# CHINESE SINK JAP WARSHIP

## Japanese Turn Down Proposal | HEAVY DAMAGE DONE | Most Severe Fighting Since For Peace Accepted By China BY EARTH TREMORS

Japan Unalterably Opposed To Neutral Participation In Negotiations For Peace

COUNTER-PROPOSALS WILL BE SUGGESTED

Chinese Take Measures To Bring About Cessation Of Hostilities After Accepting Peace Proposals

Tokyo, Feb. 3.-(AP)-Japan is analterably opposed to any proposal for neu ra- participation in negotiations regarding Manchuria Kenkichi Yoshizawa, the foreign minister, said tonight after consilting Prince Salonji, the Oracle

Tomorrow he said he will preent to the diplomatic represen-taives of the powers participating in proposals to settle the Sino-Japanese conflict ,a reply which aill be in the form of a series of counter proposals suggesting modification of certain points which Japan finds unacceptable.

China Accepts Nanking. Feb. 3.—(AP)—China accepted the British and American peace proposals today to bring about a cessation of hostilities between herself and Japan.

The acceptance was announced by the foreign office and steps were immediately taken to avoid further fighting shortly after a group of Chinese aviators, with dramatic ceremony, had their wills and then been photographed, resolved to give up their

# LEAGUE **of Nations**

Says Body Not The Same As Favored by Former President Wilson

Albany, N. Y., Feb. 3.-(AP)-Governor Franklin D. Roosevelt, who is 1920 stumped the country for Woodrow Wilson's League of Nations, last night declared he opposed American participation in the league.

"The League of Nations today is not the league conceived by Woodrow Wilson," said Mr. Roosevelt, a candidate for the Democratic nomination for the Presidency.

It might have been had the United States joined. Too often through the years its major function has been not the broad, overwhelming purpose of world peace, but rather a mere meeting place for the political discussion of strictly European political diffi-culties. In these the United States should have no part."

Roosevelt proclaimed against cancellation of European debts and said he favored an international trade conference to level tariff barriers.

The governor blamed the Smoot-Hawley tariff act for trade walls rected by customer nations as a re-

Dally Dispatch Bureau, In the Sir Wulter Hotes BT J. C. BASKEBULL,

Raleigh, Feb. 3.—The majority of

the State employes are taking the

salary cuts, just announced by the

Personnel Division, with better grace

and leas complaining than usual and

with much less grumbling than was

expected. Most of them are not com-

plaining, but are going ahead with

their work—in many cases more work than before—inspite of reduced pay

There are exceptions, of course,

since there is always a minority that

ate never satisfied with anything and

onging to this group are still dissat-

isfied, as is Commissioner Frank D.

Grist of the eLabor Department, al-

though his salary was not reduced. But the rank and file of the em-

ployes believe that the Personnel Di-

Advisory Budget Commission did

their work as fairly and as con-scientiously as they could and that

very little discrimination was shown.

Many employes frankly admit that

they expected to have their salaries

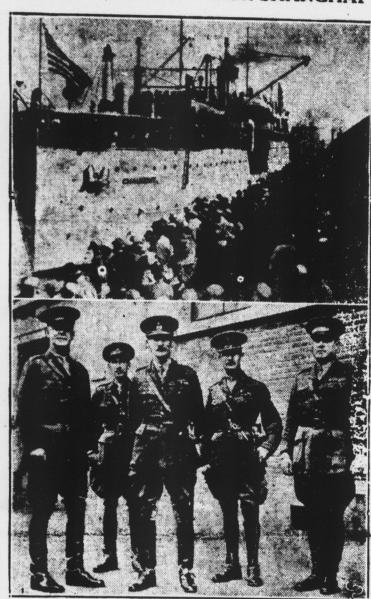
cut more than they were and that months.

on. Governor Gardner and the

find fault with everything. Those be

and making the best of it.

