

LEAGUE OF NATIONS SESSION SEEN WITH ITALY WITHDRAWING

Conciliation Commission Fails To Iron Out Dis- pute Between Italy and Ethiopia

COUNCIL DECIDED MAY 25 ON COURSE

Provided Then, for Special Session July 25 if Dispute Continued; Row Has Already Gravely Affected Commission Studying Economic Blockades

Geneva, July 9.—(AP)—Italian circles predicted today that Italy would resign from the League of Nations if a special session of that body were called on the Italo-Ethiopian conflict—but a special session appears likely because of the breakdown in the conciliation commission proceedings.

A resolution adopted by the League Council May 25 provided a special session of the Council should be called July 25 if the Italo-Ethiopian arbitrators fail to reach an agreement and fail to appoint a fifth arbitrator to act as umpire.

It also provided for a council session August 25 at all events if the dispute had not been settled by that time.

Today the Italo-Ethiopian conciliation commission, meeting at Schoeveningen, Netherlands, decided to suspend its session indefinitely. The commission members arranged to depart immediately.

It was not immediately clear whether the commission, in deciding to adjourn indefinitely, intended not to take up the problem of arbitration or of naming a fifth member.

If this should prove to be the case, the Council will have to decide whether it should meet before August 25 to deal with the dispute.

The dispute between Italy and the African empire already has gravely affected the work of economic financial experts, who are meeting here privately to study the feasibility of imposing economic and financial penalties on nations endangering peace through the repudiation of international treaties.

GASTON IS SEEKING FRED ERWIN BEAL

Solicitor Sends Papers To New York for 1929 Communist Fugitive

Gastonia, July 9.—(AP)—Solicitor John G. Carpenter last night wired Police Commissioner Louis Valentine of New York City asking for the immediate arrest of Fred Erwin Beal, fugitive from justice from this State and reported to have returned to this country after an absence of several years in Russia.

Beal is under a 17-to-20-year sentence in the North Carolina State Prison following his conviction, along with six others, of the slaying of Chief of Police O. F. Aderholt here during the riot of June 6, 1929, during a communistic strike at the Loray mill. Solicitor Carpenter has already mailed the legal copies to the New York police department, and when and if Beal is arrested will ask Governor Ehringhaus to request his extradition.

5 Projects Under PWA Are Passed

Coan Announces Two School and Three Sewer Jobs Under Federal Plan

Raleigh, July 9.—(AP)—George W. Coan, Jr., State works progress administrator, said this afternoon that he had approved the first five WPA projects for North Carolina.

Coan would not say where the projects are located but two are schools estimated to cost upwards of \$500,000, and the other three are for improving sewers. Herman G. Baity, State Public Works engineer, will release details of the projects, Coan said.

Requests for approval of projects to use \$1,500,000 in works progress

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In Ethiopian Crisis



Wm. Perry George

Wm. Perry George, American Charge D'Affaires at Addis-Ababa Legation, has warned all Americans to leave Abyssinia pending outcome of present crisis. State Department records show approximately 125 United States citizens in Abyssinia, 110 of whom are listed as missionaries.

(Central Press)

Roads Push \$10,000,000 Upkeep Plan

State Highway Commission Completing Plan for Highway Maintenance Work

Daily Dispatch Bureau,
In the St. Walter Hotel,
BY J. C. BASKERVILL.

Raleigh, July 9.—Plans for the new \$10,000,000 a year highway maintenance program are rapidly being completed by the State Highway and Public Works Commission, as a result of the new appropriation made by the 1935 General Assembly which became available July 1. Chairman Capus M. Waynick said today. This new appropriation of \$10,000,000 a year for maintenance will not only make possible the employment of more men by the maintenance division, but will make possible a wage scale increase through out the maintenance division. Waynick pointed out. The new wage scale for the different classifications in the maintenance division will be completed and ready to announce in a few days.

A substantial amount of maintenance work has already been done during the past four months as a result of the \$3,000,000 emergency appropriation for maintenance made by the

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FINAL 2 COUNTIES VOTING ON LIQUOR

Greene and Rockingham Holding Referendums on Legalizing Sales

Raleigh, July 9.—(PP)—The liquor store referendum authorized by the 1935 legislature for 18 North Carolina counties were wound up today with elections in Greene and Rockingham counties.

