

## EHRINGHAUS REFUSES TO PARDON LUKE LEA

### U. S.-Soviet Trade Accord To Treble Value Of Trade Between The Two Nations

#### SOVIET WILL MAKE PURCHASES IN U. S. OVER \$30,000,000

"Most Favored Nation"  
Treatment To Be Ac-  
corded Russia by the  
United States

#### EXCHANGE OF NOTES BRING AGREEMENT

#### All Benefits of Similar Ac- cords Already Negotiated By Washington With Oth- er Nations To Accrue To Soviet; Ends Estrangement Of Eighteen Years

Moscow, July 13.—(AP)—Russo-  
American negotiations at Washington  
have come to a successful conclusion  
in the form of a Soviet-American  
trade agreement it was officially stated  
here today.

Details of the agreement were ex-  
pected to be made known this after-  
noon.

An exchange of notes between for-  
eign Minister Maxim Litvinoff and  
American Ambassador William C.  
Bullitt today culminated the negotia-  
tions. They are understood to pro-  
vide for a temporary agreement and  
the granting to the U. S. S. R. of  
most favored nation treatment.

#### AGREEMENT IS EXPECTED TO TREBLE TRADE VOLUME

Washington, July 13.—(AP)—The  
United States and Soviet Russia to-

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#### COTTON CONSUMED ABOVE JUNE, 1934

#### But Active Spindles for Month Considerably Less This June

Washington, July 13.—(AP)—Cot-  
ton consumed during June was re-  
ported today by the Census Bureau  
to have totalled 385,946 bales of lint  
and 61,905 bales of linters, compared  
with 469,250 and 65,501 during May  
this year, and 353,262 and 54,587 dur-  
ing June last year.

Imports for June totalled 6,403  
bales, compared with 10,423 for May  
this year, and 9,751 for June last year.  
Exports for June totalled 344,955  
bales of lint and 19,006 of linters, com-  
pared with 278,977 and 21,910 for May  
this year, and 45,226 and 14,363 for  
June last year.

Cotton spindles active during June  
numbered 22,790,200, compared with  
23,027,780 during May this year and  
24,621,334 during June last year.

### New Cases Paralysis Number 14

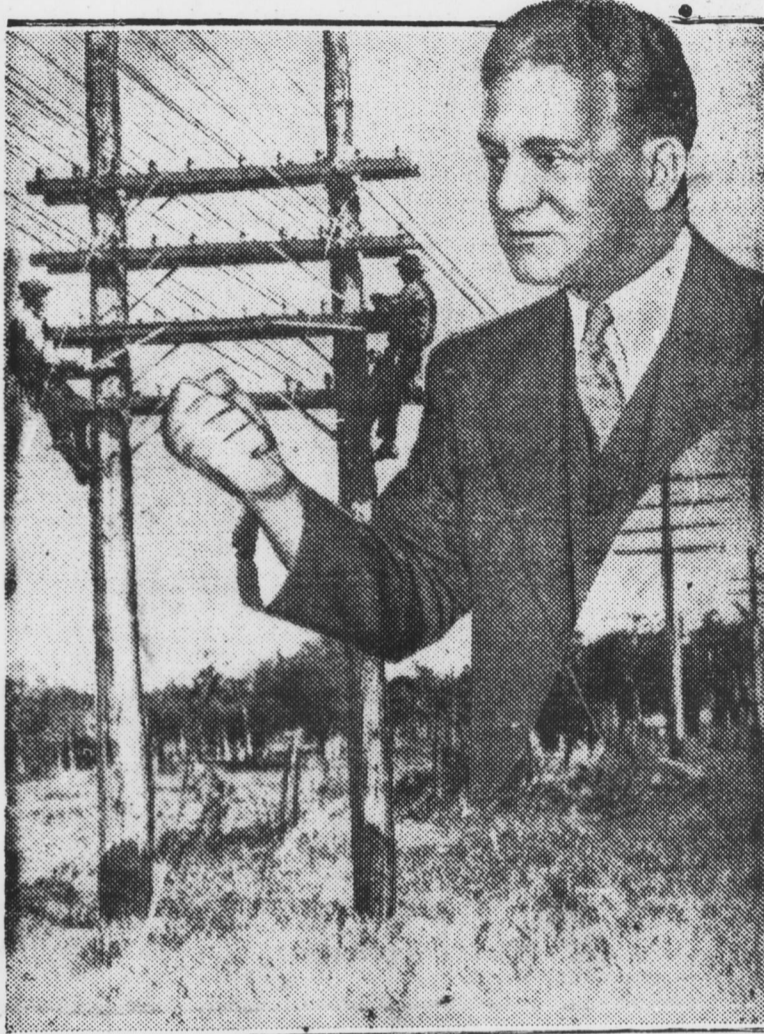
Raleigh, July 13 (AP)—The State  
Board of Health today received re-  
ports of 14 additional cases of infantile  
paralysis in North Carolina, but  
nine of them occurred in June and  
had been delayed in the local counties,  
it was pointed out.

