

CLAIMS FISCH OFFERED TO SELL HIM "HOT MONEY"

POWER FIRMS, WITH CORPORATIONS, MAY GET HIGHER TAXES

Theatres and "Crown" Tax on Bottled Drinks Also Slated for Some Increases

LEVY ALSO PLANNED ON FOREIGN STOCKS

These Are Some of Measures MacDonald Expects To Propose as Substitute for General Sales Tax When Revenue Bill Reaches House Floor

Raleigh, Feb. 4.—(AP)—Increased taxes on power companies, corporations and theatres are expected by some legislative leaders to be offered as amendments to the revenue bill when it is reported out of the finance committee to the House of Representatives.

Other expected changes are a "crown" tax on bottled drinks and taxes on stocks in foreign corporations.

French Strikers In Serious Clash With The Police

Valenciennes, France, Feb. 4.—(AP)—Striking steel workers, swinging clubs studded with razor blades, staged a fierce clash with police today at Tott-Saint-Leger, near here, carrying off a score of injured when fire was used. Two mobile guards were seriously hurt.

Six hundred strikers who sought to prevent workers from returning to the mill tore up the streets and set fire to one of paving blocks. From separate points they rained missiles on guard reinforcements who came charging in, mounted and afoot.

Congress Is Given Right To 'Punish'

Jail Sentence on McCracken for Snubbing Senate Upheld By Court

Washington, Feb. 4.—(AP)—Marking another significant milestone in the development of jurisprudence, the Supreme court held today that congress as well as the courts—has power to punish for contempt.

The decision affirmed a ten-day jail sentence imposed by the Senate on William F. McCracken, Jr., former assistant secretary of commerce for accessories for failure to produce data requested by its air mail investigation committee.

Lawyer Denies "Fix"



Former attorney for the R. F. C., Alex Graven is shown on the witness stand at the senate munitions inquiry as he denied all knowledge of any transactions by which a "fixer" offered to obtain naval contracts for Gulf Industries, Inc., for a fee of \$250,000. Graven previously had been named as a go-between for mysterious fixer.

FIVE NATIONS ARE INVITED TO UNITE FOR AIR DEFENSE

Each Would Be Guaranteed Against Air Attack From Either of the Remainder

GERMANY IS COOL TOWARD PROPOSAL

Under Agreement Reached at London, She Would Be Allowed To Re-Arm On Returning to League of Nations; Italy Is Not Enthusiastic

(By the Associated Press.) Five powerful nations are asked to pool their aerial fighting strength to guarantee themselves against aggression by any one of them, following conversations in London this past week-end between government heads of France and Great Britain.

The Anglo-French agreement provides that Germany, Italy and Belgium shall unite with France and Great Britain in such a pact, and also recognizes Germany's right to re-arm provided the Reich re-enters the League of Nations.

The reaction in Berlin was not optimistic.

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Six Killed During Week-End On Roads In Carolinas Area

(By the Associated Press.) Six persons were killed on the highways in the Carolinas over the week end, a compilation of reports showed today.

Seventeen persons were injured in collisions in North Carolina. Three fatalities were reported in the vicinity of Morganton. William Bolch, 30, of Granite Falls, apparently was hit by a train while walking the railroad tracks five miles west of Hickory. Friends said he was hard of hearing.

George Worley, 25, was fatally hurt.

Perjury Charges Are Hinted At Senate Munitions Inquiry

TESTIMONY ABOUT "FIXER" TO OBTAIN CONTRACTS SEEN

Evidence Before Committee May Be Referred To Federal District Attorney

SHIPBUILDER TOLD ABOUT DISCUSSIONS

His Woman Secretary Is Recalled for Further Testimony; Letter Received by Vandenberg Contradicts Part of Statement by Attorney

Washington, Feb. 4.—(AP)—Citation of one or more witnesses for perjury in testimony in connection with shipbuilding contracts was contemplated today by the Senate Munitions Committee.