With the result in the last two counties to vote undetermined, the result of the referendum thus far showed fifteen counties for liquor control, the vote in one still undetermined, and the election in another restrained.

Regardless of the outcome of the Greene county referendum, liquor stores cannot be opened in that county until the State Supreme Court passes upon the constitutionality of the county control liquor act.

Judge J. Paul Frizzelle sometime ago restrained officials of Greene and New Hanover counties from opening the stores, although he refused to interfere with the elections.

FLOODS IN CHINA SNARE THOUSANDS AS DROWNING RATS

Little Handful of American Missionaries Stick by To Give Pitiful Bit of Relief

EFFORT MERE DROP OF GREAT DISASTER

Juncture of Lake and River Creates Span of Water Whose Shores Can't Be Seen from Tallest Build- ings; 100,000 Buildings Al- ready Under Water

Changeh Hunan Province China, July 9 (AP)—A handful of American missionaries struggled today to give aid in this city where rising flood waters have trapped hundreds of thousands of persons like rats.

The Associated Press is able to send to the world this story of heroism and suffering through telegraph lines which are operating only at intervals. The flood waters of the Yunnan river and Tung Ting lake combining have converted the outer city and the surrounding area into a great lake, the shores of which cannot be seen from the highest buildings here.

It is nearly midnight as this is being written and already 100,000 houses in the city are buried under the water.

The American Northern Presbyterian missionaries are attempting to dispense whatever relief is possible, but their efforts are merely a drop in this ocean of disaster.

Numerous buildings of this mission are among those already under ten feet of water, but those remaining are being kept in use by the missionaries.

The attic of one mission residence which still remains above water is where the missionaries are attempting to live. They enter and leave their tiny shelter by boat.

Thus far, no pestilence has broken out, but no one dares envisage what is coming when the waters begin to recede.

Every dyke protecting the city and the low lying farm lands around about, with one exception, has broken.

CARTERET COUNTY WET BY 3-2 TOTAL

Beaufort, July 9 (AP)—Final official returns on Saturday's prohibition referendum today showed the wets had carried Carteret county 1,547 to 1,004, and the board of county commissioners announced immediately they would meet tomorrow to appoint a control board and arrange for opening of a liquor store within a week.

7 More Cases Of Paralysis Are Reported

Raleigh, July 9.—(AP)—Seven new cases of infantile paralysis to make 327 this year, with all but 15 of them since May 1, were reported to the State Board of Health today, but the disease continued sharply centralized in the middle of the State.

Though one of the new cases came from New Hanover county, in the coastal resort section, it made only three original cases on the seashore during the break. Previously New Hanover had listed one and Dare county had also listed one.

In addition to the New Hanover case, these listed today came, two each from Franklin and Warren counties and one each from Granville and Northampton.

Huey Long, In Radio Talk Lasting Two Hours, Brands Roosevelt Liar and Fakir

New Orleans, La., July 9 (AP)—In a stinging late night oratorical outburst last night, Senator Huey P. Long branded President Roosevelt a "liar and a fakir."

Riding the crest of another surge of legislation which gave him unprecedented control over the commonwealth, the Louisiana "dictator" tore into the President and his New Deal with a personal denunciation unmatched in previous attacks on the Roosevelt administration.

Senator Long poured his scathing attack on the President into a radio hook-up covering most sections of Louisiana and lasting well over two hours last night.

He not only called the President a "liar and a fakir," but invited the

Rallies the Rich



Charles H. Sabin, Jr.

Charles H. Sabin, Jr., son of Mrs. Charles H. Sabin who worked actively for repeal, is chairman of committee, including some of the wealthiest families, being formed to lobby for lower income taxes, abolition of nuisance taxes and cuts in governmental expenditures.

(Central Press)

AAA AMENDMENTS WILL BE COSTLY

Williams Says Farmers May Pay \$2 or \$3 for Every Dollar Benefit

HE ANSWERS FORSTER

Says State College Economist Has Facts Wrong; Denies Control Would Be Lost; Says Of- ficials Are Subtle

In the St. Walter Hotel,
Daily Dispatch Bureau,
BY J. C. BASKERVILL.

