

## Counsel For Leas Argue This State Is Without Claim

Conviction Has No Bearing on Extradition to North Carolina, Attorneys Maintain

LAW DISREGARDED BY NORTH CAROLINA

Contention Is That Leas Wrongfully Convicted, Since They Were Not In State at Time Law Was Violated; Tennessee Governor Hears Plea

Nashville, Tenn., Feb. 2.—(AP)—Governor Hill McAlister listened for three hours today to arguments against extradition of Colonel Luke Lea and Luke Lea, Jr., to North Carolina, and then recessed the hearing until 2 p. m., when the other side will be heard.

The Leas' counsel contended the defendants were not fugitives from justice because they were not in North Carolina at the time of specific law violations alleged, and that their conviction in that State had no bearing on the matter. Affidavits by the Leas said they were not in North Carolina on the specific date.

In closing his argument, Henry E. Goffene, one of the Leas' attorneys, said "the question of conviction hasn't a thing to do with it—the question is whether they were or weren't there," and added:

"I would say from a perusal of this record (the North Carolina court record) that it exhibits a disregard for the law, and a disregard for the right. I can't understand it on any grounds except that the political prominence of the men here caused their conviction. Except for their political prominence, they never would have been convicted."

## 150 Million More Relief Now Sought

R. F. C. Says That Would Carry Country's Needs Until December

Washington, Feb. 2.—(AP)—Approval of an additional \$150,000,000 for direct relief loans to states was recommended to a Senate Committee today by Charles A. Miller, president of the Reconstruction Corporation.

## Next Session Of Congress Likely To Give Roosevelt Precisely What He Desires

By CHARLES F. STEWART Washington, Feb. 2.—No politically experienced person ever has doubted that President Roosevelt would have to call an extra session of congress before his administration was many weeks old.

That he and the Democratic managers have decided upon mid-April or thereabouts for the lawmakers to convene consequently hardly rates as startling news.

Indeed, an extra session is the country's due. It elected the New Yorker by a landslide, and gave him thumping majorities in the senate and

house of representatives, to effect a

### Business Holiday



Mayor T. B. Wright

With all business houses, except food and drug stores, newspaper, utility offices and gasoline filling stations closed, Mt. Carmel, Ill., has been experimenting with a one week's "emergency business moratorium". "We hope to improve and steady business through this moratorium," declared Mayor T. B. Wright.

## COMMITTEE KILLS 'KIDNAP PROPOSAL'

Also Defers Action on McDuffee Bill to Appoint Guardians

Raleigh, Feb. 2.—(AP)—The Gattis bill designed to make kidnaping a capital crime in North Carolina met its death in a House judiciary committee today when it was voted an unfavorable report.

Representative Gattis, of Orange, saying he was actuated by the Lindbergh kidnaping, introduced the measure last week. The committee said the State's present four capital crimes—arson, rape, murder and first degree burglary—are all constitutional crimes, and as kidnaping is not, refused to add it to the list.

The committee deferred action on the Senate bill by McDuffee, of Vance which would authorize the appointment of guardians for estates of persons who disappear and are not heard from within 90 days. The bill was an outgrowth of the disappearance in December of R. S. McCain, prominent Henderson man, who has not been located. McDuffee will be given a hearing on the measure.

## House Refuses To Withhold Big Sum For Farm Board

Washington, Feb. 2.—(AP)—The Fuller amendment to the independent offices supply bill to kill the \$500,000 appropriation for the farm board for the first six months of the next fiscal year was defeated today in the House.

In discussing the proposal, Fuller said, "I see no reason why we should appropriate money for a board that probably will be abolished by the next administration."

## Hitler Asks Four Years To Succeed

Berlin, Feb. 2.—(AP)—Adolf Hitler, four days chancellor of Germany, challenged his country today to "crucify me or do anything else to me if at the end of four years we have not succeeded."

"The other side had things all their own way for 14 years," he told a group of newspaper men in his first press conference as chancellor. "Look at the results!"

"Give us four years. That's the legal period of a Reichstag—and then let the country sit in judgment."

Just now his party is split in the

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## GERMANY'S FATE IN THEIR HANDS



Germany's destiny rests largely in the hands of these five men as Adolf Hitler, right, Austrian-born Fascist, launches his life-long ambition in the role of chancellor of Germany. At left, above, is Franz von Papen, vice chancellor. Below him is Konstantin von Neurath, foreign minister. At lower right is Gen. Werner von Blomberg, minister of defense. Below is President Paul von Hindenburg whose conservatism is expected to counterbalance Hitler.