The new reports made 364 cases for  
this year over the State, but only  
around 100 are still in the contagious  
stage.

#### TEN NEW CASES REPORTED FOR THE DAY IN VIRGINIA

Richmond, Va., July 13 (AP)—Ten  
new cases of infantile paralysis was  
reported to the State Health Depart-  
ment today, five of them from coun-  
ties which had not previously record-  
ed a case of the disease.  
The addition raised to 57 the num-  
ber reported since July 1, and boosted  
the total since June 1 to 109.

### Telephone "Trust" Inquisitor



Ferdinand Pecora, who became headline inquisitor in 1933 as special  
counsel of Senate's inquiry into Wall Street activities, is slated to resign  
as New York Supreme Court justice to become Federal Communications  
Commission counsel in investigation of American Telephone & Telegraph  
Co., world's largest corporation. (Central Press)

### New PWA Set-Up For State Shot Through By Politics

#### Announcement of District Directors Looks Like Con- gressmen Trying To Assure Their Re-Election; Coan Is Able But He Knows His Politics

Daily Dispatch Bureau,  
In the Six Walter Hotel,  
BY J. C. BASKERVILLE.

Raleigh, July 13.—Does WPA stand  
for Works Progress Administration  
or Works Politics Administration?  
Does this new Federal organization,  
whose running gear has just been re-  
vealed through the announcement of  
the eight district directors and their  
assistants in North Carolina, have the  
relief of the unemployed in the State  
as its basic objective, or the relief  
of the relief workers and the re-election  
of members of Congress as its prin-  
cipal aim? Is the WPA the answer to

the relief clients prayer or to the sup-  
plications of the patronage seekers  
and the politicians?

There is no doubt among most ob-  
servers here that, regardless of what  
style of body may later be mounted  
on the new WPA chassis, that this  
chassis is undoubtedly of the latest  
1935 political model, constructed  
with a very definite view to assist-  
ing in the re-election of the present  
members of Congress. Many of the  
parts and appliances tried out in the  
old CWA and ERA machines have

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### WIFE OF AUSTRIAN CHANCELLOR KILLED

#### Automobile Strikes Tree Near Linz; Chauffeur Is Badly Injured

Vienna, July 13.—(AP)—The  
Austrian cabinet decided tenta-  
tively today to suggest to Chan-  
cellor Kyrk Scheussnigg that he  
quit office for an extended vaca-  
tion as the result of an automobile  
accident in which the chancellor's  
wife was killed and he was in-  
jured.

Vienna, July 13.—(AP)—Mme.  
Schussnigg, wife of the Austrian  
chancellor, was killed and her son  
badly injured in an automobile ac-  
cident near Linz today. The chancellor  
was reported uninjured, but in a hos-  
pital at Linz.  
An official communique said the

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#### WEATHER FOR NORTH CAROLINA.

Mostly cloudy, with showers to-  
night and possibly in extreme east  
portion Sunday morning; slight-  
ly cooler tonight in west portion.

### Sees U. S. Dictator



Karl Radek, Soviet editor whose  
declarations reflect official views, is  
telling readers of Russian press that  
a dictatorship of middle class  
origin will be set up in U. S. within  
a short time. (Central Press)

### AMERICA DEMANDS FULL OBSERVANCE OF PEACE TREATY

#### Hull's Statement Makes No Mention of Italo-Ethio- pian Controversy However

#### ROME SAYS ITALY NOT VIOLATING IT

#### Meantime, London Specu- lates Over Whether or Not United States Will Join Hands With Britain To Stave Off Hostilities In East Africa Area

(By The Associated Press.)  
The United States took a central  
role in the Italo-Ethiopian quarrel to-  
day with a statement by Secretary  
Hull in support of the Briand-Kellogg  
pact outlawing war.

He mentioned neither Italy nor  
Ethiopia by name, but said Washing-  
ton expected them ations to live up  
to the treaty.

