belt produced an estimated 140,600,000 pounds against 139,525,000 the year before, but growers got \$42,180,000 for the crop against \$30,148,000 for 1933.

The South Carolina belt produced an estimated 42,592,000 pounds as compared with 59,512,000 pounds in 1933, but growers received \$19,285,000 for the 1934 crop against \$7,737,000 in 1933.

The burley belt produced as estimated 4,760,000 pounds against 7,222,000 for 1933, but growers there got \$904,000 last season against \$737,000 in 1933.

E. L. CHESSON RETURNS FROM BUYING TRIP

R. L. Chesson has just returned from New York where he has been on business for the past several days. While in New York he bought a large line of new spring hats and dresses for his Ladies Shop.

Secretary Wallace and J. B. Hutson Address More Than Five Thousand Tobacco Farmers in Raleigh Represented Five States

"We must seek a long-continued, harmonious balance between supply and demand," stated Secretary of Agriculture Henry A. Wallace, Monday in an address to over five thousand farmers who crowded the Memorial Auditorium in Raleigh for a meeting that was set to determine the future of the A. A. A. tobacco control program.

Having been informed that their plea for the 1934 acreage was being denied, the farmers listened to a reasonable argument as to why the department thinks an increase of twenty two per cent, approximately, is best this year. The audience then voted to go along with the government in this decision, and asked by an overwhelming vote that the government start a sign-up for the thirty six crop, which is not covered by present contracts, that expire with thirty five.

Claude T. Hall, of Wooddale, Person County, presided at the meeting, Governor Ehringhaus introduced Secretary Wallace. After the secretary had concluded Hon. J. B. Hutson arose to explain the technical side of the question, making it clear just why the government is taking its position in the matter. He was followed by Senator J. W. Bailey, who among other things called for a show of hands, that proved conclusively, if it proved nothing else, that the farmers are enthusiastic about the control program, even though they are somewhat divided on the question of the 1935 quota. A motion was also passed to ask that the federal tax on cigarettes be reduced from six cents

Mrs. Rosa Gibson Buried Monday

Well Known Local Woman Succumbs To Lingering Illness—Rites Held Monday

Funeral services were conducted here Monday afternoon for Mrs. Rosa E. Gibson, well known local woman who died late Saturday night in a local hospital following a lengthy illness.

Dr. J. W. Kincheloe, pastor of the First Baptist Church of which the 60-year-old woman had been a faithful member, was in charge of the rites, which were held from the home of a son at No. 801 Sunset Avenue, where she had made her residence. Interment was made in Pineview cemetery.

Mrs. Gibson, who was a native of Virginia, came here in 1910 with her husband, the late T. E. Gibson, who was connected with a furniture concern. She had lived here ever since. She was removed to the hospital last Wednesday when her condition became worse.

The deceased is survived by the following near relatives: two daughters, Mrs. L. B. Pitt and Mrs. C. H. Trevathan, both of Rocky Mount; two sons, E. E. Gibson, Weldon and C. H. Gibson, this city; and one brother, John E. West, Portsmouth, Va.

Full bearers were as follows: active—W. P. Holding, C. W. Parker, T. A. Avera, J. W. Fleet, John N. Batts, J. H. Lamm, J. M. Smith, and Gilbert Creech; honorary—J. E. West, J. E. Jard, Roland Jones, H. Dempt, R. T. Owens, R. L. Shearlin, W. T. Mayo and Dr. R. S. Anderson.

FIVE DAUGHTERS WED WITHIN FOUR DAYS

Five of the 19 daughters of Frank and Jennie Speight, Wilson county negroes, were married within four days of each other the past week. Two of the five were married the same night. Frank and Jennie have 22 children, the youngest of which is six years old. There are three boys and 19 girls in the family.

Fugitive convicts rob homes and steal cars in Oklahoma.

New apparatus aids the revival of "dead" persons.