

## PHONE SERVICE CEASES; DISMANTLING STARTS

### Stabilization Of Dollar As Result Of Devaluation Is Expected In New York

**NATION VIRTUALLY ON GOLD STANDARD AGAIN, N. Y. THINKS**

President Roosevelt Has At His Command Stabilization Fund of Over \$2,000,000,000  
**TREASURY OFFERS \$35 FOR ALL GOLD**  
Ounce Price Fixed For Yellow Metal Under New System; Revamped United States Monetary System Is Effective in Full; Results Looked For Now

### U. S. Dollar Is Devalued 40.94 Pct. Gold Content On Former Value Basis

**"Stratoflier" Killed**



Commander Fedosenko  
Title of the world's highest flying man was claimed by Commander Paul Fedosenko, Soviet aviator, in a radio message from the skies a few hours before he and his two companions crashed to their deaths in attempting to land the Soviet stratosphere balloon east of Moscow Tuesday after climbing to a reported height of 12 3/4 miles. All three were killed in the crash and their instruments all destroyed.

**Huge Potential Credit Expansion Is Anticipated by Wall Street Financial Experts**

**TREASURY WILL FIX THE RATE OF SPEED**

Similar Situation from 1914 to 1929 Brought Expansion to 36 Billion Dollars; Belief Tacit Understanding Had as to Pound Sterling's Conduct

Washington, Feb. 1.—(AP)—America went to work today with its dollar devalued by 40.94 per cent of its former gold content, while the treasury jingled a \$2,770,000,000 profit in its pockets and watched for jiggles in dollar levels abroad.  
President Roosevelt had at his command today a stabilization fund made up of \$2,000,000,000 of his new money. But early official indications were that it would not at once be wielded drastically.  
Further the United States was declared to be on a sort of "modified gold standard" or rather on an "international gold bullion standard."  
By his unexampled steps yesterday Mr. Roosevelt held that until "further notice" the dollar was revalued at 59.06 percent of its former gold content and that the Treasury would offer \$35 an ounce for "any and all gold." Any major currency adjustments abroad, however, were looked for as the tip for a "further notice" signal.  
But for the present, the revamped United States monetary system was effective in full, the first step was taken at 3:10 p. m. yesterday when the chief executive signed the proclamation cutting the dollar's gold content from 25.8 to 15 5/21 grains of gold nine-tenths fine.  
The "international gold bullion standard" angle was explained as

### Chief Congratulates New Aide



Secretary Morgenthau  
Following his appointment as assistant secretary of the U. S. treasury Marriner S. Eccles was congratulated at Washington by Secretary of the Treasury Morgenthau. He will have charge of banking problems new to the administration. (Central Press)

### Business Crippled By Tie-Up Due To Franchise Impasse



Ab Walker  
With threats of a death plot and the accusation, "We know you killed Smith Reynolds," Ab Walker is being victimized by extortionists. He was indicted for murder with Libby Holman, Reynolds's wife, after the tobacco heir's mysterious death in 1932. Both were cleared. (Central Press)

There Were Hopes of Some Sort of Truce or Order from State Authority Ending Crisis  
**DISMANTLING JOB CHECKED BY RAIN**

But Will Be Resumed and Carried Out Completely Unless Agreement Reached, Telephone Authorities Say; Situation Unprecedented In State

### Winborne Ready To Give His Aid

Raleigh, Feb. 1.—(AP)—Chairman Stanley Winborne, of the State Utilities Commission, said today he was ready to assist in any possible way in the Henderson telephone controversy, but that he had not been called on. He said the commission can compel the utility to give service, but cannot force the city to accept it.  
The city set the franchise rate at not less than \$2,500, and refuses to accept service unless the amount is paid, or agreed to be paid. The commissioner said he asked the city authorities yesterday if they wanted temporary service, and that he received no reply.

