

Japan Maneuvering For Franco-Italian Support On Parity

Common Upper Limit of Naval Tonnage Revised To Include Those Two Nations.

NEW PLAN LIKELY TO PROVE FAILURE

French and Italians, Omitted from Japanese Proposals Before, Are Now Expected to Give More Detailed Views; Arms Parley Adjourns Until Monday.

London, Dec. 13 (AP)—Japan granted to Soviet Russia the right to a fleet equal to its own in arguing for tonnage equality for all nations before the international naval conference, authoritative quarters disclosed today.

This widening of the scope of Japan's position was regarded as one of the most significant developments of the five-day old conference.

The delegation from Tokyo developed the theory that a single standard should apply to all nations indiscriminately, regardless of their defense requirements or colonial commitments, other delegations reported.

London, Dec. 13 (AP)—Japan's delegation to the international naval conference maneuvers today to win the support of France and Italy in the Asiatic Empire's demand for sea power equality.

The Japanese revised their request for a common upper limit of naval tonnage to include the five powers—Japan, the United States, Great Britain, France and Italy instead of the first three only, as previously suggested.

The French and Italians opposed the Japanese demands yesterday because they were not included. However, in former sessions they did not consider the new tactics, would prove successful, although they will bring the French and Italians more into the general debate.

As a result of the new Japanese plans, the French and Italians are expected to present more detailed viewpoints when the conference is resumed Monday.

The Monday meeting will be for the heads of the delegations only. Observers saw significance in this limitation, and said they believed it meant the delegates would thresh out the Japanese equality demands and discuss future possibilities at that time.

Morehead Harbor Improvement Work Let On Contracts

Washington, Dec. 13.—(AP)—Army engineers said today a \$206,388 contract for Morehead City, N. C., inlet harbor improvements had been awarded and work would be started immediately.

The contract, awarded to the Gahagan Construction Company, Brooklyn, calls for dredging an ocean vessel channel inside the Morehead City inlet to the terminal now under construction, and a turning basin at the terminal.

The project is a part of the \$1,455,000 Public Works Administration project under construction there.

Six months was the time estimated to be required for completing the project.

S. C. HOUSE VOTES TROOP WITHDRAWAL

Joins Senate in Special Session in Request to Gov. Johnston

Columbia, S. C., Dec. 13 (AP)—By a vote of 108 to 2, the South Carolina House of Representatives today aligned itself with the Senate in requesting Governor Johnston to withdraw troops from the State Highway Department, but did not suspend legislation pending such action.

The vote was taken after Representative Neville Bennett, of Marlboro, substituted a modified resolution for one introduced by Representative Arrowsmith, of Williamsburg, and the governor was quoted on the floor as saying it "was not objectionable to him."

With the Senate already on record for the withdrawal of troops holding the State Highway Department, the House of Representatives moved

LIBERAL GOVERNOR OF KENTUCKY MAY AID DR. M'DONALD

Democratic Radical Played Havoc With State Machine in Blue Grass State.

OUTSIDER MIGHT BE OBJECTED TO HERE

McDonald Himself is Not North Carolinian; Graham and Hoey Backers Say "Happy" Chandler Would Not Help McDonald Much Even if He Came Here.

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, Dec. 13.—If Governor "Happy" (A. B.) Chandler, of Kentucky, the exuberant and youthful Democratic "radical" who opposed the sales tax and fought the old line Democratic "machine" in Kentucky, and as a result won the governorship, comes to North Carolina in January to help Dr. Ralph W. McDonald, of Winston-Salem, his North Carolina counterpart, open his campaign for the Democratic nomination for governor, he will undoubtedly get a crowd. No one seems to know for sure yet whether Governor Chandler is actually going to help McDonald in his campaign here or not. But some one who claims he heard it from some one who says he knows absolutely that it is a fact, has let it slip out that Governor "Happy" Chandler will open McDonald's campaign for him here early in January.