**ARMY TROOPS OFF FOR SHANGHAI** 



For the first time in 32 years, with | in Shanghai. Left to right are the exception of the World war, Col. Richard Hooker, commander regular army troops have been ordered overseas for emergency duty. Top photo shows the U.S. ermy transport Chaumont, carrying the crack 31st infantry regiment from Manila to Shanghai. Below is an exclusive photo of the i ish forces in Shanghai, and Col.

of the U. S. marine force in Shanghai's international settlement; Major Price Williams of the British defense forces; Maj. Gen. Borrett; Brig. Gen. Richard Fleming, commander of the Brit-American and British commanders | E. A. Baker, fourth U. S. marines.

## Germany Joins Movement whose killing with murder. The threat For Peace In Far East with Donaldson and within a short time of the firing of the fatal shot-

Berlin, Feb. 3 .- (AP) -- Foreign of - ment conference at Geneva. ice circles intimated today that the German government has instructed called for careful avoidance of any its ambassador at Tokyo and its ministers at Nanking to make verbal re-Chinese governments in the interest of a peaceful solution of the Sino-Japanese conflict.

The instructions were sent, it was received a report last night from the pare closely with the wishes of ex-German delegation at the disarma- pressed by the other league powers.

as much left as they now have.

deal to do with the excellent attitude

and spirit with which most of the

employes have accepted their salary

cuts and gone on about their work

without complaining, has been the size of the cuts given the higher sal-

arier appointive officials. In the past

one of the loudest complaints voiced

by he smaller salaried employes has

been that they have had to bear the

brunt of the salary cutting while the

high salaried employes and depart

ment heads have continued to re-

ceive their big salaries. But this time the officials with the larger salaries

have taken for the most part the big-gest cuts, except those elected of-ficials whose salaries have been fixed

by law and which could not be reduc-ed by the Personnel Division or the

In fact, most of the employes have

at last come to realize that the State

just does not have the money to operate on the basis it formerly did

and that it was a case of either work-

ing for less money or facing the pos-sibility of being laid off for several months.

Advisory Budget Commission.

The instructions, it was understood thing interpretable as pressure but asked the diplomats to convey Ger presentations to the Japanese and many's sincefe wish that hostilities cease in the far east, that Japanese forces withdraw from Shanghai, and that the two nations agree to meet for peaceful negotiations to settle indicated, after the government had their disputes. These suggestions com-

### State Employes Taking MACHINERY TO CUT Cut With Good Spirits WORLD ARMAMENTS BEGINNING TO they are decidedly pleased at having Another factor that has had a good

Procedure Committee Named To Chart Course Of Action At Geneva Conference

WILL DECIDE UPON **COURSES OF ACTION** 

Work To Bring Peace To World Begins In Switberland As Representatives of Sixty Nations Meet

Geneva, Switzerland, Feb. 3.—(AP) The first wheel of the machinery which is intended to slice world armaments again turned today with the organization of the procedure committee of the conference at which representatives of 60 nations are at-

(Continued on Page Five.)

Eight Reported Killed And 300 Injured In Earthquake In Cuban Metropolis

**HEAVY DAMAGE DONE** TO PROPERTY AZSO

Information Regarding The Tragedy Is Sent To Havana By Mayor of Stricken City Today

Washington, Feb. 3.— (AP)— The navy was advised today that no Americans were injured in the

Santiago earthquake.

A navy airplane which was sent from Guantanamo Naval base to the earthquake scene estimated that ten were killed and 200 in-

Santiago, Cuba, Feb. 3.—(AP)— The mayor of Cantiago reported today that eight persons had been killed and 300 injured in the earthquake which struck this city in the night.

There was great property damage and the prison building suf-fered heavily. Several prisoners escaped but a number of others were injured. The mayor ordered gas and electricity cut off to avoid fire. Officials were consident they could handle the emergency.