Raleigh, July 9.—The changes being proposed in the agricultural adjustment act, now being considered by the Senate in Washington, may result in requiring the tobacco farmers to pay two or three dollars for every dollar of additional benefit they may get under the proposed plan, S. Clay Williams, former president of the R. J. Reynolds Tobacco Company, pointed out in a statement in which he takes vigorous issue with Dr. G. W. Foster of State College here, in which Dr. Foster maintained that all consumers have borne the cost of the processing taxes so far and will continue to do so. Mr. Williams' contention is that the farmers have borne a part of the cost and that the newly-proposed plan of applying the processing taxes after the price of a product—in this case, tobacco—has gone above parity and stabilized it.

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Not Guilty Plea Made by Goodrich In Gallaher Case

Detroit, Mich., July 9 (AP)—Morton Ward Goodrich pleaded innocent to the murder of Lillian Gallaher at his arraignment today in recorder's court. The plea obviously took the court and the crowd of spectators by surprise. A gasp went up as Goodrich, his knees shaking, told Judge Thomas H. Cotter that he pleaded innocent and that he wanted the court to name an attorney to defend him.

Judge Cotter ordered that the former trap drummer, who has confessed slaying the eleven-year-old girl, be given a routine examination. Goodrich was led out of the court room immediately.

Mrs. Goodrich was not brought into court with her husband.

Goodrich, who has said he was "anxious to get it over with," gave no explanation of his plea.

LIE FREELY GIVEN AS UTILITIES BATTLE IS PRESSED IN CONGRESS

German 1935 Navy Plans Call For 28 Submarines

Partial Replacement Of Dreaded U-Boats of World War Permitted in Agreement

THREE OF NEW ONES ALREADY LAUNCHED

Two Battleships of 26,000 Tons Each and Two 10,000- Ton Cruisers Also Planned To Be Built This Year; 16 Destroyers Also on the 1935 Program

Berlin, July 9.—(AP)—Germany concentrated her new naval building program today on submarines—the dread U-boat of the World War, forbidden to the Reich by the Versailles treaty.

A communique based on Germany's naval agreement with Great Britain disclosed that 28 submarines are provided for in the 1935 naval building program, three already launched.

The program also included construction this year of two battleships, each of 26,000 tons displacement, and armed with 28 centimetre guns; two cruisers each of 10,000 tons displacement and carrying 20 centimetre guns and 16 destroyers of 1,625 tons, with 12.7 centimetre guns.

Rail Bus Strikes Brick Truck Near City of New Bern

New Bern, July 9.—(AP)—Engineer Nat Russell of the Norfolk Southern rail bus and ten other persons were injured about 10 o'clock this morning when the rail bus collided with a truck loaded with brick at a crossing, three miles west of here. Russell's injuries were chiefly burns from acids from wet cell batteries. No one else was seriously injured, but both conveyances were badly wrecked.

HOUSE'S VOTE NOT HIGHLY APPLAUDED

Despite Congress Moves, Economic Crisis, to Most Folk, Still Remains

By LESLIE EICHEL,
Central Press Staff Writer

New York, July 9.—Away from the scene at Washington, among the large mass of people, the events of today do not seem so neatly disposed of as writers at the capital would make it appear.

There are surging movements that no Washington decree will, in the ultimate, affect.

That those movements may be guided is another matter.

The economic crisis, to the large mass of the people, remains.

And a careful study of history, particularly American history, discloses that it is the economic urge which invariably has shaped political developments.

PEOPLE NOT AROUSED

Some of the more astute politicians have found that the people did not rise emotionally to the revolt of the House of Representatives against President Roosevelt on the public utility holding company bill.

Here were the federal officeholders most closely associated with the people (elected every two years) reasserting their power. But there was neither acclaim nor disclaim—at home.

On the contrary, people continued to discuss the chief issue (in their minds)—economic freedom.

For them, there remained dissatisfaction both with Congress and the President—not for attacking economic problems more vigorously.

When representatives tried to explain they were not "bribed" by power interests, they were making no im-

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WEATHER

FOR NORTH CAROLINA.

Generally fair tonight and Wednesday, preceded by local thundershowers this afternoon or early tonight in east portion; slightly cooler tonight in extreme south-west portion.

Rallies G. O. P.



George H. Bender

Chairman pro tem of Cleveland Republican conference, similar to recent "Grass Roots Convention," is George H. Bender, former Ohio state senator. Ten thousand delegates from all over East rallied to call.

