

Generally fair tonight; Saturday increasing cloudiness, possibly followed by light rain.

# The Times-News

Largest Daily Circulation of Any Newspaper in North Carolina in Proportion to Population

Sleeping with the window open is reported to be good for insomnia. So for that matter is sleeping with the window shut.

## FRENCH LABOR RENEWS STRIKES-RIOTS

### Warns U.S. May Control Lending Agencies

#### ECCLIES SEES STEP IF BANKS ARE INACTIVE

Reserve System's Board Chairman Addresses Banking Institute

#### AFFIRMS FAITH IN AMERICAN SYSTEM

NEW YORK, Dec. 2. (UP)—Chairman Marriner S. Eccles of the board of governors of the federal reserve system warned the nation's bankers last night that they must loosen frozen funds to meet current credit needs or face public reprobation and government control of lending agencies designed to assure the free flow of capital.

To survive, he told the American Institute of Banking, the members of today must adapt his lending policies to current borrowing needs of his community. The alternative is that the reserve system is likely to demand and Congress enact legislation setting up government agencies that will "take the needs," he said.

Addressing himself especially to the younger men in the banking profession, Eccles affirmed his faith in a capitalistic democracy but reminded them that they have a public responsibility which they cannot thrust aside if they wish such a democracy to continue in the United States.

"Capitalistic democracy has more than justified itself in the past," he said. "There is no reason, except our own failure to understand the nature of our economy, why it cannot achieve even greater results in the future. He said that while government would not, as a general principle, encourage, displace or seek to compete with private enterprise, it must, however, provide for those whose private enterprise has failed or is unable to provide, especially when "every reasonable opportunity for profitable operation and for giving employment" has been granted by the private employer.

So far as the banks are concerned, he said, the dilemma has been solved by allowing the banking system to adapt its credit policies to current requirements of the community, particularly in making longer term, amortized loans. He recalled his testimony in connection with the 1935 banking act, in which he told a congressional committee that if the banks did not enter the long-term lending business "their earnings will suffer and the justification for their existence disappears."

Banks no longer should be hamstrung by archaic rules and regulations," he continued. The federal reserve system, acting under the 1935 law, has done much to remove restrictions so far as bank examination and investment policy is concerned. With this objective, he said, the banks need not be restricted to super-liquid assets, since the federal reserve's banking system is thus broadened to provide liquidity in case of need.

He said that if the government were forced to take over the national lending field, it would mean only competition with private enterprise but also place added (Continued on page four)

#### Healthiest in the Land by 4-H Verdict



Healthiest of two million 4-H club members are these boys and girls, selected at the 4-H congress in Chicago. Left to right: Kendall Wilson, Iowa; Hubert Littlefield, Louisiana; Gerald Hawley, Nebraska; Britt Phillips, Georgia; Barbara Beebe, Iowa; Jeffie Poland, Louisiana; Ruth Mason, North Carolina; Louise Johnson, Alabama.

#### COUNTY'S NEW OFFICERS TAKE OATH MONDAY

Will Be Inducted Into Office by Clerk George W. Fletcher

Henderson county officers, elected in the November election, will be sworn into office at the county court house on next Monday morning by clerk of the superior court George W. Fletcher.

#### Both Girl Scout Troops In Award Court Next Week

Miss Ruth Johnson To Be First Girl Here to Get Eagle Badge

Miss Ruth Johnson will be given the first Eagle badge awarded to a Girl Scout in Hendersonville at a joint court of awards for Troops 1 and 2, to be held on Tuesday night, Dec. 6, at 7:30 o'clock at the high school auditorium.

#### OVER 70 DROWN IN FLOOD IN ANATOLIA

ISTABUL, Turkey, Dec. 2. (UP)—More than 70 persons were drowned and many homes and cattle destroyed in a sudden flood which swept Orfa area, in eastern Anatolia, today.

#### Nursery School's Benefit At State Saturday A. M.

A full two-hour program of motion picture entertainment will be presented tomorrow morning by the management of the State theatre as a benefit to matinee for the nursery school.

#### SANTA CLAUS WILL BE HERE AGAIN SATURDAY AS SCHOOL DAY MARKS CHRISTMAS TIDE

Several Schools in County Will Compete for \$50 in Cash Prizes

School Day, when the several schools in Henderson county will compete for cash prizes totaling \$50, will be observed Saturday in Hendersonville.