This information was contained in a report from Mayor Aznar to the Secretary of the Interior at

Earlier reports said there had probably been 2,000 killed and in-

Rose Allen Takes Stand In Trial of Brother For Murder

Norristown, Pa., Feb. 3.-(AP)thin and pallid, faced her brother Edward, in a crowded courtroom today and told of his threats to kill her fiance, Francis A. Donaldson, III, for whose killing he is on trial charged with murder.

The threat was uttered, she said, whose killing he is on trial charged

in the midst of a wordy row between Edward and herself over her relations

gun charge.

After stating that she and Donaldson had been engaged since last July Miss Allen related the incident of the night of the killing. The girl gazed steadily at counsel

#### APPROVE FUNDS FOR CONTROL OF FLOODS

table while she testified.

Washington, Feb. 3.—(AP)—Allotment of \$25,000 for emrgency flood protection on the Ouachita, Black and Red rivers and tributaries in Liouisiana and Arkansas was approved today by Secretary Hurley.

### AVERAGE PRICES FOR **AUTO TAGS SMALLER**

Raleigh, Feb. 3 (AP)-The average price paid for 1932 licenses for cars in North Carolina was \$15.09 during January or 33 percent below the average for the same month in 1931.

The 1931 general assembly changed the methods of licensing automobiles and trucks from horsepower to weight.

#### PROMINENT MAN IN **CHARLOTTE SUICIDES**

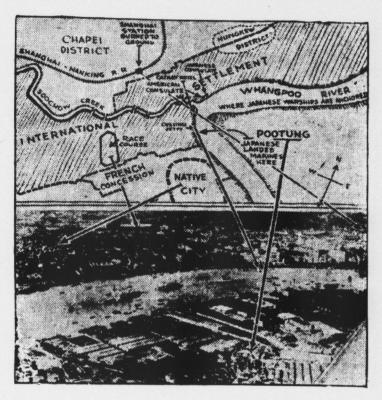
Charlotte, Feb. 3. (AP)-Thoms M. Shelton, for more than 40 years an active figure in the business life of Charlotte, killed himself here to-day. He was 63 years old.

He had been in in mealth for more than a year and while alone in his bedroom this morning he strangled himself with a sheet.

FOR NORTH CAROLINA. Rain tonight and Thursday; older in he interior Thursday;

# Hostilities Began Reported From Shanghai Area Today

SHANGHAI CRISIS AT A GLANCE



This map and air view of Strong of the Orient. Arrows indicate hai depict the recent develop- the sections which have been menments in the war-torn metropolis I tioned largely in dispatches.

## Note From Marine Leader In Shanghai Is Puzzling

Colonel Hooker, commanding the marines at Shanghai, has arrangevacuate the "marine sector" in the international settlement at 8 a. m. Thursday (Shanghai Time). On receipt of the Hooker mes

e, navy officials said they did not know what the "marine setor" referred. It was not taken to

fore policed entirely by the marines. Colonel Hooker said the British

would finish taking over the marine sector at midnight, Shan ghal time, thirteen hours ahead of Eastern Standard Time

000 road construction and unem-

ployment relief measure as a sub-

ANOTHER DESTROYER

ORDERED TO SHANGHAI

destroyr tender Black Hawk has

been ordered from Manilla to

Washington, Feb. 3-(AP)-The

direct aid to the jobless.

mean Japanese troops were

evacuating the whole settlement

but rather that they were giving

up control over a sector hereto

### Another Bill For Aiding Jobless Is Offered In Senate THEIR EVACUATION Washington, Feb. 3.— (AP)— Democratic leaders in the Senate today agreed to offer a \$750,000,-OF NANKING TODAY

Regardless of Announce. ments That They Will Be. Protected, Many Are Leaving

BRITISH SHIP TAKING MANY TO SHANGHAI

American Destroyer Also Stands By To Evacuate Americans From River Port If Necessary

Nanking, China, Feb. 3.—(AP) -American and British women Nanking this afternoon, travelling by boat to Shanghal. Foreign business men and missionaries had not yet decided to leave the

The British river steamer Woosung left with more than 40 women and children including the families of employes of the American International Export Company, the Texaco Company and the British-American Tobacco company.

