

HOPES BRIGHTER FOR PEACE IN EUROPE

BAILEY, REYNOLDS ARE AT ODDS OVER STATE FHA CHIEF

Reynolds Wants W. H. Spradlin, Winston-Salem; Bailey For J. L. Suter, Rocky Mount

SUTER NOW ACTING DIRECTOR FOR FHA

T. B. Sumner, of Asheville, Recently Resigned Office Declaring He Didn't Have Free Hand; He was Choice of Senator Reynolds at That Time

Washington, Oct. 22.—(AP)—North Carolina's two senators, who have divided a number of times over patronage today apparently were at odds over appointment of a State director for the Federal Housing Administration.

Senator Robert R. Reynolds, it was learned, has recommended W. H. Spradlin, of Winston-Salem, while Joseph William Bailey was understood to favor Joseph L. Suter, of Rocky Mount, for the post.

Suter has been acting director since the resignation of T. B. Sumner, of Asheville, a Reynolds appointee, who quit the job when Washington headquarters of the housing administration complained business of the North Carolina office was progressing too slowly.

Sumner, in his letter of resignation, contended he did not have a free hand in running the North Carolina office, located at Greensboro.

Naming of a successor to Sumner is expected to be held in abeyance until the return to Washington of W. D. Flanders, housing field director, who is now in the West. He is not scheduled to return here until the end of the month.

Meanwhile, Senator Reynolds is on his way to the Philippines to attend the inauguration of the new islands government and is not to return until some time in December. His office here is following closely the developments in connection with the housing post.

Senator Bailey is in North Carolina, and his secretary here said he had no knowledge of the situation.

Sharp Rise In Earnings Is Revealed

New York, Oct. 22.—(AP)—The first 88 corporations reporting earnings for the third quarter of 1935 show a gain of 18.7 percent over the like quarter of 1934, a tabulation by The Associated Press today showed.

For the entire first nine months of the year, 93 corporations reporting showed a gain over the like period of last year of 23.3 percent.

The total net earnings reported by 88 corporations for the third quarter was \$102,692,844, compared with \$86,546,263 in the like period of last year. For the first nine months the total of 93 was \$299,007,141, compared with \$242,503,432.

Victory For McDonald Is A Possibility

Unless Oppositor Centers on Single Candidate, Radical May Win Out

In the Sir Walter Hotel, Daily Dispatch Bureau, BY J. C. BASKERVILLE, Raleigh, Oct. 22.—Does Dr. Ralph W. McDonald, erstwhile Winston-Salem college professor now turned candidate for governor, have a chance to win the Democratic nomination in the primary in June, and thereby become governor?

All of the McDonald supporters are confident that he will win the nomination either in the first or second primary and maintain that his

Cotton Spinning Now Very Active

Washington, Oct. 22.—(AP)—The cotton spinning industry was reported today by the Census Bureau to have operated during September at 93.9 percent capacity, on a single shift basis, compared with 76.4 percent for August this year, and 54.3 percent for September last year.

Roosevelt Is To Arrive At Charleston

President To Dock Tomorrow and Return to Washington By Special Train

Aboard the U. S. S. Houston, En Route to the United States, Oct. 22.—(AP)— President Roosevelt's ship, after apparently outracing the Caribbean hurricane, today prepared to make a direct run to Charleston, S. C., for anchorage late tonight. The original schedule called for his arrival at Charleston tomorrow.

Finding clear weather and slightly milder seas after a run through gales last night, President Roosevelt determined upon faster speed—twenty knots—and the end of the cruise tonight.

No concern was felt today over the slow moving hurricane acter, but the President decided to take advantage of the quiet waters of Charleston for the last night of a three weeks sea holiday.

The President will go ashore at Charleston tomorrow afternoon, and possibly make a talk there before boarding a special train for his return to the White House Thursday morning.

En Route With President Roosevelt to Charleston, S. C., Oct. 22 (AP)—The cruiser Houston, bearing President Roosevelt home, plowed northward today well in the van of a hurricane which struck and damaged Jamaica and eastern Cuba.

A high wind sent swells crashing over the decks of the Houston and its escort cruiser Portland, but officers said there was no danger from the storm.