"There is before us," declared Senator Vandenberg, Republican, Michigan, a committee member, "sufficient evidence to certify the evidence to the United States district attorney to learn whether perjury is involved."

The statement was dictated into the record immediately after the Michigan senator read a letter from Charles H. Hoyle, of Port Washington, N. Y., an attorney, in which previous testimony of Axel B. Graven, Wash-

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Captain of Boat And Son Missing Fully Two Weeks

Elizabeth City, Feb. 4.—(AP)—Seventh district coast guard headquarters here today reported that A. H. Dermery, captain and owner of the stranded steamer Ethel Demery, and little son, Frank, are still missing. The captain and his son have been the objects of a widespread search by coast guardsmen since the Ethel Demery was discovered two weeks ago stranded and abandoned at Great Shoals.

Cancelling Of Air Mail Was Breach

Washington, Feb. 4.—(AP)—The District of Columbia Court of Appeals held today that Postmaster General Farley's cancellation of air mail contracts amounted to a breach of contract which gave the air lines the right to sue the government in the court of claims.

Action of the district supreme court in dismissing the injunction suit brought by five air line companies attacking Farley's order was upheld.

After holding the applications for an injunction were properly

Few Friends Of Diverting Road Money

People Seem Convinced Highways Need All Money Available for Work

Raleigh, Feb. 4.—If any fight is brewing in the General Assembly over diversion of highway funds to other than highway purposes, there is not much evidence of it so far, those who have been observing the general assembly so far as convinced. The few bills so far tossed into the legislative hopper designed to divert a part of the highway revenue back to the counties to be used to help reduce the road bond debts of the counties have aroused only a flicker of in-

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Judy Kitchen Laurence R. Wilder

Laurence R. Wilder, former president of the New York Shipbuilding corporation, and now chairman of the Board of Gulf Industries, is shown talking to his former secretary, Miss Judy Kitchen, at the senate munitions committee hearing in Washington. Wilder's secretary told the committee of an all-night hotel conference of shipbuilding executives in the summer of 1933 that grew so violent that one of the conferees collapsed. They also told of an offer of a "fixer" to obtain naval contracts in return for an honorarium. The hearing is developing new startling facts daily.

State Hospitals' Inmates Are Real "Forgotten Men"

Newman Says Insane Need Additional Funds Far More Than Teachers, State Employees and University Professors Need Higher Salaries Now Demanded

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE, Raleigh, Feb. 4.—The "forgotten" men and women of the State are the inmates of the State's three hospitals for the insane in Raleigh, Goldsboro and Morganton and in its other charitable institutions, in the opinion of Senator Harris Newman, of Wilmington, chairman of the Senate Finance Committee, former chairman of the House Appropriations Committee and since 1933 a member of the Advisory Budget Commission. These hospitals and institutions are badly overcrowded with other hundreds waiting to be admitted from counties in all sections of the State, but which cannot be taken for lack of room.

47 Listed As Lobbyists In Raleigh

Daily Dispatch Bureau, In the Sir Walter Hotel, BY C. A. PAUL, Raleigh, Feb. 4.—Forty-seven lobbyists are registered in the book reserved for that purpose in the office of Stacy Wade, secretary of state. The 47 have thus duly qualified themselves for membership in the "third house" of the 1935 legislature. Strangely absent are the representatives of school book companies. They are here, but they are not registered. For unannounced reasons they have

WEATHER

FOR NORTH CAROLINA. Colder in east portion tonight; Tuesday fair; slightly warmer. FOR HENDERSON. For a 24-hour period ending at noon today: highest temperature 39; lowest, 30; no rain, northwest wind steady.

