

Peace Effort At Shanghai Failure

PLAN FOR SALE OF GOVERNMENT BONDS TO HALT HOARDING

Campaign Plans Are Outlined By Col. Frank Knox In Statement Today

DETAILS FOR DRIVE NOT YET CERTAIN

Only One Difficulty, That Of Shortage of Needed Bonds, Is Expected By Leader of Effort

Washington, Feb. 18.—(AP)—Plans for a government bond selling campaign to decrease hoarding—patterned after the first liberty loan drives—were announced today by Col. Frank Knox, chairman of President Hoover's Anti-Hoarding Commission. The securities to be issued by the treasury are designed specifically to draw money out of hoards and safety deposit boxes, Knox said, and will be in low denominations. Details of the issue however, remain to be worked out at a conference with Secretary Mills, of the Treasury Department today. "I anticipate only one difficulty," Knox said. "It is in getting a sufficient quantity of securities from the Treasury Department to satisfy the demand for them."

YOUNG DEMOCRATS POSTPONE DINNER

Jackson Day Meeting Not to Be Held Until After Primary Election

Raleigh, Feb. 18.—(AP)—In the hope that the Democratic presidential nominee may be brought here as the principal speaker, the Young Democrats State organization has decided not to hold its Jackson Day Dinner until after the National Democratic Convention at Chicago.

Edwin M. Gill, chairman of the Jackson Day Dinner committee announced the decision today. Explaining that all factional lines within the party in the State will have been erased after the primary, Gill said the dinner committee had decided the affair could be of more value to the party if held prior to the general election than following the primary than before the primary as was originally planned.

FIREMAN BELIEVED KILLED IN BLAZE

Ten Others Injured In Fire At Kansas City Grain Elevator Today

Kansas City, Feb. 18.—(AP)—Two firemen were believed killed and ten others were injured, two of them dangerously, in a fire and series of dust explosions that destroyed the Central unit of the Kansas-Missouri elevator here today. The body of William McDaniels, member of the First Fire company to arrive, was believed buried beneath tons of debris. Frank Noon was burned probably fatally and Frank Stark another fireman received severe injuries when he leaped from a fourth story window. The unit destroyed contained 100,000 bushels of wheat and a large amount of machinery.

HINES IS OPPOSING EXTENDING POLICY

Washington, Feb. 18.—(AP)—Veteran Administrator Hines today advised a House Veterans committee against any further extension of the federal hospitalization policy.

WEATHER FOR NORTH CAROLINA.

Partly cloudy, slightly colder in central and east portions tonight; Friday, cloudy followed by rain in the extreme west portion; fresh north winds.

Jap Reservists Set to Fight



During the piping times of peace these Japanese nationals in Shanghai went about their business as everyday working citizens, but with the coming of Japanese warships and troops to Shanghai they immediately picked up their rifles and prepared to fight for the flag of the rising sun. They are reservists of Japan's army and the band worn on the arm denotes that they are soldiers and not irregular bandits. Note the man in the foreground—apparently all the clothing he wears under his overcoat is his underwear.

Youth Arrested In Chicago Admits Robbery In Winston

Chicago, Feb. 18.—(AP)—The son of a prominent Chicago banker said today that William Pryor, 19 year old, one of four youths arrested after an attempt to burglarize a barbecue stand here, confessed robbing a bridge party in a suburb of Winston-Salem, N. C., last March of \$20,000 in jewelry. Pryor named Wallace N. Scates, as his accomplice and said the jewelry was pawned in New York for \$1,000, the police declared. Robbed Last March. Winston-Salem, Feb. 18.—(AP)—Two bandits armed with a sawed-off shotgun and a pistol entered

Louisburg Man Is Killed By Trolley In Richmond, Va.

Richmond, Va., Feb. 18.—(AP)—Raymond G. Bailey, 31, a Louisburg, N. C., attorney, was killed instantly yesterday when he threw himself in front of an interurban trolley. Coroner James M. Whitfield returned a suicide verdict. Physicians at Westbrook sanitarium, where Bailey was a patient, said he had been "depressed" since he entered the institution last November.

BANK OF ENGLAND REDUCES ITS RATE

Action Followed By Similar Move In Sweden And Norway Today

London, Feb. 18.—(AP)—The Bank of England extended a helping hand to the commercial community and a financial gesture of confidence to the world today by reducing the bank rates from six to five percent. The six percent rate was imposed on September 21, 1931 when the nation went off the gold standard. Soon after the announcement in Threadneedle Street word came from Stockholm and from Oslo that the bank rates in both Sweden and Norway had been reduced from six percent to five and one half percent.