The hurricane, they estimated, was 300 miles behind them. Heavy seas kept the vessels' speed down to 17 knots as they passed along the Bahamas. They expect to dock early tomorrow at Charleston.

TO CONTINUE DRIVE ON DRUNK DRIVERS

Highway Patrol to Keep Up Effort for Safety of Roads Over State

In the Sir Walter Hotel, Daily Dispatch Bureau, BY J. C. BASKERVILLE, Raleigh, Oct. 22.—The State Highway Patrol will continue its drive against drunken drivers, and patrolmen have been instructed to stop and arrest all drivers who are traveling in an unsafe manner and who gave indications of having been drinking.

Captain Charles D. Farmer, commander of the patrol, said today:

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Dock Strike At Gulf City Proves Fatal

Houston, Texas, Oct. 22.—(AP)—One man was dead and two others were reported missing as police increased their lines today in the international Longshoremen's Association strike on the gulf coast.

Galveston port officials, expecting a crisis in the ten-day-old strike, added 15 men to the special waterfront police.

Port Arthur police were confronted by reinforced picket lines. Police there investigated the death of Etienne Christ, 34-year-old strike picket, and discovered that two non-union men from a box car in which they were being transported to a terminal. The quartette was badly beaten.

BANKHEAD COTTON GINNING TAX CUT UNDER SIX CENTS

AAA Reduces Levy to 5.45 Cents Per Pound on Lint, Effective October 21

APPLIES TO EXCESS OF ALLOTMENT MADE

Announcement Is Made At Same Time of Slash In Price of Cotton Tax Exemption Certificates From Five to Four Cents; Pool Is Also Closed

Washington, Oct. 22.—(AP)—A reduction in the Bankhead cotton ginning tax from six to 5.45 cents per pound of lint cotton, effective as of October 21, was announced today by the AAA.

The Bankhead law provides that a tax shall be collected on all cotton ginned in excess of national allotments. The AAA said 10.90 cents per pound had been determined as the average price of lint cotton "for a representative period."

The Bankhead law provides that the tax shall be 50 percent of the average market price of 7-8 inch middling spot cotton on the ten spot markets for a representative period. However, the tax may not be less than five cents per pound.

At the same time, the AAA announced a reduction in the sale price of cotton tax exemption certificates from five to four cents a pound. With this reduction, the Farm Administration said the special surplus cotton tax exemption certificate pool has been closed, and the regular 1935 national pool will be opened soon.

These pools were set up by the AAA to permit a grower who did not produce the full amount of his allotment to sell his tax exemption certificates for the balance.

Dispute In Cotton Trade To Be Aired

Memphis, Tenn., Oct. 22 (AP)—Differences between the private cotton trade and the cotton cooperatives will be aired before Senate investigators in a "showdown" hearing next Monday.

Leading the attack on the cooperatives will be Caffey Robertson, president of the Memphis Cotton Exchange, and representatives of other cotton exchanges over the South.

The American Cotton Cooperative Association was expected to defend the activities of the co-ops, and lead a counter-attack on the private cotton buyers and shippers.

Senator McKellar, Democrat, Tennessee, is chairman of the subcommittee named to investigate the cooperatives and their use of Federal funds. He will be assisted by Senators Bankhead, Democrat, Alabama, and Townsend, Republican, Delaware.

LONDON PAPER IS BANNED BY ITALY

Rome, Oct. 22 (AP)—The London Daily Telegraph was banned from Italy today. The ministry of press and propaganda admitted that the sale of the paper has been prohibited here, but no official reason for it was given.