DEFENSE REFUSED EVIDENCE OFFERED BY NEW YORK MAN

Named by Carlstrom



Esther Ellerson, named by Elvert Carlstrom, surprise Hauptmann defense witness as the heart interest who drew him to Bronx night of Lindbergh kidnaping, isn't backing up his story that he was there that night. Carlstrom said he saw Hauptmann in Bronx bakery near Ellerson dwelling at hour of kidnaping. (Central Press)

Hauptmann Witness Admits Man With Ladder Looked Like German Carpenter

SAW TWO SECTIONS OF LADDER IN CAR

Lupica Says He Was Subpoenaed by State But Not Called to Stand; Sommer Cross-Examined About Man and Woman Seen the Night of Kidnaping

Flemington, N. J., Feb. 4.—(AP)—Arthur J. Trost, a New York painter, asserted today Isadore Fisch had offered to sell him "hot money" three months after the Lindbergh kidnaping.

Chief of Defense Counsel Edward J. Reilly, Trost said, rejected his proffer of testimony yesterday and accused the would-be witness of being a stool-pigeon for the State of New Jersey.

Trost said Reilly did not give him time to complete an account of details through which he professes to know of the offer of "hot money."

A defense witness today admitted that a man he saw in a car with a ladder near the Lindbergh home the day Baby Charles A. Lindbergh, Jr., was kidnaped and slain resembled Bruno Richard Hauptmann, who is on trial for the crime.

The witness, Sebastian Benjamin Lupica, a Princeton student, insisted, however, that he could not identify Hauptmann as the man. He said he had been subpoenaed but not called by the State.

His acknowledgment that Hauptmann resembled the man he saw was brought out in cross-examination. Lupica said the man he saw was thin, about 40 years old. In the rear of his car, he testified, he saw two sections of a ladder and said the sections were the same as those shown to him later by police.

He also testified he was at the trial under subpoena by the State.

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DRIVER'S LICENSE BILL IS BUSINESS WAITING SENATE

Most Important Legislation Offered so Far, and Its Passage Is Regarded Certain

WALKATHON BILL IS DUE IN THE HOUSE

It Would Ban Walkathons, Marathon Dancing and the Like in State; Numerous Minor Bills of Local Interest Are Also Awaiting Some Attention

Daily Dispatch Bureau, In the Sir Walter Hotel, BY C. A. PAUL, Raleigh, Feb. 4.—The driver's license bill, formulated by a special sub-committee of the roads committee, faces the North Carolina Senate when the legislature resumes its deliberations here tonight at eight o'clock. The bill, a comprehensive measure, is the most important piece of legislation thus far. That the measure will pass both houses with only minor changes is the opinion of most observers here.

PRESENT CONGRESS CONSERVATIVE ONE

At Least That's New York's View; But Liberals See Trouble Ahead

By LESLIE EICHEL, Central Press Staff Writer New York, Feb. 4.—The financial district has taken the measure of the new Congress. "Conservative," is the word. That is, conservative for these times. But increasing debt and inflation still are hurdles.

Liberals are none too happy. They believe the "conservative" trend of the administration bodes no good. They see extremes coming to body

LIBERALS

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German's Alibi Gets More Help

Flemington, N. J., Feb. 4.—(AP)—Bruno Richard Hauptmann's second important alibi—for the night on which the \$50,000 fiddle Lindbergh ransom was paid in a Bronx graveyard—was supported in his trial today by one of his friends, who said Hauptmann was at his home on that night.

Hans Kloppenburg testified he was at the Hauptmann home all evening of April 2, 1932, the date of the ransom payment, and that he and Hauptmann spent the evening playing the mandolin and a guitar.

Kloppenburg also testified that Is-

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\$98,185,500 Asked For 4 Departments

Congress Also Told of Plans To Secure New American Markets Abroad

Washington, Feb. 4.—(AP)—Congress was asked today to provide \$98,185,500 to operate four government departments and at the same time heard of administration plans to seek new markets for American commerce.

A report on the appropriations bill for the State, Justice, Commerce and Labor departments disclosed the possibility that President Roosevelt may draft outstanding business leaders

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