NUN IS BURNED TO DEATH IN BLAZE

Hawthorne, N. Y., Feb. 18.—(AP)—A 65 year old nun, Sister Bernard, was burned to death in a fire which early today destroyed St. Hyacinth's School, a Catholic boarding school. Twenty-five children ranging in age from three to twelve years and nineteen other nuns fled to safety in their night clothing and with only a few hastily gathered coats and blankets to protect them from the early morning cold.

PAINLEVE IS NAMED FRENCH PREMIER BY PRESIDENT DOUMER

Former Premier And Popular Statesman Will Attempt To Form New Cabinet

POLICY AT GENEVA WILL REMAIN SAME

Conferences With Parliamentarians Called Immediately In Effort To Form New Ministry Speedily

Paris, Feb. 18.—(AP)—Former Premier Paul Painleve, son of a baker, noted mathematician and one of France's most popular statesmen today accepted an invitation from President Paul Doumer to form a cabinet to succeed that of Premier Pierre Laval, which resigned Tuesday. One of M. Painleve's slogans is "no disarmament without security against invasion," so it was expected today that if he succeeded in the difficult mandate of forming a ministry there will be change in the French disarmament program at Geneva. He immediately began conversations with parliamentarians and planned to give his definite reply to President Doumer tonight.

CONNOR NAMED TO SUCCEED PITTMAN

University Professor Made Member of State Historical Commission

Raleigh, Feb. 18.—(AP)—Professor R. D. W. Connor, of the University of North Carolina, has been named a member of the State Historical Commission by Governor Gardner to succeed the late Judge Thomas M. Pittman of Henderson, who died recently. For many years Prof. Connor has been outstanding in historical circles of the State. He has written two books of North Carolina history and also wrote a biography on Cornelius Harnett. He was secretary of the Commission from 1903 to 1921 and was president of the State Literary and Historical association in 1912.

SAYS SON WANTED TO MURDER FATHER

Laurens, S. C., Feb. 18.—(AP)—Ernest Hitt, 21 year old dry cleaning employe today testified in Laurens General Sessions court that Henry Razor "wanted to kill his father." Hitt's testimony was given in the trial of Razor and two of his relatives by marriage, Lathan and Eugene Crisp, for the murder of W. C. Razor, 71 year old retired banker and merchant who was slain last September 26.

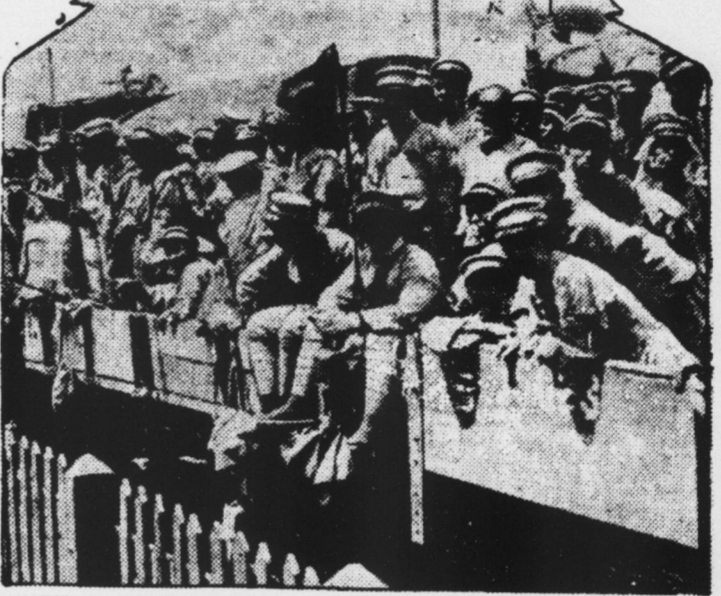
Believe All Candidates In Race For Governor

Daily Dispatch Bureau. In the Sir Walter Hotel. BY J. C. BARKER, VILL.

Raleigh, Feb. 18.—There will be no additional candidates for the Democratic nomination for Governor, according to a growing conviction in political circles here. It is also being generally admitted that there seems to be a slow but steady growth in the sentiment for J. C. B. Ehringhaus since Joseph Daniels announced he would not be a candidate for the nomination. A good many are for the first time venturing the prediction that Ehringhaus will be the next Governor, based on the gains he has made since Daniels turned on the political spigot which he had been holding closed by his indecision as to his own course. The belief on the part of some of the Daniels supporters that either A. D. MacLean of Beaufort county or Tom McNeill of Robeson, might become candidates seems to have faded already, since not even the echoes have whispered their names where there was a definite and concerted demand for Daniels. Nor is it believed that the revived boom for General Albert L. Cox of Raleigh has gotten much beyond the city limits of Raleigh. True, there are some here who still think Cox may become a

Ultimatum Demanding Chinese Withdrawal From Shanghai By End Of Week Issued By Japs

To Hold the Line at Woosung



While Japanese warships and planes continue the terrific bombardment of Woosung, the Chinese instead of retreating as was expected, put up a dogged resistance and reinforced the hard-pressed garrison of the forts with fresh regular troops. Top photo shows a troop train, loaded to capacity, en route to the firing line. Lower photo shows a Japanese machine gun squad of the type that comprised the landing party at Woosung, only to be driven back by the Chinese defenders.