The Americans who could not get aboard the Woosung will be taken up to Shanghai on the U. S. S. Simpson, a' destroyer. Altogether 36 American women and children were being taken out of Nanking.
General Ho Ying Chines.

minister of war, said there was no reason for foreigners to feel anxious "for I guarantee adeequate protec-

DESTRÖYER EDSALL SENT TO NANKING

Washington, Feb. 3—(AP)—The destroyer Edsall had been erdered from Shanghai to Nanking to augument the Simpson stationed there.

Of River CHINESE FORCE STILL IS HOLDING TO POINT

Chinese Guns From Fort Of

Woosung Send Jap De-

stroyer To Bottom

American Cruiser Houston Arrives At Scene Of Hostilities And Receives Warning To Halt

Shanghai, China, Feb. 3-(AP)—Chinese guns from the fort of Woosung sent a Japanese destroyer to the bottom of the Whangpo river, Chinese headquarters here announced tonight.

Further than that the announcement said, the Chinese garrison still held the fort despite a raking fire from Japanese warships in the river.

Fighting Is Severe Shanghai, Feb. 3 (AP)-The most severe fighting since the outbreak of hostilities at Shanghai, raged today as the Japanese land forces and airplanes delivered another smashing attack on Chapei while the Japanese river rained shellfire on the Woosung fort, sixteen miles

Houston Arrives. The United States Cruiser House tion, flagship of the Asiatic fleet

(Continued on Page Piva)

## **FUK BIGGER NAVY**

Declares Dark Shadows Of War Are Rising In Far East Today

Washington Feb. 3.—(AP)—Representative McFadden, Republican, Pennsylvania in the house today took the position that postponing action on the \$616,250,000 maval construction bill was "most foolhardly."

"Today the dayk shadow of war clouds rises on the western horizon of the Pacific," he said. "A determined military empire with the tradition and equipment, of warfare sweeps aside treaties and conference agreements as they were swept aside in that July of 1914 when the hell broth of the wor'd war was being brewed in the ke c.les of European dip-

### Political Campaigns In State Start This Week

Daily Disputch Bureau. In the bir Wutter Hotel. BY J. C. BASKERVII.L.

this his headquarters in his campaign for the Democratic nomination for Governor in the primary next June, political circles here are expecting political interest to increase steadily from now on. For A. J. Max-well, one of the other two candidates Governor, lives in Raleigh and nafrom here while Lieutenant Governor R. T. Fountain, the third candidate, is expected to open headquarters in Raleigh some time soon.

There is still the possibility that Josephus Daniels, editor and pubisher of The News and Observer and one time cabinet officer, may become candidate, while friends of Speaker Willis Smith and General Albert L. Cox, both of Raleigh and of A. D. MacLean of Washington think there is still a possibility that one of these three may run.

A majority of the observers here, however are inclined to believe that there will be no additional candidates in the race, in spite of the conten-

thon of many here in the east that Daniels will eventually announce. It Raleigh, Feb. 3.—With J. C. B.) is also the conviction of most of these Ehringhaus already in Raleigh to between the three present candidates that a second primary is almost inevitable .with Fountain's chances looking better at present than those of either Ehringhaus or Maxwell. For the opinion here is that Ehringhaus and maxwell are appealing and will continue to appeal to the same time of voters, that they thus will underturally will conduct his 'campaign cut each other and make it possible or at least be high man in the first primary with a minority vote.

The friends of both Ehringhaus and Maxwell realize this, but believe that in a second primary either, Ehring-haus or Maxwell would win against Fountain. But many of the old litical heads doubt this and believe that the followers of the lowest man in the first primary will be more likely to go to Fountain in the second primary than to the second since they will blame the man is second highest for the defeat

their candidate and thus vote (Continued on Page Six).