NEW YORK FLOOD DEATHS REACH 37

While Relief Is Sent Stricken Area, Middle Coast Area Is Struck

(By the Associated Press.)
As the State of New York rushed relief to up-state areas devastated by floods, cloudbursts elsewhere down the Atlantic seaboard increased the menace from high waters.

In New York State, with the death toll at 37, eight persons were still missing. Property damage was estimated early at ten million dollars.

Although heavy rains held on, the Susquehanna river was receding.

But down the Susquehanna toward Chesapeake Bay tributaries of the river were running over their banks.

Cloudbursts in northeast Maryland washed out a section of the Pennsylvania railroad tracks near Havre de Grace, delaying traffic for more than an hour. A highway bridge was carried away and more than 300 houses in Havre de Grace and Elkton were flooded.

The high waters spread into northeast Philadelphia when Frankford creek, a tributary of the Delaware river, swept over its banks.

FINAL ACTION SURE UPON POTATO BILL

Washington, July 9.—(AP)—Representative Warren, Democrat, North Carolina, said today he was informed by Chairman Jones, of the House Agriculture Committee, that the committee will meet tomorrow to take final action on the Warren potato control bill.

State Itself May Operate A. & N. C. Line

Daily Dispatch Bureau,
In the St. Walter Hotel,
BY J. C. BASKERVILL.

Raleigh, July 9.—The "Mullet" railroad, as the Atlantic and North Carolina line from Goldsboro to Morehead City has been known for years, will either be re-leased to the Norfolk Southern, former lessee which has recently made a new offer to re-lease their road, or will be operated independently as a bridge line by the officers and directors of the Atlantic and North Carolina Railroad, Governor J. C. B. Ehringhaus indicated today. The governor said that officials of the Norfolk Southern had conferred with him in Morehead City last

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MAINE REPUBLICAN SHOUTS EPITHET AT ATTORNEY FOR REC

Brewster Tells House Com- mittee Corcoran Had Threatened Cutting off of Money

CORCORAN DECLARES CHARGE UNFOUNDED

"You're a Liar", Congress- man Shoots Back at Ad- ministration Agent; Senate De- bates Its Action on Bill; House Argues Over TVA Amendments

Washington, July 9.—(AP)—The lie was passed today as tempers flared and frayed nerves strained in the raging utilities dispute in Congress.

Climaxing the opening day of a House investigation of lobbying for and against the utilities holding company bill, Representative Brewster, Republican, Maine, shouted, "You're a liar," at Thomas Corcoran, R. F. C. attorney.

Corcoran, on the stand before the rules committee, had just characterized as "baseless" Brewster's charge that he had threatened that work would be halted in the Passamaquoddy power project in Maine if Brewster voted against an administration-sponsored provision in the utilities bill for mandatory abolition of certain holding companies.

Preceding him as the first witness, Brewster had related the accusation made originally on the House floor which precipitated the investigation.

The hotly disputed utilities issue also was before both chambers of Congress.

The Senate expected to decide today or tomorrow whether it would accept the House action in eliminating the mandatory abolition feature of the holding company bill.

The House started the final stages of a debate over controverted amendments to clarify and strengthen the powers of the Tennessee Valley Authority.

Unanimous decision to limit the tax bill to levies only on individual and corporate incomes, inheritances and gifts was reached by the House Ways and Means Committee.

Proposals for broadening President Roosevelt's tax program to include sales taxes, other "nuisance" levies, as well as other revenue problems were discussed before the decision was reached to confine the legislation to the point outlined originally by the President.

Cotton Tax Restrained By Hayes

Greensboro, July 9 (AP)—Orders temporarily restraining collection of cotton processing taxes were signed by Judge Johnston J. Hayes in the Middle District Federal court here Monday afternoon in relation to eleven manufacturing concerns. The orders are returnable before Judge Hayes in Wilkesboro July 18.

Louisiana Militia Is Withdrawn

Baton Rouge, La., July 9.—(AP)—Martial law was ended today in Louisiana's State capital.

The military rule which has existed in East Baton Rouge parish since January 25 was terminated when the last handful of Guardsmen on duty relinquished supervision of the parish court house and evacuated the Capitol.

Their departure followed revocation yesterday by Governor O. K. Allen of his martial law proclamation issued six months ago when Senator Huey P. Long charged that political foes and the Standard Oil Company had plotted to kill him.