### Capture Of Sankey May Unravel Lindbergh Case

Keenan's Remark of This Being "End of America's Public Enemy No. 1" Seen As Belief Sankey Knows Lindbergh's Mystery; Admits Two Kidnapings

Chicago, Feb. 1.—(AP)—A solution of the long standing mystery of the kidnaping and slaying of Charles Augustus Lindbergh, Jr., was sought today through questioning of Verne Sankey, 42, one time ranchman who allegedly turned to the "snatch" racket.  
Sankey, described by authorities as "America's public enemy No. 1," was seized late yesterday afternoon by Federal agents and city detectives in a barber shop, on information furnished by an anonymous source, and confessed, Melvin H. Purvis, of the Federal Bureau of Investigation, said that he had participated in two kidnapings—that of Haskell Bohn, of St. Paul, and Charles Boettcher, II, the Denver capitalist.  
The former Gann, S. D., ranchman and one time railroad engineer denied he had any connection with the Lindbergh kidnaping, or the abduction of Edward G. Bremer, of St. Paul, and William Hamm, Jr., also of St. Paul, but the authorities pushed their grilling of him in the hope of uncovering some new light on these "snatches," particularly the Lindbergh case.  
From St. Paul County Attorney M. F. Kinkead was enroute to Chicago to aid in the investigation. It was Kinkead who announced early last

### WANTS PARK ROAD ATOP BLUE RIDGE

Raleigh, Feb. 1.—(AP)—A strong recommendation that North Carolina's portion of the national "park-to-park" highway be constructed along the general crest of the Blue Ridge Mountains in this State today was on file in the offices of the State Highway and Public Works Commission.  
The action was taken late yesterday at a joint meeting of the commission with Governor Ehringhaus, the State Advisory Parkway Commission and other interested parties.  
The proposed scenic route—to be finally decided upon in Washington—will connect Shenandoah national park with the Great Smoky national park.

### SOVIET SPEEDS UP ITS WAR SUPPLIES

### Make Many More Tanks, Artillery, Machine Guns 1933 Than Ever

Moscow, Feb. 1.—(AP)—The Soviet Union produced "many more tanks, heavy artillery and machine guns in 1933 than in 1932," the president of the supreme economic council, told the all-union congress of the communist party today.  
Then using the term applied by Stalin to those cherishing warlike aims against the Soviet Union, he added:  
"If those swines noses compel our industry to mobilize in order to arm our red troops, I think we will do it with more strength and more successfully than we have ever done anything before."  
The unqualified support of the party was given Joseph Stalin in his stand for a "keep-off-the-grass" foreign policy and preparedness for any emergency.  
In a gesture the like of which never had been seen before the 17th party congress roared approval of his spectacular report in full, gave him an unprecedented mandate of confidence. "We warn everybody," they heard Stalin sternly declare in his report last week, "not to poke their snouts into the Soviet potato patch."  
And he added:  
"It is a mistake to think an ambition to wage war against the Soviet Union and share its territory is held only by Japanese military circles.  
"We know very well that it is shared by some political circles in Europe," this last, it was believed, intended as a reference to Germany.

### SATTERFIELD CASE IS READY FOR JURY

Goldsboro, Feb. 1.—(AP)—Evidence in the trial of Rufus Satterfield on trial charged with the murder of Herbert Grice, iron worker of this city, was reopened today by Judge Parker on motion of the prosecution in the case.

Goldsboro, Feb. 1.—(AP)—A jury here today heard final arguments and awaited only Judge R. Hunt Parker's charge before taking the case of Rufus Satterfield, middle-aged married man who is on trial for his life for the "triangle killing" last October 22 or Herbert Grice, local iron worker.  
Testimony in the case was concluded yesterday and arguments by counsel begun. When the trial recessed last night three of the six lawyers had addressed the jury, and court attaches said the case probably would be turned over to 12 men today at noon.

### Reactions In Dollar In Europe

(By The Associated Press.)  
President Roosevelt's action in cutting the value of the dollar caused sharp reactions in foreign exchange markets abroad today. The value of the dollar depreciated, as had been expected, but financial observers noted instantly that the reaction abroad was not nearly as sharp as the presidential decree.  
The dollar went down, but did not stay down. In London it plunged to a rate of \$5.02 to the pound, but rose to \$4.99 1/2 to the pound later.

### N. C. STATE DEAN TO BE APPOINTED

Dr. Graham To Name Official To Serve In Administrative Role

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE.  
Raleigh, Feb. 1.—While it may be several weeks before he will be able to name the new Dean of Administration for State College here, authorized by the Board of Trustees of the Greater University of North Carolina in their meeting yesterday, President Frank Graham said that he would endeavor to make the appointments as soon as possible. The trustees authorized the naming of an acting Dean of Administration in a resolution adopted extending their sympathy to Dr. E. C. Brooks, vice president of the University in charge

### Insult Continues To Stay In Greece For Present Time

Athens, Greece, Feb. 1.—(AP)—The official status of Samuel Insull, former American utilities magnate, in Greece, was still up in the air today. The minister of the interior said there was no decision in the case, but that Insull may reside momentarily in Greece.

