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Boosters For A Greater Salisbury

Reynold's Daughter Gets $30,000,000

July Revenue Jumps 30 Per Cent

THIS WEEK IN WASHINGTON

All the gold in the United States is now in the possession of the Federal Treasury. There are $10,000,000,000 of it. Gold is worth $35 an ounce, so that there is a total of 285,742,857 ounces of gold owned by the United States Government. This figures out at 17,858,928 pounds, or almost 9,000 tons.

Those figures are of immediate interest in Washington, because this whole 9,000 tons of gold is just about to start on its way from the vaults of the Treasury and of the Federal Reserve banks to its secure hiding place in the great new gold vault which has been constructed at Fort Knox, Kentucky.

The problem of transportation has given the Treasury considerable concern. If this 9,000 tons of gold were to be shipped in ordinary freight cars of the standard capacity of 30 tons, it would make a train of 300 cars.

That isn't safe enough, however, so specially designed armored freight cars have been provided. These will be coupled into trains filled with armed guards, and it is expected that more than 50 such trains will be required to move the nation's treasure to its new home.

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REASON FOR NEW VAULTS

There are two reasons why the gold reserve is being stored in Kentucky. One reason is that the gold storage vaults in the Treasury at Washington and in the Federal Reserve banks are overcrowded. The most important reason, however, is that this is a measure of military preparedness.

Washington and New York, military experts believe, are too exposed to attack from a foreign power in case of war. While the chances are greatly against any successful raid upon the Atlantic and Pacific Coasts, yet that is a possibility, and for years the military and naval authorities have been urging the concentration of gold and of basic industries in the Mississippi Valley, between the Alleghenies and the Rockies, to make them more secure in time of war.

Whether the United States can avoid being dragged into another general European war is a hotly debated question. That Europe will be at war within two or three years, even although the Spanish situation may not be the immediate precipitant, is now generally believed here. The hard-boiled and somewhat cynical observers of long experience feel certain that whatever our present intentions, America cannot help being involved if the expected war should drag on for a year or two.

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WAR AND CURRENCY

There is pretty general agreement that one effect of war in Europe would be world-wide currency inflation. Indeed, the international armament race has already resulted in greatly increasing the demand, and consequently the price, of a large list of commodities required by armament makers. Industrial production and consumption of goods is rising steadily.

Nearly all European nations are financing their deficits by inflation of bank credits. Thus all of the world's moneys have a lower purchasing power, measured by the gold standard, than they have had at any time since the great inflation of the German mark in 1920-21.

While the neutrality laws passed by Congress last year are an effort to prevent American bankers from financing a foreign war, the latest reports indicate that there are more than $6,000,000,000 of foreign money invested in American securities, which the governments of the various countries involved could commendeer and convert into dollars, thus enabling them to purchase war supplies here in our own money.

Anything like a United States Government loan to a foreign nation for war purposes is prohibited under the Johnson Act, to any nation which has not settled its obligations to the United States. It is anticipated here that the impending war situation may result in offers from some of the larger European nations to settle their debts remaining from the last war on some compromise basis. No serious move in that direction has been made, however.

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WORLD MARKET CHANGES

The whole problem of interna-

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Income Rises On All Lines

66-Million Increase For First Month Supports Morgenthau's No-New Tax Promise

Washington.—A jump of $66,728,906 in internal revenue collections for the first month of the fiscal year as compared with the same period last year was reported by the Treasurey with some items showing increases of several hundred per cent.

The total rose from $221,633 in July of last year to $288,326,539 in the same month this year, or almost 30 per cent. All the major categories of taxation registered gains, ranging from $12,752,211 for taxes on liquors to $36,931,477 for miscellaneous internal revenue.

The report was of special interest in view of the statement by Secretary Morgenthau last week, after a White House onference, that no new taxes would be asked at the next session of Congress.

Morgenthau said at the time, however, that his estimate was based on future prospects more than on actual tax collections so far this year.