Rome quarters hastened unofficial-  
ly to assert Italy had not violated the  
treaty, but was the victim of hostile  
Ethiopian acts. Military preparations  
went forward at a rapid pace.

London speculated as to whether

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### State Will Save \$35,000 On Coal Bill

In the Six Walter Hotel,  
Daily Dispatch Bureau,  
BY J. C. BASKERVILLE.

Raleigh, July 13.—North Carolina  
will save from \$35,000 to \$50,000 this  
year on its annual coal bill for State  
institutions and the public schools,  
as a result of the slight decline in  
coal prices that has resulted since the  
death of the NRA. A. S. Brower, di-

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### Balkans To Arm If Hapsburgs Return

Bucharest, Romania, July 13.—  
(AP)—Foreign Minister Titulescu  
announced today after a confer-  
ence with Prince Paul, regent of  
Yugo-Slavia, that that if the pro-  
posed restoration of the Hapsburg  
dynasty in Austria were carried  
out, it would mean the automatic  
mobilization of the Little Entente  
armies.

"The Little Entente policies with  
respect to a Hapsburg restoration  
have been settled on a position  
basis and mobilization would fol-  
low as a matter of course if the  
dynasty is re-established in Vien-  
na," the foreign minister said.  
He added that a formal state-  
ment probably would be issued in  
the course of the day.

### PARTY MOGULS WILL DISCUSS PROSPECTS ON SUNDAY CRUISE

#### Roosevelt, Garner and Far- ley Head Party of Prom- inent Ones at Ches- apeake Club

#### BUSINESS FURTHER PROTESTS NEW TAX

#### U. S. Chamber Urges \$400,- 000,000 Expense Slash In- stead of Seeking That Much Money in New Taxes; Relief Load Declines In Some of Major Cities

Washington, July 13.—(AP)—Capital  
interest today turned to the journey  
of President Roosevelt, Vice-Presi-  
dent Garner, Postmaster General Far-  
ley and other Democratic leaders to  
the Chesapeake Bay fishing grounds  
of the Jefferson club, an organization  
of Senate Democrats.

The White House said the President  
went merely for a week-end of out-  
door recreation, but so many prom-  
inent men were invited that observers  
agreed that some of them at least  
would talk of 1936 prospects and  
strategy.

Both the Senate and House were in  
recess, but important committees of  
both were at work.

Before the House Ways and Means  
Committee the Chamber of Commerce  
of the United States renewed its at-  
tack on the Roosevelt tax program.  
A spokesman for the business organ-

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### EHRINGHAUS, JOHNSON SIGN STATE'S BONDS

Raleigh, July 13 (AP)—Governor  
Ehringhaus and Treasurer  
Charles M. Johnson will go to New  
York tonight to sign \$3,304 new  
North Carolina bonds Monday and  
deliver them to a syndicate head-  
ed by Lehman Brothers of New  
York.

The \$3,304,000 issue of securi-  
ties recently was sold at an all-  
time record low rate of interest,  
2.7212 percent.

### Veneer Operatives At Fayetteville To Demand NRA Pay

Fayetteville, July 13.—(AP)—Strik-  
ers and management of the Lacy  
Manufacturing Company, a veneer  
concern, held a conference this morn-  
ing, but were unable to reach an  
agreement. Another conference was  
set for this afternoon at 4 o'clock.

Fayetteville, July 15.—(AP)—The  
plant of the Lacy Manufacturing  
Company, a veneering concern, was  
closed late yesterday as the result of  
a strike on the part of 80 or 100 white  
and Negro workers. Strikers said  
their objective was the "NRA wage  
scale of 23 cents an hour."

The management said it had not  
been informed of the demands, but  
that a conference with the strikers had  
been arranged for this morning.

The plant has been operating on a  
profit-sharing system of compensa-  
tion. It has not been operating full  
time for several months.

### Greene County To Get Liquor Stores As Judge Recants

Snow Hill, July 13.—(AP)—Judge  
J. Paul Frizzelle, after a two-hour  
hearing here today, agreed to modify  
a restraining order preventing the  
opening of county liquor stores in  
Greene to the extent that the stores  
may be put in operation if the coun-  
ty commissioners take steps to in-  
demnify the county against any pos-  
sibility of loss in the matter.

Walter G. Sheppard, county solicitor  
and county attorney of Greene  
county, today presented a petition to  
Judge J. Paul Frizzelle in superior  
court here asking that a restraining  
order issued by the jurist some time  
ago to prevent the opening of county  
liquor stores here, be amended to al-  
low their operation.

