

## FINAL, PERMANENT DEBT SETTLEMENT IS BRITAIN'S GOAL

Would Avoid Damage to  
Reparation Accord  
Achieved Last Year  
At Lausanne Meet

ROME ALSO LOOKING  
FOR BARGAIN OFFER

Meantime, Paris Assumes  
Stubborn Attitude of With-  
holding December Pay-  
ment in Default Until  
Trend in Dealing With  
Debts Is Established

(By the Associated Press.)  
The British government, preparing  
for the debt conference with the Uni-  
ted States, will base its procedure on  
an effort to obtain a final, lasting  
settlement of the entire issue, which  
will not involve damage to the re-  
parations settlement achieved last  
year at Lausanne. The personnel of  
the British commission has not yet  
been selected.

Rome also is casting about for bar-  
gaining points to be used when the  
Italian debt is taken up in Washing-  
ton, but reports that the government  
had decided to offer a lump sum in

(Continued on Page Eight.)

## Embezzlement Is Charged Against Greenville Man

Greenville, N. C., Jan. 25.—(AP)—  
T. E. Beaman, former U. S. commis-  
sioner and minister, was under indict-  
ment here today on charges of em-  
bezzlement and remained in jail in  
default of \$500 bond.

The bill, charging collection of in-  
surance premiums without turning  
them over to the proper authorities  
was drawn by Solicitor D. M. Clark,  
on complaint of the National Guar-  
anty and Finance Company, which  
Beaman is said to have represented.  
Beaman is already under a Federal  
charge of robbery and conspiracy to  
violate the prohibition laws, and was  
released from Martin county jail sev-  
eral months ago under \$1,000 bail.

## Sees Revolt If Farmers Not Helped

Farm Leader Tells  
Senate Committee  
Allotment Bill Will  
Ease Situation

Washington, Jan. 25.—(AP)—Speak-  
ing in vigorous support of the domes-  
tic allotment farm relief bill, Edward  
A. O'Neal, president of the American  
Farm Bureau Federation, told a Sen-  
ate committee today that "unless  
something is done for the American  
farmer we will have a revolution in  
the countryside in less than 12  
months."

O'Neal was the first witness as the  
agriculture committee began hearings  
on the price boost bill passed the  
House.

As he spoke of "revolution," Sena-  
tor Thomas, Democrat, Oklahoma, a  
leading exponent of currency infla-  
tion, broke in to ask him how it  
might be averted.

O'Neal replied that the "fundamen-  
tal need" is inflation by reducing  
the gold content of the dollar, but  
that "the allotment bill will go far  
to bring back faith and confidence  
in the countryside."

## Southern Railway Cannot Pay Its Taxes February 1

Raleigh, Jan. 25.—(AP)—Allen J.  
Maxwell, State revenue commission-  
er, said today that he had been in-  
formed that the Southern Railway  
system will not be able to meet its  
tax obligations to the State and coun-  
ties on February 1, when they are  
due.

Maxwell said Haddon Johnson, tax  
officer of the railroad system, told  
him yesterday that the payment could  
not be met on the date.  
The railroad official related that  
"every possible effort to meet the  
taxes has been made, but they can't

## First Scenes of New Japanese Drive in China



These photos, the first to be received in the United States, show a Chinese fort at the Great Wall at Shanhaikwan after its capture by Japanese troops. The city, gateway to Jehol Province, was badly damaged by Japanese artillery and bombing planes. Ten thousand picked Nippon troops took part in the battle and the Chinese losses were placed at five hundred. Japanese officials placed the blame for the outbreak on the Chinese garrison at the captured city.

## Japan Defers Decision On Quitting The League, Waiting Geneva Action

Nature of Report Being Framed at League Center On  
Sino-Japanese Situation May Determine Future  
Course of Tokyo Government, Official Says

Tokyo, Jan. 25.—(AP)—It was au-  
thoritatively stated today that the de-  
cision of the Japanese cabinet con-  
cerning withdrawal from the League  
of nations had been postponed until  
the nature of the report being framed  
in Geneva concerning recommenda-  
tions on the Sino-Japanese situation  
becomes known.

This statement was issued as a re-  
sult of the appearance in morning

newspapers of a story that the cabinet  
had met in special session to con-  
sider the situation at Geneva.

The foreign minister, these stories  
said, warned his colleagues that very  
soon they would be called upon to  
make a decision of grave importance  
about the League, if a report in pre-  
paration by the League conciliation  
committee should be hostile to this  
country.