The Treasury report showed that corporation income taxes more than doubled, rising from $14,364,533 to $29,065,623. Individual income tax payments rose from $9,598,915 to $11,052,514. Excess profits tax collections gained from $174,319, to $1,048,371.

Estate taxes increased from 14,224,356 to $29,014,452, while gift taxes jumped from $96,766 to $327,212.

Liquor taxes were up from $47,266,198 to $60,018,409, establishing a new record. Distilled spirits jumped from $16,547,846 to $23,521,873. Taxes on beer and other malt liquors increased from $29,940,473 to $35,920,901. Wines and cordials, however, dropped from $777,878 to 575,643.

In the tobacco category, all classifications showed increases except cigarette papers and tubes which fell from $72,161 to $67,070. Cigars gained from $1,088,661 to $1,185,917, cigarettes from $39,416,581 to 044,404,651, snuff from $469,297 to $575,380 and smoking and chewing tobacco from $4,763,878 to $5,063,381. The tax on bonds, issues of capital stock and conveyances yielded $2,116,357 last year and $2,479,125 this year; thansfers of capital stock $1,623,493 and $1,654,281, taxes on future delivery contracts, $261,540 and $283,024; and taxes on silver bullion sales, $69,828 and $370,249.

Tax collections on automobiles reflected the improvement in that industry, jumping from $3,089,686 to $7,706,395. Trucks gained from $466,820 to $964,581 while parts and accessories increased from $428,530 to $748,542 and tires

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7 New Paralysis Cases Reported In State

Raleigh.—Dr. J. C. Knox, director of the division of epidemiology of the State Board of Health, said Wednesday seven new cases of infantile paralysis had been reported by city and county health units in the last week.

Two cases were diagnosed in the City of Durham, he said, and Guilford, Haywood, Mecklenburg, Orange and Wilson counties each reported one. The total was an increase of five over the number of cases reported the preceding week, but a decrease of 10 from the corresponding week one year ago.

New Fabrics Feature Fall Fashions

NEW YORK . . . Above are two smart Fall outfits which are being featured in fashion parades now under way here. At the left is a cape ensemble of a soft knitted wool mixture with tiny raised flaps in white and light gray on a darker gray hairy surfaced ground. Right, seated, a model box jacketed suit of dark green tweed flecked with red. The skirt is gracefully flared.

Corn Soars To $1.37 As Drought Increases

Chicago.—Corn prices jumped to the highest peak since the postwar period Wednesday as Weather burear crop experts reported the driught was growing worse in the farm belt.

Quotations rose as high as $1.37 a bushel on the Chicago Board of Trade, again passing wheat in reversal of normal market conditions.

Corn futures, wheat, oats and rye hit 1936 highs in the wake of reports of continuing heat on the Western plains.

Barium Children Enjoy Outing At Mirror Lake

One hundred and twelve children from Barium Springs orphanage six years of age and older, enjoyed Wednesday at Mirror lake near here as guests of the management.

The youngsters had swims in the morning and afternoon, and enjoyed a picnic dinner. Joe B. Johnston, superintendent; Miss Ann Johnston, Miss Rebecca Carpenter, George Neal and Miss Lorena Clark were in charge of the group.

State Farm Goods Bring $43,177,000

Washington.—The Bureau of Agricultural Economics reported cash receipts from the sale of principal farm products in North Carolina for the first six months of this year were $43,177,000.

This compared with $34,434,000 for the same period of 1935 and $45,896,000 for 1934.

Both cotton and tobacco, the principal crops of North Carolina, are sold chiefly in the latter six months of the year.

The bureau said the gain in cash receipts was due in general to the larger quantities of products sold, since prices as a whole averaged slightly lower this year than last.

Photog Must Go To Trial Regardless

Asheville.—M. Ball, Asheville newspaper photographer, plans to attend the trial of Martin Moore, negro charged with the slaying of Helen Clevenger.

He was assigned to it by his paper to make pictures.

He was summoned as a State witness because he made pictures.