At any rate, even the rumor that Chandler may come here and help McDonald is giving the boys on the other side of the political fence from McDonald the jitters. They know only too well what kind of havoc Chandler played with the Democratic machine of former Governor Ruby Laffoon of Kentucky, and the bricks he heaved into it, with the result neither all of Laffoon's colonels nor all of his admirers could put it back together again after Chandler got through humpty-dumptying it. They also know that McDonald is running on almost the same platform in North Carolina that Chandler ran on in Kentucky—opposition to the three per cent sales tax and to the present Democratic administration and so-called "machine." About the only difference is that McDonald has trimmed and re-decorated his platform to fit with the other aspects of the North Carolina political picture. It is also pointed out

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The Alabama made a vigorous start on this campaign at the last session of congress, but indications are that this will be looked back on as trifling, in comparison with what is to come.

IMPLACABLE
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Argentine Price
Boost Puts Wheat
Up Above \$1 Here

Chicago, Dec. 13.—(AP)—World wheat prices shot higher today following announcement that Argentine had fixed a minimum price for its grain 20 cents above the ruling market. Wheat futures in Chicago jumped the five cents per bushel limit permitted by trading rules.

Trading at the opening here was very excited and both December and May wheat contracts were lifted above the dollar-a-bushel level for the first time in recent weeks.

Values in all international markets rose swiftly with the opening. Liverpool reflected the bullish Argentine news by jumping around five cents. Winnipeg was up the three cents daily limit allowable.

The Buenos Ayres market scored one of the sharpest wheat price advances on record by opening 19 cents a bushel above the previous close.

Push Your Sales Now

Take Advantage of Best December Business in Years, Babson Advises

By ROGER W. BABSON
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Publishers Financial Bureau, Inc.
Babson Park, Mass., Dec. 13.—Business is the best for any December since 1929! Factories are running night and day; employment is increasing; profits are better and sales are speeding up. Total business, as measured by the Babsonchart although still thirteen percent below normal, is twenty-five percent above a year ago and fifty percent above the depression low.

Building Faces Recovery
Not since the early days of 1929 has there been as much drive behind a business upswing as there is in back of this current advance. The most encouraging angle is the pick-up in building and other heavy goods industries where unemployment has been the most severe. These industries are showing real signs of a sustained revival but despite the big gains, operations are still averaging less than fifty per cent of capacity. With the tremendous deferred orders which have piled up since 1929 and the high credit reserves available, we may be approaching one of the most active industrial periods in our history.

MIDWEST FEARFUL EAST MIGHT RUIN G. O. P.'S CHANCES

Terrific Blasts of Big Business Scaring Farmers And Workers Into FDR'S FOLD

LIVING COSTS AND HIGH TAX MAJORED

At Least That is What Midwest Party Chiefs Desire; Even in Wall Street Is Protest Against "Big Business" Program; Administration Silent.

New York, Dec. 13.—Republican Midwest leaders evidently are becoming fearful that Eastern leaders and Wall Street are ruining Republican chances even before a campaign gets under way.

The terrific blasts of Big Business from New York against the New Deal are scaring farmers and workers straight to the Rooseveltian folds, Midwest leaders are said to believe. It is significant that the Roosevelt administration has not answered. But one of its commissions did issue some figures of high salaries (from \$100,000 on up to \$365,000) paid to business executives who are critics. In many papers that received a larger play than did specific criticism of the New Deal which originated in the Congress of American industry in New York. Furthermore, there now are rumors in Washington that Senator Hugo Black's investigating committee will be busy through the year. And the Progressives plan to see that election campaigns are thoroughly sifted.

Republican leaders, in the interest of the United States they could come near winning on a high-cost-of-living campaign, even a high-tax campaign, but when the social accomplishments and social security aims of the Roosevelt administration are attacked and the inference is left that they would be revoked should the Republicans gain power, the battle becomes difficult.

EVEN IN WALL STREET
There is a protest even in Wall Street.

Under the heading, "Doth Protest Too Much," the Wall Street Journal remarks, in part:

"In their eagerness to defeat the New Deal, a good many business men appear to be in danger of allowing their indignation to get the better of their judgment."

One reads and hears with increasing regularity charges from in-

\$100,000 Blaze In Government's New Postal Structure

Washington, Dec. 13.—(AP)—The \$100,000 post office building which stands on Pennsylvania Avenue four blocks from the White House today was scarred by an interior fire which blazed dangerously through early morning hours.