### WEATHER FOR NORTH CAROLINA

Cloudy rain in northeast and north central portions tonight; Friday, fair somewhat colder on the coast tonight and Friday.

### I. C. C. CONTROL OF TRUCKING OPPOSED

State Authorities Fear Loss of Huge Gas Tax as One Result

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE.  
Raleigh, Feb. 1.—State officials as well as motor truck and bus operators are considerably worried as a result of the bill now in Congress, known as HR 6336, that would put the regulation of truck and bus transportation, as well as the fixing of rates, in the hands of the Interstate Commerce Commission. For in addition to putting all franchise carriers under the control of the ICC, the bill would also put the contract carriers which includes all the for-hire truck operators, under the control of this commission.  
The truck operators maintain that this bill is sponsored by the railroads

### Stocks Up Following Dollar Cut

New York, Feb. 1.—(AP)—Broad upswings in stocks today greeted the proclamation of President Roosevelt setting the price of gold at \$35 an ounce and devaluing the dollar.  
Mining equities led with price advances of \$1 to \$10 per share, and all other issues also advanced.

### SAYS GOVERNMENT PLANS WARFARE ON THE BOOTLEGGERS

Going To Do All Possible To Put Them Out of Business, Collector Robertson Says

### N. C. BOOTLEGGERS ARE PAYING TAXES

Will Not be Molested Long as They Pay, for Federal Government Does Not Recognize State Prohibition in North Carolina; No Licenses Issued Them

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE.  
Raleigh, Feb. 1.—The Federal government is going to do everything possible to put the bootleggers out of business, Charles H. Robertson, Collector of Internal Revenue for North Carolina said today, if for no other reason that it cannot afford to do otherwise. It is going to take a little time for the Government to get

### Weather Is Warmer In The South

But Nearly Every Section Has Rain; Fair and Colder Seen for Tomorrow

(By The Associated Press.)  
Rains and rising temperatures were general over the South today with the passing of two days of the coldest weather in recent years.  
Rain fell in eastern and central North Carolina, with snow in Asheville and in other places in the western part of the state. The weather forecast today was for fair and colder tomorrow.  
Eastern Tennessee and Western North Carolina were the coldest parts of the South.

### Four Americans Jailed In Spain Granted Pardons

Madrid, Spain, Feb. 1.—(AP)—American Ambassador Claude Bowers was informed by Spanish government officials today that the sixth section of the supreme court had approved pardons for four Americans held in jail at Palma for an assault recently on a civil guard.

### Says Japan Not Looking For Any War

General Conceives No U. S. Fight, and Will Battle Soviet Only if Forced

Toyko, Feb. 1.—(AP)—There will be no Russo-Japanese war "unless the war is carried to us by the other side," General Senjuro Hayashi told the Associated Press today in an interview, the first he has given on the subject.  
At the same time Hayashi said, "I am incapable of conceiving any Japanese-American differences justifying a belief in a future Japanese-American war. We are making no preparations for war with Russia. Our dispositions in Manchuria are merely aimed at fulfilling our treaty obligations to defend Manchukuo. We are out for peace."

### Sales Taxes Carry State Revenues Up

General Fund Income \$1,208,108 in January, or 300 Percent Increase

Raleigh, Feb. 1.—(AP)—A general fund revenue total of \$1,208,108.57—a 300 per cent increase over the same period for 1933—was collected by the State for the month of January, according to a statement on file today in the office of A. J. Maxwell, state commissioner of revenue.  
Two-thirds of the amount collected in the general fund was ascribed by State officials to the general sales tax, which was not in effect in January of last year.  
Highway department collections for January also showed a gain, the total of \$4,832,292.12 being \$554,277.01 greater than for the corresponding period of last year.  
The general sales tax, since it went into effect last July 1, has brought in a total of \$3,317,726.16.  
Figures showed that the total beer tax in the seven months of the fiscal year is \$205,628.79.

### COMMITTEE OF TEN TO AID MORGENTHAU

Washington, Feb. 1.—(AP)—Creation of an expert committee of ten to assist Secretary of the Treasury Morgenthau in administering the equalization fund was approved today by the House Ways and Means Committee as part of the revenue bill.