## SCHOOL BILLS HIT SUPERINTENDENTS

High Officials Rather Than  
Teachers Aimed at in  
Legislation

Daily Dispatch Bureau,  
In the Six Walter Hotel.

Raleigh, Jan. 25.—The school re-  
form legislation so far proposed, es-  
pecially that designed to reduce the  
cost of operating the State public  
school system, is being aimed at the  
county and city superintendents, or  
the highest salaried group in the  
schools, rather than at the teachers,  
as has been the usual procedure in  
the past. Already three bills have  
been introduced to materially reduce  
the number of county and city super-  
intendents in the State and it is al-  
ready conceded that the joint com-  
mittees on education will undoubtedly  
bring out a committee bill em-  
bracing the better features of all  
three.

Big Saving Estimated.

It is estimated that from \$400,000  
to \$750,000 a year can be saved by  
reducing the number of superintend-  
ents, depending upon what plan is  
followed in reducing them. There are  
at present approximately 190 county  
and city and special charter district  
superintendents. The bill by Repre-  
sentative Douglas, of Wake county,  
would abolish all county superinten-  
dents, of which there are 100, and  
set up instead 11 district superinten-  
dents, but leave the 90 or so city su-  
perintendents.

(Continued on Page Six)

## BROKERS ON STRIKE IN PARIS EXCHANGE

Protest Mild Economies and  
Tax Increases by the  
Government

Paris, Jan. 25.—(AP)—The Bourse  
was tied up today by a strike of bro-  
kers, who refused to quote prices in  
protest to the Chamber of France  
committee's action yesterday in tear-  
ing down the government's contem-  
plated economies. Police reinforce-  
ments watched to the scene.

There was no trading. No quota-  
tions, including those of foreign ex-  
change, were posted, except rentes  
(government loans), when the Bourse  
opened at noon.

The big building was devoid of the  
usual noise, with brokers quietly  
standing around the boards, which  
were blank, except for yesterday's  
figures.

The entrance to the Bank of France  
also were guarded by soldiers with  
fixed bayonets.

The Chamber of Deputies commit-  
tee yesterday returned a budget  
with only 915,000,000 francs in econo-  
mies and 2,530,000,000 francs in new  
taxes provided. The government has  
called for ten billion francs in econo-  
mies and new taxes.



Beverly Hills, Calif., Jan. 25.—  
Well, this is not only the latest  
"Lame Duck" Congress, but it's  
our last "Lame Duck" Congress.

States stayed up all night in or-  
der to be able to ratify it, and  
here it was turned down by Con-  
gress six years in a row. But we  
got to give the old Senate credit  
—they passed it every year. So,  
quit knocking the Senate—they  
were six years ahead of the  
House. Give the Senate a great  
big hand.

If the House had followed out  
the people's wish like the Senate  
did, this session of Congress which  
is being held now just for amuse-  
ment's sake would not have been  
held, and we would have been just  
three months' nearer prosperity,  
or posterity, or whatever it is we  
are headed.

Yours, WILL.

## ROOSEVELT TALKS ON CAPITAL VISIT OF GREAT IMPORT

Budget Balancing, Agricul-  
tural Relief and Money  
Inflation First Big  
Questions

Dictatorial Power  
Seen As Possible

Inflation Means Rising Liv-  
ing Costs, to Hurt of Ur-  
ban Residents But to Great  
Advantage of Farmer,  
Agricultural Relief Is Im-  
perative

By CHARLES P. STEWART

Washington, Jan. 25.—Although in-  
clined to pool-pool the importance of  
President-elect Roosevelt's latest chat  
with President Hoover, politicians by  
no means minimize the consequence  
of the ex-governor's conference, dur-  
ing his recent Washington visit with  
leaders of his own party and promi-  
nent G. O. P. progressives who sup-  
ported him last November.

The three questions with which  
these elder statesmen agree that the  
new administration will have to deal  
first (unless friction with Japan  
forces them to wait) are:

1. Budget balancing as a sub-sub-  
ject of economy and taxation.

2. Agricultural relief.

3. Monetary inflation, complicated  
with the farm issue.

It seems definitely decided that  
the budget problem is to be met, except  
as to beer revenue, by expense cur-  
tailment.

Roosevelt advisers concur that ab-  
solutely essential retrenchment call  
inexorably for a grant to the chief  
executive of authority verging on the

(Continued on Page Eight.)