Finally, he was drawn on the special venire from which the trial jury will be chosen.

Approve Loan For N. C. Lines

Washington.—The Rural Electrification Administration has approved a loan of $310,000 to build rural electric lines in North Carolina.

The loan was to the Johnston County Electric Corporation, which plans to build 295.3 miles of lines to serve 1,535 farms in Johnston, Wake and Harnett counties.

The co-operative is sponsored by the State Rural Electrification administration at Raleigh.

The new loan supersedes a previous one for $80,000.

Log Roller Challenge

SEATTLE . . . Miss Lydia Passos (above), is a log roller in her own right and even though elected "Queen" of Lake Samammish for 1936, she's issued a challenge to all male log-rolling champs to come on and just try to dump her, during the annual festival.

John Henry Hauser Dies In Hospital

John Henry Hauser, aged killer of his son-in-law, Fred Styers, in Davie county some years ago, died Tuesday in a Winston-Salem hospital.

The oldest man to be convicted of murder and sentenced to die in the state of North Carolina, Hauser rested comfortably in a hospital in Winston-Salem, awaiting death from natural causes, rather than from having electricity shot through his aged body.

Convicted and sentenced to death, the supreme court of the state sent his case back to the superior court for another trial, but before it could be heard he had to be taken to a hospital for treatment. That was four years ago—and he remained in the institution, with the charge of murder hanging over him until death settled the affair.

Specified Age Of 28 Reached

Mrs. Babcock, Now Living in Connecticut, Assumes Full Control Of Estate.

Winston-Salem, Aug. 19—The Twin City Sentinel said today Mrs. Reynolds Babcock, daughter of the late R. J. Reynolds, had passed her twenty-eighth birthday and come into full control of her estimated $30,000,000 share of his tobacco fortune.

The Sentinel said that, although no formal announcement had been made, Mrs. Babcock, who now lives in Connecticut, had taken over control of her share of the estate which was administered until her birthday August 8 by the Safe Deposit company of Baltimore.

The will of the founder of the Reynolds Tobacco company provided that his children not gain control of their shares of his great wealth until they reached 28.

The inheritance which came to Mrs. Babcock, the paper said, is apart from the estate of her mother, Mrs. Katherine Reynolds Johnson, from which Mrs. Babcock received a life income.

Mrs. Babcock was married about six years ago to Charles H. Babcock, Jr., New York brokage employe, and they reside with their two children at Greenwich, Conn.

She is the second of the wealthy Reynoldses to receive a portion of the estate. R. J. Reynolds, Jr., oldest child, came into his inheritance about two years ago. Nancy Reynolds Bagley, second girl of the family, will be 28 in 1938.

Smith Reynolds, fourth child of Reynolds, was mysteriously shot to death here in 1932 before he was old enough to receive his principal.

His wife then was Libby Holman, Broadway torch singer, whom he married shortly after being divorced from his first wife, the former Anne Cannon, daughter of Joseph Cannon, wealthy Concord manufacturer.

A long court battle was fought over his estate with his two former wives, the child of each, and his brothers and sisters contesting. A settlement recently reached split the fortune among the contenders with participating lawyers getting large shares.

Mrs. Babcock several months ago purchased the Reynolds mansion with extensive surrounding estate Reynolda, where Smith Reynolds died of a pistol wound.

It was on this estate, which her mother developed and which includes a model village, farm, dairy and other facilities, that the four Reynolds children matured. Here, after the death of the senior Reynolds, Mrs. Reynolds-Johnson lived with her youthful second husband, J. Ewdard Johnson, who had been a teacher in the Reynolda private school.

It was here also that Mrs. Reynolds died after giving birth to J. Edward Johnson, Jr., who was coheir in Mrs. Reynolds-Johnson estate, an inheritance entirely separate from the one left in trust by her first husband.

Heynolda itself was left equally to the Reynolds children and to Mrs. Reynolds-Johnson's second family, husband and son. However, soon after her death, Johnson took his son to Baltimore where he now lives.