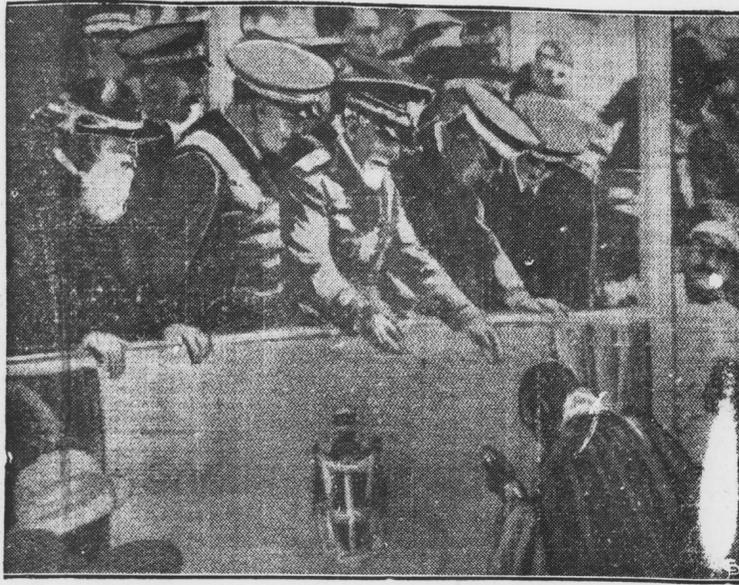
It is known, however, that the Daily Telegraph—regarded in political circles as the mouthpiece of Anthony Eden, Britain's League of Nations spokesman, has been a source of annoyance to the Italian government.

Relief In Small Way Continues

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE, Raleigh, Oct. 22.—There is a possibility that some additional funds may be granted to the North Carolina Emergency Relief Administration between now and November 1, also that some relief work may be continued

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Radio Photo of Ethiopian Deserter Surrendering



Ras Guga kneels before General De Bono in this radio picture from Asmara, Eritrea, Ras Haile Selassie Guga, the Ethiopian governor who deserted to the Italians with 15,000 troops, kneels in surrender before General Emilio De Bono and a priest at Asmara. Guga, who is 27 years old, may become the "puppet king" of northern Ethiopia, serving under Italian protection. The plan is patterned after Japan's puppet kingdom in Manchukuo.

FARM CREDIT DROP SEEN AS PROOF OF BETTER BUSINESS

Fewer Loans Being Called for and Collections Are Much More Satisfactory

1935 LOANS LESS BY HALF THAN IN 1934

Brighter Outlook Reflected in Federal Farm Loan Activities, W. I. Meyers, FCA Governor, Recently Tells Federal Land Bank Presidents

Washington, Oct. 22.—(AP)—Farm Credit Administration officials reached the conclusion today that economic conditions must be better if improved collections on loans and a sharply curtailed demand for financial help meant anything.

Loans and discounts for the first nine months of 1935 totalled \$851,444,000, they said. This is a big drop from the \$1,434,498,000 figure for the same period last year.

Applications for loans dropped from an average of 33,000 per month in 1934, to 11,000 in June, and 14,000 in September, 1935. Figures on collections will be released later in the week.

W. I. Meyers governor of the FCA.

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PROCESSING BAN IS UPHELD BY JUDGES

Minneapolis, Minn., Oct. 22.—(AP)—Three Federal judges filed an order in the United States district court today denying the appeal of government attorneys for dismissal of an injunction granted last July against collection of Federal processing taxes.

Dictator Peoples Kept In Ignorance

German Press, for Instance Is Told What to Print and What Not to

By LESLIE RICHEL, New York, Oct. 22.—Suppose you lived in a dictator country—would you know what actually is going on in the world?

Here are a very few of many "directives" issued to German newspapers by Dr. Goebbels, head of the German ministry of public enlightenment and propaganda: "The press must not report the pre-

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Death And Destruction Brought To Cuban City By Tropical Hurricane

City of Santiago In Darkness as Power Plant Fails; Many Buildings Collapse, River Overflows and Sections of City Are Covered by Water

Santiago, Cuba, Oct. 22.—(AP)—Three persons were reported dead and four injured today as the hurricane which swept northward from Jamaica struck this city with full force.

The city's streets were littered with debris, making automobile traffic impossible, while the winds and torrential rains prevented further search for possible victims, who it was feared might be buried in the ruins.

Many buildings collapsed and the roofs of a hospital and the electric power plant were blown off, leaving the city without electricity.

The Decatur river overflowed, flooding large sections of the city. Some residents fled to escape the danger of falling debris.

No news was available from the surrounding regions, as communications were cut. Reports were sent out of the city only by radio.