It will be the second event of the Christmas season, the first having been window shopping night last Tuesday when a large crowd viewed displays of Christmas merchandise, completed in a "scrambled word" contest, heard the high school band play Christmas carols and gave a hearty welcome to Santa Claus. Judges of the contest, in which scores of window shoppers copied scrambled words and arranged them into phrases or sentences, were busy today reading the entries, and will announce the winners of the \$5, \$3 and \$2 cash prizes Monday. Entries will be received until 5 p. m. Saturday. Seventeen business firms co-operated with The Times-News in conducting the contest.

#### 5-Year Boy Scout Expansion Plan To Be Discussed

Supper Meeting for Leaders Will Be Held Next Tuesday Night

A five-year program of expansion in Boy Scout work in Henderson county, and immediate plans, will be discussed at an important meeting at the Scout center on next Tuesday, Dec. 6.

#### BORRERO RESIGNS

QUITO, Ecuador, Dec. 2. (UP)—Provisional President Manuel Maria Borrero last night tendered his resignation to the national assembly which voted immediately to accept it.

#### Rumanian Fear Of Invasion By Hungary Believed Cause Of Purge

BUCHAREST, Dec. 2. (UP)—Fear of a Hungarian invasion designed to regain territory which Rumania acquired from Hungary after the World war last night was believed responsible for a ruthless campaign to wipe out the Fascist Iron guard.

#### MORE REVISIONS AHEAD FOR EUROPEAN FRONTIERS BEFORE APPEASEMENT IS REALIZED

Italian Statement on Return of Colonies by France Opens New Phase of the Situation in Europe

BULLETIN ROME, Dec. 2. (UP)—The authoritative Giornale D'Italia today announced that the Italian nation is ready to march against France, if necessary.

The newspaper frequently reflects the views of Premier Mussolini and its declaration coincided with the sudden strain of relations between Italy and France because of Italian demands for colonies at the expense of France.

By WALLACE CARROLL Copyright, 1938, by United Press LONDON, Dec. 2. (UP)—There was increasing evidence today that further revisions of European frontiers must be made before the hope of general appeasement can be realized. Dispatches told of territorial disagreements between Italy and France, Czechoslovakia and Poland, and Rumania and Hungary.

Italian political circles interpreted the long political statement Wednesday for Foreign Minister Galeazzo Ciano as opening a new phase of the European political situation, in which Italy will take a leading role. Foremost on his program is an attempt to better relations with France—at a price. His speech was interrupted by inspired cries, in the presence of the French ambassador, which could be interpreted as a demand for return of Tunisia and other present French territory, formerly Italian.

An editorial last night in the Leghorn Telegrafo, owned by Ciano's family and believed to reflect the foreign minister's views, intimated strongly that when Ciano mentioned "natural aspirations" in his Wednesday speech he meant that Italy will press for return of Tunisia, Savoy, Corsica, Nice and Djibouti—all held at present by France—as the price of Italo-French friendship and peace.

Both the spirit and principles of Munich should continue to prevail," the Telegrafo said, "in order that past injustices will be straightened out and colonial ratifications effected. If there are in (Continued on page six).

#### J. B. Jackson Dies This Afternoon

J. B. Jackson, father of Mrs. Paul W. English, died suddenly shortly after noon today at the home of his daughter in Druid Hills. Death was ascribed to a heart attack.

#### PRESBYTERIANS TO HEAR MISSIONARY TO INDIA SUNDAY

Rev. Dr. L. T. Wilds, pastor of the Presbyterian church, today announced that Dr. Geo. B. Archer, missionary with 30 years experience in India, will speak at the Presbyterian vesper service, 5 p. m., Sunday, December 4.

#### 8 ARE KILLED ABOARD MEXICAN AIRLINER

MEXICO CITY, Dec. 2. (UP)—Five passengers and a crew of three were killed when the Lockheed plane of the Compania Mexicana de Aviacion crashed today into a hill shortly after leaving Mexico City for Merida, Yucatan. All aboard were Mexicans.

The crash was due to a thick fog. MUFFLES FATAL SHOT BOGOTA, N. J., Dec. 2. (UP)—Not wishing to alarm his neighbors, Montgomery Ascanyan, 30, yesterday wrapped blankets about his head and shoulders and fired a rifle bullet into his brain.

#### As Wives Go, So Go Nations



Mrs. Wilson



Frau Dieckhoff

Experts in international diplomacy say the two women above are best clues to relations between United States and Germany. Frau Dieckhoff, wife of the German ambassador to United States, remains in Washington while her husband returns to Berlin. Mrs. Wilson stays in Berlin while her ambassador-husband comes home. When the wives pack up and sail, then it's serious.