All the capital's fire apparatus was summoned to battle flames in the new structure, from which volumes of smoke billowed.

More than a dozen firemen were overcome temporarily in their efforts to reach the blaze.

When government employees went to their offices today, the fire was reported out, although apparatus still was on hand awaiting a final check of the damaged structure.

One semi-official estimate—and that admittedly rough—put the replaceable damage at "more than \$100,000."

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The current upswing, unlike some of the other "boomlets" since 1933, seems to be a natural pick-up supported by activity in the motor industry, the release of orders which could no longer be postponed. With advancing security and commodity prices, there has come a very healthy change in public morale. As I make my rounds among merchants, bankers, manufacturers, and salesmen, I find a wonderful improvement in sentiment.

British Parliament Bitter Toward African Peace Plan; Ethiopia Calls On Geneva

Anglo-French Proposal Would Give Italy Near Two-Thirds Of Ethiopia

Plan Being Examined With Care by Mussolini, Italian Government Chief Says.

LEAGUE COMMISSION WOULD BE ADVISOR

But no Member Would Be Citizen of Interested Power; Various Frontiers Would be 'Rectified' Under Plan, Published in Rome For First Time.

Rome, Dec. 13 (AP)—The Franco-British plan for peace between Italy and Ethiopia, made public today, would give Italy sovereignty or control over approximately two-thirds of Ethiopia.

An Italian government spokesman said his government could make no comment on the proposals at present, but that "they are being examined with care."

There are five points to the plan, as follows:

1. Italy would get sovereignty over Tigre province, already conquered by her military forces, except for the sacred city of Aksum and a corridor connecting that city with Ethiopia.
2. The Banakil frontier would be "rectified" so as to give the Assua region to Ethiopia in full sovereignty.
3. The Somaliland frontier would be "rectified," running from the Kenya-Somaliland boundary intersection to Gorahai.
4. Ethiopia would get a free port on the sea, preferably Assab, and a corridor leading to it; France and Great Britain would undertake to get from Ethiopia guarantees against the importation of arms and munitions.
5. France and Great Britain would agree at Geneva to urge Emperor Haile Selassie to grant Italy a zone of influence running from the new Somaliland frontier established under point three and extending all across Ethiopia from the 35th to the 45th longitude and northward to the eighth parallel.

Emperor Haile Selassie would have sovereignty over this zone of Italian influence, but would have an advisor who might or might not be an Italian.

There would be a League of Nations Commission to advise the monarch on internal affairs, but no member of this commission could be a citizen of any other interested power.

RICHMOND COUNTY SCHOOL IS CHOSEN

Columbia University Picks Ellerbe as Outstanding In United States

Daily Dispatch Bureau, In The Sir Walter Hotel, Raleigh, Dec. 13.—Selection of the Ellerbe school in Richmond county by Teachers College of Columbia University as one of the outstanding rural schools in the United States and as a laboratory for the study of rural education, was warmly commended here today by Lyovd E. Griffin, executive secretary of the State School Commission, also by Claude F. Gaddy, assistant secretary. That this school was selected by Columbia University in the State is regarded as a distinct tribute to County Superintendent of Schools L. J. Bell, who has been superintendent of the Richmond county schools for 36 years, both Griffin and Gaddy pointed out.

"We have long regarded Superintendent Bell as one of our ablest and most far-seeing county superintendents—and apparently Teachers College of Columbia University agrees with us," Griffin said. "I am confident"

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WEATHER FOR NORTH CAROLINA.

Cloudy, preceded by light rains in north and west portions; colder in east and central portions tonight; Saturday partly cloudy, slightly warmer in west portion.

CABINET CRISIS IN LONDON LIKELY IF PLAN IS ACCEPTED

British Constituents Protest To Commons Against Concessions to Mussolini.

POPE PIUS ACTIVE IN SEEKING PEACE

Meanwhile, Ethiopia Reports Rout of Italians Near Makale; Many Smaller Nations in League Opposed to Anglo-French Offer To Slice Ethiopia.

(By The Associated Press)
Emperor Haile Selassie asked the League of Nations to call a special meeting of the League Assembly on the grounds that the Franco-British peace plans violated the spirit of the League covenant.