U. S. Denies Any Part In Framing Note To Japanese

Japs Refusing To Recognize Newest Manchurian State

Tokyo, Feb. 18.—(AP)—A Foreign Office spokesman said today Japan would not recognize the new Manchurian Mongolian state, the formation of which was announced at Mukden today, until it was proven that the new state "has all the attributes of an independent nation." "We are in no hurry," the spokesman said, "and we are not going to build any canal." This reference was given to the recognition of Panama by the United States in 1903.

State Department Issues Denial Of Statement Made By Officials In Tokyo

HAD NO KNOWLEDGE OF NOT BEING DELIVERED

Both China And Japan Have Been Notified, However, That They Will Be Held Responsible For Damages

Washington, Feb. 18.—(AP)—The State Department made an emphatic denial today of the statement made by the Tokyo foreign office that the United States had a hand in framing the note to Japan which was delivered yesterday by the Council of the League of Nations. It was said the United States had no knowledge whatever of the framing of the note and did know that the note was to be delivered. Meanwhile it became known that both China and Japan have been advised by the State Department that both combatants at Shanghai would probably be held responsible for any damages caused by fighting there.

Note To Chinese Is Seen As Preliminary To Beginning Of Big Offensive

GUNS RESUME ACTION AS FARLEY IS ENDED

Japanese Demand That Chinese Forces Withdraw Twelve And A Half Miles From Shanghai By Saturday

London, Feb. 18.—(AP)—Through the minister to China, who is now at Shanghai, the British government has warned the Chinese government that either side—China or Japan—will be held strictly responsible for acts such as the fatal wounding of two British sailors yesterday, when shells from the Chapel sector dropped in the international settlement.

Shanghai, China, Feb. 18.—(AP)—General Kenkichi Uyeda, commander of the Japanese forces in this area served an ultimatum tonight on General Tsai Ting-Kai, ordering the Chinese to withdraw twelve and a half miles from Shanghai by sundown on Saturday.

This was the result of the failure of a peace parley earlier in the day during which the Japanese submitted this identical demand and the Chinese representative rejected it. It was expected that the ultimatum was a preliminary to the beginning of the long awaited major offensive by Japan. The ultimatum was delivered while guns were in action in the Chapel sector in an artillery engagement which began immediately after the peace parley broke down.

CHADWICK TRIAL IN RICHMOND DELAYED

Wilmington Man Not To Face Trial For Larceny Until March 10

Richmond, Feb. 18.—(AP)—A hearing for David M. Chadwick, Wilmington, N. C., broker charged with having in his possession bonds claimed to have been stolen from a Philadelphia bank was continued in police court today until March 10. Chadwick was arrested here last September after he exchanged a \$10,000 liberty bond for bonds of smaller denomination at the Federal Reserve Bank.

GANDHI FOLLOWER GETS PRISON TERM

Miss Madeline Slade, Daughter of British Admiral, Is Jailed

Bombay, India, Feb. 18.—(AP)—Miss Madeline Slade, daughter of a British admiral, who deserted a high place in London society to become a disciple of Mahatma Gandhi, was arrested today and sentenced to three months in jail for refusing to comply with a government order to leave Bombay. The order was issued Tuesday and she promptly defied it. She was sentenced only a few hours after she was arrested today.

ASK ASWELL

If you desire to question James Aswell concerning anything in his "My New York" column, do not hesitate to write to him, in care of the Daily Dispatch.

CONSOLIDATION OF RAILROADS URGED

Speakers Declare Millions Could Be Saved By Roads By Merging

Philadelphia, Feb. 18.—(AP)—Consolidation would save America's railroads not less than \$500,000,000 a year, Dr. Edward S. Meade, professor of Corporation Finance at the University of Pennsylvania, told the annual Wharton Alumni Institute of Business today. Thomas W. Woodlock, former member of the Interstate Commerce Commission and F. J. Laman, of the Laman Corporation, New York, also informed the institute huge savings could be made by consolidation and cooperation and urged action to that end.

(Continued on Page Eight.)