## Roosevelt Outlines Plan To Rehabilitate America

Relates Dream of Putting 200,000 Men To Work In Tennessee Valley Region and Duplicating Performance in Many Other Sections of Country

Warm Springs, Ga., Feb. 2.—(AP)—A gigantic experiment designed to provide 200,000 jobs and herald the birth of a new America from which the course of unemployment would be lifted was proposed today by President-elect Roosevelt.

The rugged highlands and fertile industrial valley of the Tennessee watershed were chosen by the next president for this most interesting experiment a government has ever undertaken.

Seated before the blazing fireplace of the "Little White House," he told newspaper men of his dream for a vast development encompassing re-

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## WILL ROGERS says:

Beverly Hills, Cal., Feb. 2.—The Reconstruction Finance Corporation is fine men, honest, and mean, well; and if it was water they were distributing, it would help the people the plan was meant to help, for water goes down hill and moistens everything on its way, but gold and money, goes uphill.

The Reconstructor, loaned the railroads money medium and small banks money, and all they all did with it was pay off what they owed to New York banks.

Set, the money went uphill instead of down. You can drop a bag of gold in Death Valley, which is below sea level, and before Saturday it will be home to Papa J. P. WILLS.

## Committee Favors Easier Divorces

Raleigh, Feb. 2.—(AP)—Senate Judiciary Committee No. 1 today voted a favorable report to a bill designed to make divorces easier in North Carolina, but then rescinded its action and postponed reporting the measure at the insistence of Senator Griffin, of Franklin.

The committee gave its approval to a substitute bill which would allow an aggrieved party to sue for divorce after a separation of three with the unaggrieved party having to wait five years, as is required now for any divorce.

## Allotment Farm Plan Defended

Washington, Feb. 2.—(AP)—Assailing arguments advanced by the meat packers, Earle C. Smith, president of the Illinois Agricultural Association, urged the Senate Agriculture Committee today to retain hog-benefits in the domestic allotment farm relief plan.

Answering that 65 percent of the consumer cost "is now being absorbed somewhere between the processor and the consumer," Smith said he "was not ready to admit the increased price to the farmer would be reflected in added cost to the consumer."

## WEATHER FOR NORTH CAROLINA.

Partly cloudy; slightly colder in central and east portions tonight; Friday cloudy.

## SENATE REFUSES TO ABOLISH CORPORATION COMMISSION AS PART OF REORGANIZING PLAN

## Terrific Battle Looms For Finance Committee Over New Revenue Bill

One Element, Reported to Include Both Chairmen, Favors Reducing Corporation Taxes in Favor of Sales Tax; Others Bitterly Oppose That Idea

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Feb. 2.—All is not well within the Senate and House Finance Committee and indications are that a good deal of fur may fly before any kind of a revenue bill will be forthcoming.

For several days rumors have been rife that quite a number of the members of both finance committees are in favor of scrapping the revenue bill submitted by the Budget commission and writing a new bill from start to finish.

Indications are that the industrial and corporate interests of the State are behind the movement to scrap the budget revenue bill and to write a new bill with the income, franchise income and other taxes reduced to the levels continued in the 1929-1931

Revenue Act instead of those in the 1931-33 Revenue Act. It is generally agreed that the taxes on the power companies, manufacturers and industrialists generally were boosted higher by the 1931 General Assembly than ever before. As a result, some have anticipated that they would make an effort to get these schedules reduced this time, in spite of the need for still more revenue.

It is generally agreed that if any of the present tax schedules are reduced that a general sales tax will be necessary to make up the difference. For even if the schedules suggested in the Budget Revenue Act should be retained, fully \$5,000,000 in additional revenue will still be needed.

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## Government Deficit Has Heavy Gains

U. S. Shortage \$1,271,721,031 at End of Seven Months Of Fiscal Year

Washington, Feb. 2.—(AP)—The government ended the first seven months of its 1933 fiscal year with a deficit of \$1,271,721,031, having collected from all sources \$1,138,569,910 and spent \$2,410,288,941.

The public debt on January 31 amounted to \$20,801,707,134, an increase of almost three billion dollars in the total in twelve months. On January 31, 1932, the debt was \$17,815,861,117.

The government's income continued to fade away, despite an increase in miscellaneous internal revenue coming from new taxes.

Income tax in the seven months amounted to \$358,856,709, as compared with \$635,817,908 in the same period of the previous year.

Miscellaneous internal revenue, however, increased \$147,000,000, amounting to \$457,039,677.

Customs duties dropped to \$156,008,025 from \$224,569,945 in the seven months of 1932.

