

ETHIOPIA DECLINES NEWEST PEACE OFFER

Japan Formally Demands Equality For Her Navy

SEA STRENGTH AS GREAT AS U. S. AND ENGLAND IS ASKED

Admiral Nagano is Only Speaker at Session, After Which Conference Adjourns.

TONNAGE LIMIT ON EQUALITY PROPOSED

Limitation Suggested, But Japan Would be at Top With Rest of Great Nations; British and American Interests Opposing Ambitions of the Japs.

London, Dec. 11 (AP)—Admiral Osami Nagano placed Japan's demands for a navy as large as that of any major world power squarely before the delegates to the international naval conference today.

The admiral was the only speaker and the session was adjourned until tomorrow when the American and British delegates will reply to the Japanese demands.

Japan's long diplomatic campaign for a navy equal to any came to a climax with Admiral Nagano's emphatic demand to the international naval conference for equality with the United States and Great Britain.

The Japanese delegation, between adjournment of the conference yes-

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Hoffman Critic



Crawford Jamieson

Crawford Jamieson, Mercer County member of New Jersey legislature, is demanding investigation of Governor Harold Hoffman's action in reopening Hauptmann case, alleging the governor is seeking to make political capital out of the Lindbergh kidnapping.

(Central Press)

Silver Marts Lag As U. S. Quits Buying

(By The Associated Press)

The London silver market, which suffered a collapse yesterday, was still slumped today, and one Democratic United States senator hinted British financiers are trying to halt America's silver buying policy.

No price on silver was fixed in the London market. It was the third successive date that the "at the usual time" price went unannounced. Brokers were awaiting further information from America.

Government officials in Shanghai, as well as Chinese bankers, awaited apprehensively an indication of the future course of the United States silver policy. Anxiety was expressed for China's newly-launched monetary program if the price of silver continues to drop.

Prohibition Growing As Fresh Issue

Politicians Put on the Fence With Uncertainty as to Which Way To Flop.

By CHARLES F. STEWART
Washington, Dec. 11.—The average politician views with horror the prospect of prohibition's resurrection as a national issue.

There are exceptions. Statesmen from unmistakably wet constituencies see chances of capitalizing a renewal of the dry threat to their own advantage. Those from un-

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GRAHAM TO STRESS HIS LIQUOR VIEWS

Being Urged to Make Flat Statement as to Handling of Whisky.

REAL BREAK POSSIBLE

Friends Want Him to Effect Open Rupture With Present Administration to Show He Is Not Its Candidate

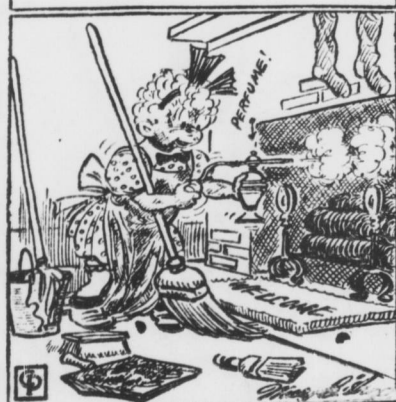
Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE

Raleigh, Dec. 11.—Lieutenant Governor A. H. (Sandy) Graham is expected to come out in the open as favoring either county or State liquor stores and control, depending upon what the counties prefer as indicated in countywide elections, before many more weeks pass by, according to those professing to be keeping in close touch with the campaign plans of this candidate for the Democratic nomination for governor. Graham is also expected to be sufficiently critical of the present State administration to dissipate the rumors now being put out by followers of the other two leading candidates that he is the "administration candidate" for the nomination, several of his supporters indicate.