#### NAZIS EVADING PROMPT REPLY TO U. S. NOTE

New Broadside Launched Against Jews in U. S.; New Decrees Out

BERLIN, Dec. 2. (UP)—Nazis last night accused American Jewry of being interested only in a "policy of hate" against Germany and refusing to extend real practical aid to the Reich's 700,000 Jews caught in Chancellor Adolf Hitler's newest anti-Semitic drive.

The charge, accusing Jews in the United States of "dishonesty in the immigration question" and contending that the United States has absorbed only 10,000 of 130,000 Jews emigrating from Germany, appeared in the mouthpiece of Propaganda Minister Paul Joseph Goebbels, the newspaper "Der Angriff."

Simultaneously, the German government evaded an immediate (Continued on page six).

#### GOVERNMENT'S PUNITIVE STEPS CAUSE UNREST

Sequel to Drastic Action in Strike Blocked by Martial Law

#### LOCK OUT 200,000 IN PARIS SECTION

PARIS, Dec. 2. (UP)—French labor replied to severe government punitive measures today with sporadic riots and a wave of strikes.

These hundred discharged workers attempted to storm the factory at St. Louis. They stoned mobile guards and six passing trains. At St. Lille strikers upset and demolished two street cars and stoned mobile guards.

At Valenciennes gendarmes arrested M. Thomas, chief of the Metal Workers union, in a nail factory which had locked out the workers.

More than 200,000 workers in the Paris industrial region are locked out but only 30,000 have been discharged.

At Havre, workers in steel and textile industries decided to call a strike to force the re-employment of 3,600 discharged strikers.

#### DALADIER REMAINS SURE OF STRENGTH

PARIS, Dec. 2. (UP)—A new wave of strikes early today brought out troops and mobile guard reinforcements throughout France as workers revolted against the wholesale firing of about 700,000 employees in reprisal for Wednesday's abortive general strike.

A general strike in the shipyards and government aviation factories at Saint Nazaire was ordered for this morning.

The big Schenck arms plants at Le Havre occupied by troops, who turned out 3,000 discharged workers who attempted to stage a sit-down strike.

The Riviera playground of Nice was virtually paralyzed. Troops were used at Toulon, Bourges and Nantes to suppress labor troubles, including the attempted occupation of factories.

Premier Edouard Daladier, sure of his strength after crushing the general strike, was prepared to repeat his show of armed force to break the new strike flareup in its infancy.

The general confederation of labor, which ordered Wednesday's strike, ordered 100,000 workers in the national defense and other industries and in new private industries to obey "new instructions" in resisting Daladier's stern punishments and mass firings.

More than 700,000 workers, or nearly three-fourths of all those who joined the general strike in defiance of military requisition orders, were estimated to have been suddenly thrown out of jobs.

Daladier the "strong man" locked out strikers from the nationalized arms and aviation plants and utilities for their defiance of his military decrees and private industries rapidly followed his lead.

The cabinet fired labor's anger by ordering punitive measures against labor leaders who directed the strike organization and by orders for sanctions within three days against 1,000 government employees who deserted their posts.

The premier and war-minister summoned parliament to meet (Continued on page four)

#### 19 Shopping Days Till Christmas



OHIOANS WERE BOOSTING SENATOR HARDING FOR PRESIDENT.

LOOKING BACK TO CHRISTMAS 19 YEARS AGO—Ohioans were boosting Senator Warren G. Harding for President. . . . With coal famine threatening cold Yuletides, Kansas governor called for 1000 volunteers to dig coal. . . . Country in grip of crime wave, with 300 murders in year for Chicago alone. . . . Fear that Kaiser would return to rule Germany. . . . Steel industry stunned by passing of Carnegie and Frick.

#### Police Puzzled By Story Of Girl, Said Kidnaped; Home Unharmed

OXON HILL, Md., Dec. 2. (UP)—Mary Brown, 18-year-old convent student who was kidnaped by three men late Wednesday, stumbled into her home here late last night, sobbing hysterically, her clothing virtually torn to shreds.

The comely girl, who was seized near her home late in the afternoon while returning from Notre Dame Academy Business school in nearby Washington, told police that she was returned in the same truck in which she had been held captive for nearly 30 hours.

Speaking almost incoherently, she said that she had not been criminally assaulted but that her captors had "knocked me out with their fists" several times. She said she had been kept blindfolded and could not identify the three men "except that one of them had a mustache."

According to the girl, the three (Continued on page six)