## Felix Alley Made Judge District 20

Waynesville Lawyer  
Succeeds Judge  
Walter Moore On  
Superior Bench

Raleigh, Jan. 26 (AP)—Felix G.  
Alley, prominent attorney of Waynes-  
ville, today was appointed to the su-  
perior court bench of North Carolina  
to succeed the late Judge Walter W.  
Moore, who died Monday.

The appointment was announced to-  
day by Governor John C. B. Ehring-  
haus.

Alley will serve until the next gen-  
eral election.

Mr. Alley was a member of the leg-  
islature some 25 years ago, and also  
has served as solicitor of his judicial  
district. He will be resident judge of  
the 20th district.

### WEATHER

FOR NORTH CAROLINA.  
Fair and colder tonight and  
Thursday.

## Higher Motor Vehicle Tax Given Unfavorable Report By Joint Roads Committee

## Pritchard Contest For Bailey Seat Dismissed

Washington, Jan. 25.—(AP)—  
The Senate Elections Committee  
agreed today to dismiss the con-  
test brought by George M. Prit-  
chard, Republican, against the  
election of Senator J. W. Bailey,  
North Carolina, Democrat.

The committee's action taken  
informally, was announced by  
Chairman Glenn, who said the for-  
mal dismissal would not be made  
until a settlement had been made  
of the cost of the contest.

Council for Pritchard asked the  
committee to reimburse their

client of expenditures of about  
\$12,000 in carrying on the contest.  
They said he had spent about  
\$7,600 for impounding ballot boxes  
in addition to fees for attorneys.

A sub-committee composed of  
Senators Moses, Republican, New  
Hampshire; Watson, Republican,  
Indiana, and Bulkley, Democrat,  
Ohio, was set up to consider the  
claims. Glenn said formal action  
in the case would be withheld until  
this phase of the matter was set-  
tled, but announced the commit-  
tee was agreed the contest should  
be dismissed.

## Sales Tax Preferred Over Mercantile Levy, Is Claim Made For State Merchants

## Death Rides With Storm In Georgia

Quitman, Ga., Jan. 25.—(AP)—  
A severe windstorm which struck  
the northwestern part of Brooks  
county early today killed Mrs.  
Warren Cone, of Barwick, when her  
home was blown down. Miss  
Rachel Cone and a Mrs. Miller,  
living in the same house, were re-  
ported seriously injured.

The home of Wiley Yates was de-  
molished, and it was reported sev-  
eral residents there were injured.  
Several Negro houses and barns  
were reported to have been de-  
stroyed, and many high tension  
wires were down and telephone  
communication interrupted.

## CAPONE IS DENIED PLEA FOR RELEASE

Atlanta Federal Judge Dis-  
misses Gangster's Habeas  
Corpus Action

Atlanta, Ga., Jan. 25.—(AP)—Fed-  
eral Judge E. Marvin Underwood to-  
day dismissed the petition for a writ  
of habeas corpus whereby Al Capone,  
notorious former Chicago gangster,  
sought his release from the Atlanta  
Federal penitentiary under the  
statute of limitations.

Capone was convicted of violating  
the income tax laws of 1926, 1927 and  
1928, and was sentenced to serve ten  
years in the Atlanta penitentiary.

The gangster, in his bid for freedom  
under the three-year clause under  
the statute of limitations had expired  
before he was indicted on the  
charges of which he was convicted.

## JUNIUS J. GOODWIN, OF LUMBERTON, DIES

Lumberton, Jan. 25 (AP)—Junius  
J. Goodwin, Lumberton attorney, died  
at his home here today of heart  
trouble, with which he had been con-  
fined to bed for several days.

## Dismis Charges Against Halloran In Judd Hearings

Phoenix, Ariz., Jan. 25.—(AP)—Su-  
perior Court Judge J. C. Niles dis-  
missed today a charge of accessory  
to the crime of murder against John  
J. Halloran.

Judge Niles, sitting as a commit-  
ting magistrate in a preliminary  
hearing, termed the State's case in-  
consistent, and said "a trial in su-  
perior court would amount to an idle  
gesture and an expense to the taxpay-  
ers of this county."

He added, however, that his order  
was not final.

"If new additional evidence is dis-  
covered, the county attorney may file  
before any magistrate in this county  
the identical complaint against the de-  
fendant."

## Secretary Dowell Points Out Condition of Retailers to Joint Finance Committee

REALLY ON VERGE  
OF BANKRUPTCIES

Nearly All Operating in the  
Red and Hanging on by  
Skin of Their Teeth, and  
Additional Taxes Would  
Put Many of Them Out of  
Business

Daily Dispatch Bureau,  
In the Six Walter Hotel.