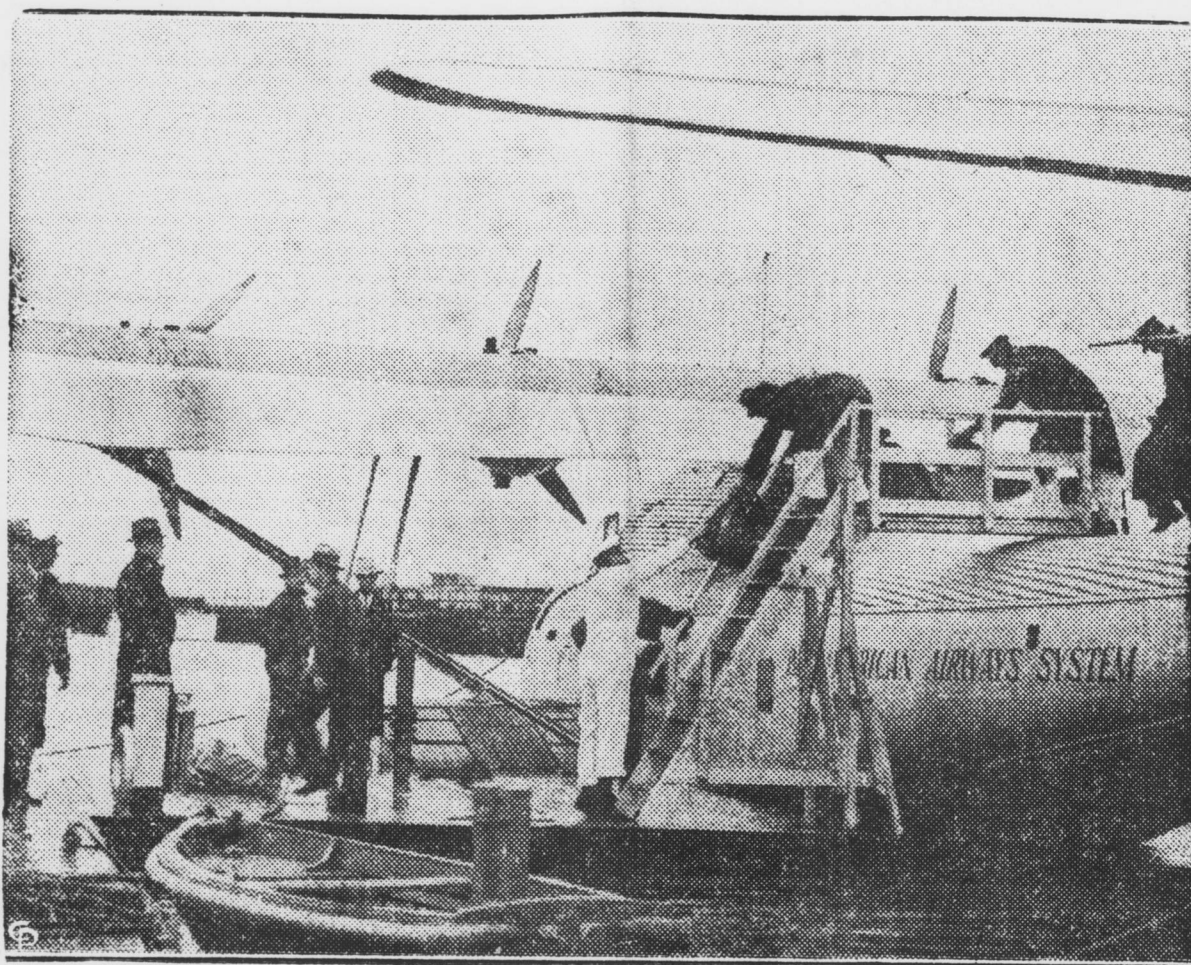
It is no secret here that for many weeks some of Graham's strangest supporters both here and elsewhere have been urging him to take a definite, out-in-the-open position as fa-

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11 shopping days until Christmas



CLIPPER COMPLETES FIRST TRANSPACIFIC HOP



Unloading mail after flight

After a record-breaking transpacific flight to the Orient, the huge China Clipper arrives at Alameda, Cal., airport and its heavy cargo of mail is unloaded. The transpacific plane, completing its first return voyage, carried 908 pounds of mail, 200 pounds more than on the outgoing air voyage.

Widespread Revolt Feared Against WPA In This State

Raleigh, Dec. 11 (AP)—Men who said they had not been paid for work done on WPA projects three weeks ago, and men who hid down their shovels with the acquiescence of foremen because they were "too hungry to work" today threatened a widespread revolt against the Works Progress Administration in North Carolina.

The alleged delays ranged from two days in Raleigh to several days in Gastonia and Wilmington and "three weeks" in Wilson. J. E. L. Wade, commissioner of public works at Wil-

ilmington, took up the cudgel for the workers himself, saying 25 WPA employees there had reported for work too weak to attend their duties for lack of food. "It was the same at the other points."

Gaston county workers marched on the city hall at Gastonia threatening a strike after they learned a similar situation had been met by a project sponsor at nearby Charlotte with "hiding over" payments pending receipt of checks from Raleigh. Authorities at Wilson were besieged by complaints that workers had not

been paid for the last three weeks work.

John W. Coan, Jr., State administrator, promised action—immediate action—to relieve the need of the moment and permanent action to prevent repetition.

He said the time keepers on the projects hereafter would work with the finance division instead of the engineering sections, thus eliminating red tape in handling reports, vouchers and other exchanges between the two groups necessary before a man could be paid.

S. C. LEGISLATURE PUTS OFF ACTION

Session Adjourns For Day Without Disbanding Johnston's Troops.

Columbia, S. C., Dec. 11.—(AP)—The legislature recessed today without taking action upon measures calling for withdrawal of troops from State highway department offices after Governor Olin Johnston said in a message he would be willing to remove them when an audit had been made and a temporary controlling agency set up.

The governor's message stirred sharp comment in both branches, but debate blocked decisive action on resolutions calling for withdrawal of

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LOWER PRICES AND HIGHER PAY URGED

That Philosophy Gaining Ground; Fear of U. S. Fascism Rising Again

By LESLIE EICHEL
New York, Dec. 11.—Philosophy that prices should be cut and pay raised is gaining. The most outspoken accepted authority has been Dr. Harold G. Moulton, president of the Bookings Institute, Washington.

Dr. Moulton gives the nub of the argument in these words: "The necessity of progressive price reductions as a means of expanding purchasing power and markets ap-

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Borah Strikes At Peace Proposals

Washington, Dec. 11 (AP)—Senator Borah, Republican, Idaho, struck out today at the Franco-British proposal to end the Italo-Ethiopian war as a plan which would leave Mussolini "the most powerful figure in Europe," and give him more than he sought in the beginning.