### Power Through Air



"The greatest achievement of my  
life," said Nikola Tesla on his 79th  
birthday, pictured in New York  
when speaking of his latest discov-  
ery, a method of sending mechanical  
impulses to all parts of globe as  
guide for ships and as indicators of  
world's mineral wealth. Impulses  
can also be used in time of war to  
explode bombs anywhere. (Central Press)

### Pay Boost To Highway Employees

Daily Dispatch Bureau,  
In the Six Walter Hotel,  
BY J. C. BASKERVILLE.

Raleigh, July 13.—The new wage  
scale in effect for employees of the  
State Highway and Public Works  
Commission is giving all employes a  
substantial increase in pay in all of  
the various classifications, Chairman  
Capus M. Waynick said today. The  
salary schedules in the various classifi-  
cations have all been revised and  
the various employes have all been  
re-classified. As a result, some em-  
ployees probably will not get a salary  
increase of 20 per cent, while some  
who have been placed in higher classi-  
fications are now getting increases  
of more than 20 per cent, Waynick  
pointed out.

"When the General Assembly was

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### GOVERNOR SEES NO 'NEW EVIDENCE' IN PRISONER'S PLEA

#### Former U. S. Senator From Tennessee Serving Term For Asheville Bank Failure

#### EXECUTIVE IS NOT AT ALL CONVINCED

#### Every Point Presented In Appeal for Clemency Has Been Previously Advanced, Statement Says; Son of Lea and Wallace Davis Have Been Freed Already

Raleigh, July 13.—(AP)—Governor  
Ehringhaus announced today he had  
declined the petition of Luke Lea, for-  
mer United States senator from Ten-  
nessee, for a pardon.

Lea was sentenced in Asheville after  
his conviction on charges of conspi-  
racy to defraud the Central Bank  
and Trust Company there. He fought  
his conviction through every court at  
his command and entered prison on  
May 5, 1934, to serve his term of six  
to ten years, though he had been con-  
victed in August, 1931.

Luke Lea, Jr., was convicted with  
his father and entered prison at the  
same time, but was released last year  
on parole due to his physical condi-  
tion. Wallace B. Davis, president of  
the Central Bank, also was convicted  
in the same case, and after one peti-  
tion for clemency was denied in his  
case, he was freed under parole sev-  
eral weeks ago.

Usually in refusing a clemency peti-  
tion, the governor merely announces

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### HARWOOD FAILS TO GET LICENSE BACK

Raleigh, July 13 (AP)—J. H. Har-  
wood, former Bryson City attorney  
and superior court judge, who served  
a term in State Prison for destroying  
State Revenue Department records,  
today had lost another battle in his  
long fight to have his law license re-  
stored.

The council of the North Carolina  
State Bar, meeting here yesterday, re-  
fused to restore Harwood's license.  
Harwood was sentenced to serve one  
year on his conviction and was re-  
leased from prison November 2, 1932.  
Since then he has waged an unsuccess-  
ful fight to have his license re-  
stored.

### Waley Jury Waits Only Charge From Presiding Judge

Tacoma, Wash., July 13 (AP)—The  
Margaret Waley jury awaited only  
court instructions today before delib-  
erating her guilt or innocence in the  
\$200,000 George Weyerhaeuser kid-  
naping.

Defense and prosecution completed  
arguments before the overnight recess  
alternately presenting the 19-year-old  
plump blonde as an unwilling partici-  
pant and a remorseless conspirator to  
the abduction of the little lumber for-  
tune heir.

### WEALTH TAX PLAN CANNOT GAIN ENDS

#### Only Way To Get Money Is Broaden Tax Base, Which Politicians Fear

By CHARLES F. STEWART  
Central Press Staff Writer

Washington, July 13.—As to tax-  
ation, there is almost as many  
schools of thought on Capitol Hill as  
there are members of Congress.

The House of Representatives' Ways  
and Means Committee, trying to  
make heads and tails out of these  
varying and conflicting philosophies  
in the course of its hearings on Presi-  
dent Roosevelt's "share our wealth"  
program (to quote a few among the  
numerous designations it is known  
by), likewise is split in about 25 dif-  
ferent directions—since there are 25  
members of the committee.

Just what the White House really  
desires is one problem.  
For one thing, it is essentially a  
"share our wealth" program that the  
executive mansion desires? If so, the  
plan scarcely promises to be one. It

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