BY HENRY LESENE.

Raleigh, Jan. 25.—While retail mer-  
chants of North Carolina are naturally  
trying to put up a bold front, they  
are virtually on the verge of bank-  
ruptcy, and they would prefer even  
a bitterly-hated general sales tax  
than the 300 percent increase in mer-  
cantile taxes proposed in the budget  
revenue bill, according to W. L.  
Dowell, executive secretary of the  
North Carolina Merchants Association.

This alternative was presented to  
the joint finance committee of the  
House and Senate by Mr. Dowell  
after more than a score of merchants  
appeared in rapid-fire order before  
the committee and protested that de-

(Continued on Page Six.)

## Wilmington Gets Wilson's Tobacco Export Business

Raleigh, Jan. 25.—(AP)—Wilmington  
is to get the shipments of the  
"export tobacco" of the Wilson tobacco  
market amounting to something like  
750,000 hogsheads of leaf annually, the  
joint General Assembly Committee on  
Roads was told today during a hear-  
ing.

Willis Hackney, of Wilson, a to-  
baccoist, told the committee that the  
export leaf from the Wilson market  
formerly had been shipped to Nor-  
folk, Va., but that arrangements had  
been made whereby it would move  
through Wilmington. Trans-Atlantic  
steamship lines have agreed to pick  
up the freight there, he said.

## Motor Vehicles Attack Moore's Tax Measure

Would Reduce Gas and License Revenues, Committee  
is Told; Truck Owners Head Says He Favors Fed-  
eral Regulation for Sake of Uniform Laws

Daily Dispatch Bureau,  
In the Six Walter Hotel.

BY J. C. BASKERVILLE.

Raleigh, Jan. 25.—Passage of any  
kind of bill increasing or putting a  
new burden on the truck and bus  
industry of the State would not only  
reduce the State's collection of gaso-  
line and license taxes, but would  
impose an unbearable hardship  
on the truck farmers of Eastern  
North Carolina, the joint Senate and  
House Roads Committee was informed  
yesterday.

John L. Wilkerson, of Charlotte,  
president of the North Carolina Truck  
Owners' Association, told the commit-  
tee that passage of the Moore bill re-

## SENATE VOTES TO REPEAL MARRIAGE BANS STATE LAW

Two Liquor Measures Are  
Also Offered In House  
to Weaken the State's  
Dry Laws

WANT TO LEGALIZE  
LIGHT WINES, BEER

Tam Bowie and Pete Mur-  
phy Authors of Measure,  
and Murphy Proposals  
Drug Store Liquor Sales;  
Two Measures Would Re-  
strict Motor Vehicles

Raleigh, Jan. 25.—(AP)—The Gen-  
eral Assembly's joint committee on  
roads today voted an unfavorable re-  
port for the Moore bill, which would  
have levied a tax of one-half mill per  
gross ton mile on all motor vehicles  
operated for hire in North Carolina.

The measure was vigorously op-  
posed by representatives of farmers,  
newspapers, tobacco industries, tex-  
tile mills, bus companies, transfer  
companies, oil companies and other  
businesses.

Senator Kirkpatrick of Mcklenburg  
moved that the unfavorable report be  
given. A substitute motion by Sena-  
tor Burgin, of Davidson, seeking to  
defer a vote, was defeated. The un-  
favorable report was by practically  
unanimous vote. This usually means  
the death of a bill.

For Marriage Bans Repeal.

Without debate and without a re-  
cord vote, the Senate today passed  
the Thompson-Wilson bill to repeal  
the State's marriage bans laws.

Liquor Bills Offered.

Two proposals to change North  
Carolina's prohibition laws were made

(Continued on Page Six.)

## Huge Farm Credit For U. S. Asked

Includes Billion Dol-  
lar Credit Corpora-  
tion for Second  
Mortgages

Washington, Jan. 25.—(AP)—A  
huge program of farm credit leg-  
islation, including a billion dol-  
lar Federal corporation to lend  
money to farmers on second mort-  
gages was introduced today by  
Senator Robinson, Democrat, Ar-  
kansas, party leader.

Other features of the legislation  
advocated by organized agricul-  
ture and presented by the Demo-  
cratic leader, are designed to  
strengthen the Federal land banks  
so they can take over privately  
held mortgages, grant extensions  
and lower the interest rate.

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