BOOTLEGGERS HAPPY ON COURT'S RULING

"Penalty" Taxes of Federal Government Voided by Decision Monday.

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE
Raleigh, Dec. 11.—North Carolina bootleggers are snickering up their sleeves today as a result of the opinion handed down by the United States Supreme Court in Washington Monday holding unconstitutional those sections of the alcoholic tax laws which imposed additional or "penalty" taxes on liquor dealers or manufacturers in states still having State prohibition laws, and who had not paid the regular Federal taxes on liquor dealers and manufacturers.

As a result of this decision, according to several lawyers and one judge consulted here today, the Federal

WEATHER FOR NORTH CAROLINA.

Fair and slightly colder in east and central portions tonight; Thursday increasing cloudiness and slight rain.

J. P. MORGAN AGAIN WILL BE WITNESS

Munition Committee Wants Him to Recite World War Events

Washington, Dec. 11 (AP)—The Senate Munitions Committee probably will open an inquiry January 6 into the "currents which drew America into the World War," with J. P. Morgan a witness.

The New York financier, star witness in the Senate Banking Committee's stock market investigation a few years ago, will be called for questioning in connection with financing the Allied forces. Whether he will open the inquiry or will be called later has not been finally determined. Events preceding American entry

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STATUS UNCHANGED FOR HIGH SCHOOLS

Dropping by Southern Association Does Not Affect State Rating.

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE
Raleigh, Dec. 11.—The dropping of 47 high schools in North Carolina from the accredited list by the Southern Association of Schools and Colleges is really not so serious, since all of these 47 high schools are still accredited by the State Department of Public Instruction so that their graduates will continue to be accepted by

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SELASSIE HARD SET AGAINST REWARDING ROME'S AGGRESSION

President Quezon



Becoming first president of the new Philippine commonwealth, Manuel Quezon is pictured delivering his inaugural speech at Manila, P. I. This picture was flown to the United States by the China Clipper.

Ethiopia Will Adhere to Its Principle of Territorial And Political Integrity

MUSSOLINI SILENT AS EUROPE WAITS

Whether He Would Agree or Drop an Explosive "No" to Diplomatic Ranks Still Is Question; Government Crisis Develops in Egyptian Capital.

(By The Associated Press)
Ethiopia said "No" today to the latest effort to end its East African war with Italy by negotiations.

Scarcely had peace terms, agreed upon by Great Britain and France, been dispatched to Addis Ababa before the empire's minister in Paris announced his government was unalterably opposed to any proposal for settlement of the Italo-Ethiopian war which would "reward" Italian aggression.

Ethiopia, he added, will adhere to the principle of its territorial and political integrity.

The program of Great Britain and France for peace in East Africa encountered an early obstacle, with Ethiopian officials asserting Emperor Haile Selassie would lose his throne if he dared to accept the proposal.

The Addis Ababa government authorizes said northern Tigre province must be kept by Ethiopia, lest native chieftains, ordered to retreat, rise in revolt on grounds that they could have defended the province successfully.

These officials described the peace plan and its reported provisions for exchange of land between Italy and Ethiopia as a "reward for Italy for

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NEW PRESIDENT IN CUBA MAY GET OUT

Mendieta Succeeded by Secretary of State, Who Might Not Last

CABINET IS RETAINED

Mendieta's Ministry Re-Appointed and That May Precipitate New Trouble Before the Coming Elections.

Havana, Dec. 11.—(AP)—Cuba's turbulent political situation precipitated the resignation of President Carlos Mendieta today, and catapulted Secretary of State Jose A. Barnet into his office, apparently clearing away obstacles to the holding of the December national elections.

Mendieta, yielding to the insistence of powerful political factions which refused to participate in the elections unless he first stepped down, presented his resignation to the cabinet as a "patriotic duty."

Barnet, 71-year-old veteran of the diplomatic service, automatically be-

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1936 Tags Go On Sale Saturday

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE
Raleigh, Dec. 11.—The new 1936 automobile license plates will go on sale Saturday morning, December 14, both at the automobile license bureau here and at the more than 60 branch offices over the State, due to the fact that December 15 falls on Sunday, Commissioner of Revenue A. J. Maxwell announced here today. Accord-

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Britain To Default On Debt Again

London, Dec. 11.—(AP)—The British government made public tonight the text of a note delivered by the British Embassy in Washington to the State Department again stating that Great Britain declines to make the semi-annual payment due on its war debt to the United States.

The amount due December 15 is \$117,870,765.05.

In its note calling attention that payment was due, the United States

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Government Seeks Delay On Utilities

Cummings To Argue Personally in District; Philadelphia Dismissal Asked.

Washington, Dec. 11 (AP)—Attorney General Cummings revealed today he personally will argue in the District of Columbia Supreme Court tomorrow the government's motion to hold up injunction suits of seven holding companies challenging the utility law's constitutionality.

The decision served to emphasize the importance placed by the administration on the controverted New

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