For years the Reynolda estate was silent except for the presence of caretakers, as the Reynolds children scattered abroad.

Once more it echoed to the gaiety of young people in 1932 when Smith Reynolds, somber young flying millionaire, brought his Broadway crooner bride, Libby Holman, here for his honeymoon, accompanied by a number of guest.

Following a gay party, Smith was found fatally shot.

—Buy In Salisbury—

U. S. Plans Seed Program For Farmers

Will Purchase Seed Supplies

Drought Area Committee Begins Tour of Arid West To Report To The President

Washington. — A $10,000,000 seedpurchase program to help farmers whose grain for next season's planting was destroyed by drought was framed this week by administration officials.

While the seed program was discussed, the drought's devastating effects were reflected on many fronts. Increased farm and food products prices pushed the wholesale commodity price index up one per cent. The forest service reported 1,078 fires during the first 10 days of August. Shortages of red spring and durum wheat foreshadowed continued imports.

Looking toward a long-range solution of the arid West's problems, the Great Plains Drought Area committee headed west for a 3,000 mile trip through the hardest hit regions, winding up with a report to President Roosevelt at Pierre, South Dakota.

Plans for purchasing grain seed through the Federal Surplus Commodities corporation on funds from the Farm Credit administration were made at a conference between F. R. Wilcox, President of the corporation, and W. I. Myers, farm credit governor.

But officials said it might not be possible to make an announcement before Tuesday of next week.

Technicians employed on the project said the Farm Credit administration would lend "not more than 10,000,000" to the Federal Surplus Commodities corporation to purchase seed supplies of spring wheat, oats, rye, barley and other grains except corn, for resale to farmers.

The price to farmers would represent the cost to the government plus carrying charges. Sales would be made on a cash basis.

Decision to finance seed purchases through the Farm Credit administration was said by officials to have resulted from a conference with Secretary Morgenthau who objected to direct loans to farmers by the Commodity Credit corporation.

The secretary, however, was reported to have approved commodity credit loans to farmers on seed corn sealed in farm cribs. The corporation made loans on farm stored corn following the 1934 drought from which seed subsequently was sold to farmers whose grain was not suited to planting.

Jesse W. Tapp, chairman of the Agriculture Department's drought committee, said a telegram from associates in Nebraska reported that State would need 1,000,000 bushels more seed corn for the 1937 crop than currently was in prospect from the 1936 harvest. Even Iowa, which normally produces 16 per cent of the nation's commercial corn supplies, was expected to go beyond its own boundaries in search of seed for the new planting.

Report Road Program 90 Per Cent Completed

Raleigh.—Chief State Highway Engineer, W. Vance Baise said North Carolina's $1,890,000 county road betterment program, started last spring, now is about 90 per cent completed.

W. F. Hess, 65, Ends Life With Pistol Shot

William F. Hess, 66, railway car repair man, was found dead of a pistol wound in the heart near his home Tuesday night. A note found beside the body said he had been in ill health. A pistol was found nearby.

●Buy In "Greater Salisbury".

Tax Checks Help Swell N. C. Coffers

Raleigh.—Three tar checks totalling more than $4,000,000, received by the State during the last month, helped swell the cash balance of North Carolina's general operating fund from $600,787.17 on July 1 to $5,509,503.17 on July 31.

The combined monthly treasurer's and auditor's statement, released on Tuesday by Governor Ehringhaus, shows the total cash in the treasury as of July 31 was $24,441,521.41.

A total of $6,341,309.79 in general fund receipts for the month were reported, against expenditures of $1,432,593.79.

The highway fund, which had a balance of $9,795,408.03 on July 1, showed receipts of $2,613,556.83 during the month, and erpenditures of $1,600,000, for a balance of $10,808,964.86 on July 31.

BENT FENDERS

Woman driver—"Can you fix this fender so my husband will never know I bent it?"

Garage mechanic—"No, but I can fix it so that you can ask him in a few days how he bent it."

Library, Catawba College