General expenditures were lower by \$209,000,000, than for the same period of a year ago, and amounted to \$1,358,128,142.

## BURLINGTON LAWYER CHOSEN SOLICITOR

Raleigh, Feb. 2.—(AP)—Leo Carr, of Burlington, an outstanding attorney of Alamance county, this afternoon was named solicitor for the tenth judicial district by Governor J. C. B. Ehringhaus to succeed Congressman-elect William B. Umstead, who resigned.

## Chinese Make New Attack Upon Japs In Jehol Section

Peking, China, Feb. 2 (AP)—An official bulletin said today that Chinese volunteers launched a new attack yesterday and last night on Japanese troops holding Fucheng and Chiumenkow on the southeastern border of Jehol province.

Latest dispatches said hostilities were continuing. The bulletin said the volunteer forces attacked the Japanese at 4 p. m. yesterday and that a four-hour battle ensued.

## M'LEAN WILL TRY TACTICS OF 1931

Wants to Pass Eight Months School Bill Before Money Is Found

HE MAY NOT SUCCEED

Two Years Ago Effort To Support Six Months School on Sales Tax Failed and Corporations Were Halted

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, Feb. 2.—The fight for a State-supported eight months school term without ad valorem taxation, is on. Senator A. D. MacLean, of Beaufort county, and Senator C. L. Bailey, of Washington county, introduced their bill for an eight-months school in the Senate Wednesday. The bill is virtually a replica of the MacLean bill introduced in 1931 for State support of the six months term, the only difference that this bill would enact the MacLean law and make it apply to an eight months term.

The bill carries no appropriation, makes no provision for providing the necessary \$3,000,000 of additional re-

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## Another Debate On Debts Breaks Forth In Senate

Washington Feb. 2 (AP)—Another foreign debt debate broke in the Senate today with Senator Robinson, Republican, Indiana, demanding that the State Department "approach" under the Logan act William C. Bullitt, who has been reported negotiating on debts abroad.

Reading from Press accounts of Bullitt's visits to Berlin, London and Paris, supposed to be in connection with war debts, Robinson said Bullitt was making a "laughing stock" out of the American people.

"It is high time the American government asserts who he is," he said. "He is going about in disguise, and when not in disguise he is going under assumed name."

## Governments And Lenders Rush To Farmer's Relief

(By the Associated Press.) Friendly state governments and successful demonstrations to prevent mortgage foreclosure sales were hailed with joy today by farmers in widely scattered sections fighting to save their homes and land.

In the South, the Arkansas legislature prevented foreclosure measures by passing a moratorium suspending jurisdiction of circuit and chancery courts.

## MEASURE PROVIDING ONE COMMISSIONER BEATEN, 26 TO 24

Transfer of Local Government to Treasurer Completes Passage In Both Houses

## COMMITTEE BEGINS SCHOOL BILL WORK

Committee Named To Study Salaries and Personnel With View to \$3,000,000 Saving; Medical Board Given Right to Withdraw Doctors' Licenses

Raleigh, Feb. 2.—(AP)—The Senate today defeated the first measure of the reorganization proposals intended to effect economies in the State government when it rejected the special committee's bill to abolish the present Corporation Commission of three members.

The bill, which would have set up an appointive commissioner of utilities, was defeated 26 to 24. Just previously, a motion to table the bill had lost 42 to 7.

While the Senate was killing the Corporation Commission bill, the House passed the measure to transfer the Local Government Commission to the State treasurer's office. The measure will become law upon its ratification as it had passed on second reading another minor reorganization bill, that to transfer the personnel department to the budget bureau. The bill will come up for third reading tomorrow.

A bill to give the State Board of Medical Examiners final authority in revocation of licenses of practicing

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## Four Percent Sales Levy Is Rumored

Leading Business Of State Talked As Fostering Such A New Proposal

Raleigh, Feb. 2.—(AP)—A joint subcommittee to seek new sources of State revenue was appointed today by the finance chairman of the General Assembly and tomorrow morning will begin its work with it being generally conceded some form of sales tax will be the new source.

Senator Rankin, of Gaston, Senate finance chairman, together with Wayne, of Guilford; MacLean, of Beaufort; and Aiken of Catawba, will comprise the upper house sub-group. From the lower house will be Chairman Doughton, of Alleghany; Cherry of Gaston; Moss, of Nash; Coffey, of Lenoir; Flannagan, of Pitt, and Gattis, of Orange.

The Associated Press learned today from a source it believes to be reliable that a concerted drive is under way over the State among leading business and industries to bring pressure to bear on the General Assembly to levy a four or five percent general sales tax.