U. S. NAVAL STATION NOW CUT OFF BY THE STORM

Santiago, Cuba, Oct. 22 (AP)—With the eastern end of Cuba, including the United States naval station at Guantanamo Bay, cut off by a hurricane, authorities here today feared restored communications would show a widespread loss of life.

The hurricane, which swerved on its course from the Caribbean so widely that the Belen and National Observatoris lost track of it, smashed into Oriente province early today.

The blow was believed to have hit the eastern area much harder. The storm seemed to have moved inland around Guantanamo Bay and Caimanera, where the United States naval station is situated.

Consumption Of Beer Now Near Double

Proposal by Hull Similar to One by British Sir Samuel Hoare

By CHARLES P. STEWART, Washington, Oct. 22.—Secretary of State Cordell Hull recently made a suggestion of which not much notice has been taken thus far. It embodied a good peace idea.

Perhaps it is significant that Sir Samuel Hoare, as England's spokesman, made the same suggestion almost simultaneously with Secretary Hull's.

The impression naturally is that the two have been consulting together, though it isn't officially so stated. The suggestion was that the nations which have a plethora of resources should give reasonable access to them to countries which suffer from an insufficiency.

"STARVING" NATIONS The United States has such a redundancy that, paradoxically, it cause depressions. England and France, counting their overseas possessions, also have an overplus. Russia, too,

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ENGLAND WORKING TO REACH ACCORD BEFORE TOO LATE

Sir Samuel Hoare, Foreign Secretary, Speaks Optimistically Before Commons

MUSSOLINI SEEKS TO DRIVE BARGAIN

Duce Pushing Campaign In Ethiopia To Strengthen His Position and Force Emperor Selassie To Accept Such Terms as May Be Offered Him

London, Oct. 22.—(AP)—Sir Samuel Hoare, foreign secretary, told the House of Commons today there was hope that an eleventh hour solution of the Italo-Ethiopian conflict could be effected before the full pressure of economic sanctions against Italy was applied.

Sir Samuel stated that Great Britain had never turned her back on a peaceful solution, adding:

"There is still breathing space before the economic pressure can be applied. Can it not be used for another attempt at such a settlement?"

The legislative chamber was crowded, and many diplomats sat in the galleries.

"Italy still is a member of the League of Nations," said Sir Samuel. "I welcome this fact. Cannot this eleventh hour be so used as to make it unnecessary to proceed farther along the unattractive road of economic action against a fellow member, an old friend, a former ally?"

MUSSOLINI IS SEEKING TO BARGAIN ON FURTHER PEACE

Rome, Oct. 22.—(AP)—An Italo-British understanding necessary to secure the peace of Europe hung in the balance today as Premier Mussolini

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Labor Riots Reported In West Indies

Kingstown, St. Vincent, British West Indies, Oct. 22.—(AP)—Rioting broke out anew on this West Indian island today, while armed marines from a British warship enforced martial law after three rioters had been fatally wounded during the night.

The disorders, the outgrowth of labor troubles which had gone on for months, and increased by tension due to the Italo-Ethiopian war, reached a head in a series of battles with police last night, in which three of the rioters received fatal wounds. Eight of their companions, including two women, were wounded, and six police, have been injured in the wild clubswinging riots that raged through Kingstown yesterday after massed demonstrations of laborers before Governor Sir Selwyn Greier.

The governor's car was smashed, as were those of a supreme court judge and of the islands' attorney general, and homes and stores were looted and wrecked before police guns subdued the rioters.

Ruth Nichols Seriously Ill From Crash

Her Pilot, Harry Hublitz, Dies of Injuries in Fall of Plane Monday

Troy, N. Y., Oct. 22.—(AP)—Miss Ruth Nichols, adventurous air woman who was seriously injured when a giant airplane crashed yesterday killing her pilot, was reported "slightly improved," but still in grave danger today.

Captain Harry Hublitz, 42, of New York City, her pilot, died at midnight although his injuries and burns were first thought to be less serious than

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FOR NORTH CAROLINA. Mostly cloudy, local showers in extreme west portion tonight and in north and extreme west portions Wednesday; cooler in extreme west and north central portion Wednesday.