The plan, which it is understood offers about half of Ethiopia to Italy in exchange for peace, already has resulted in a call for a session of the Council for next Wednesday.

Many of the smaller nations in the League were represented as opposed to the plan on the ground that it would give Premier Mussolini his objective in East Africa.

Rebellion against the Franco-British proposals for peace threatened in the House of Commons today as the impression from the Geneva plan would be turned down.

By letter and telegram British constituents protested to their representatives in Parliament against the war settlement suggestions which would give Italy part of Ethiopia.

An official communique from Addis Ababa reported the defeat of an Italian post north of Makale by a strong Ethiopian patrol.

The Italians fled, burning villages behind them, the communique said.

The opposition from the British countryside led to comment in Parliamentary halls threatening to oust Foreign Secretary Sir Samuel Hoare unless the League of Nations vetoes the peace offer formulated by him and Premier Pierre Laval of France.

A mutiny in the British cabinet was brewing, informed sources said, under the leadership of Neville Chamberlain, chancellor of the exchequer.

Unofficial advices from Geneva predicted the failure of the proposal before the League Council next Wednesday, when that body begins its consideration.

Authoritative sources at Rome said Pope Pius, through the church's wide diplomatic channels, was influencing the attempts for peace. Three papal nuncios in France, Poland and Austria were named as having played important parts in the movements to bring the war to an amicable end.

N. J. LEGISLATORS DECLINE INQUIRY

Refuse to Allow Gov. Hoffman to Call Session To Investigate Him.

Trenton, N. J., Dec. 13.—(AP)—Legislative leaders turned down today Governor Harold G. Hoffman's offer to call a special session to investigate his activities in the Bruno Richard Hauptmann case.

The investigation was suggested by Assemblyman Crawford Jamieson, Mercer, Democrat, who criticized the governor for his death house visit to Hauptmann. Jamieson said he believed a plan existed to subject the people of the world to a series of recurrent explosions that will carry this celebrated case into the press at intervals until the Republican National Convention meets in June.

Governor Hoffman has been mentioned as a possible candidate for the Republican presidential nomination. The governor discussed with leaders today the need of a special session to discuss emergency relief and social security legislation. They concluded no session was necessary for those purposes, and when the governor also offered to reconvene the legislature to investigate him they rejected that proposal.

Senator C. C. Barbour, Republican majority leader, one of the conferees, termed Jamieson's suggestion "insulting."

Old Age Pensions Start in January

Washington, Dec. 13.—(AP)—Striving to get the non-contributory old age pensions system into effect soon after New Year's officials disclosed today they have sent a questionnaire to all states. It is a final check-up by the social security board to determine which states will participate in the system at the beginning.

Board officials expect to be ready to put the plan into operation as soon as Congress provides the money. They hope it will go a long way toward helping care for "unemployables" cut off Federal relief rolls as of December 1. The Federal government will grant \$15 a month for each needy individual 65 years of age or over, provided a similar amount is granted by the states.

BLACK WILL CARRY NEW DEAL DEFENSE

Alabama Senator Chief Reliance in Senate of President Roosevelt.

WILL PROD BUSINESS Plans To Dig Deep Into "Influence" by Pressing Lobby Probe; Hugo Is Said to Have Plenty of Ammunition

By CHARLES P. STEWART
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Japanese Troops Occupy Key Town In Chahar Region

Kalgan, Chahar Province, China (Saturday) Dec. 14.—(AP)—A small detachment of Japanese troops entered this gateway city of the Chinese northwest today while the populace and Chinese soldiers gaped in wonderment. Not a shot was fired and not a voice was lifted in protest.

It was the first appearance of Japanese armed forces here and the "invasion" was viewed as a manifestation of the Japanese army's determination to clench its hold on North China by acquiring military control of strategic centers.

Where the troops came from and what their immediate purpose might be was not disclosed, but the arrival of Japanese buses from Peiping was thought possibly to indicate an expedition deeper into the interior.

Hostilities between Manchukuo and Chinese forces in southwestern Chahar province, meanwhile, lulled.

9 shopping days until Christmas



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