

SLIGHT RELIEF FROM COLD IS PROMISED

HOEY EXPECTED TO TAKE ON SPEED AS CAMPAIGN STARTS

Keen Observers Say He Already Has More Potential Strength Than Any Others.

EFFECTIVE WORK IS DONE VERY QUIETLY

Shelby gubernatorial candidate has been keeping mails hot from his home quarters; county organizations will work hard for his success.

Daily Dispatch Bureau, in The Six Walter Hotel, 115 J. C. BASKERVILLE. Raleigh, Dec. 27.—Clyde R. Hoey, of Shelby, already has more potential strength than any of the other candidates for the Democratic nomination for governor and will be the one candidate all of the other candidates will vote to defeat, if they can defeat him, in the opinion of many of the more conservative and careful political observers here. For while Hoey has not been doing much visible campaigning as yet, he has been carrying on a very active but quiet campaign from his law office in Shelby for many weeks, according to reports reaching here. These same reports also indicate that this quiet, beneath-the-surface campaigning has accomplished a great deal more for him than some of the more spectacular campaigning that has been indulged in by some of the other candidates.

Without any noise or ostentation, Hoey has already succeeded in building up an excellent organization in most of the counties in the State, which is already waiting and ready to go into action when the time comes according to those who have been following the activities of Hoey and his supporters. It is pointed out that the Democratic leaders in the various counties have not forgotten the help and assistance which Hoey has been giving them for the past 25 years or more.

Professors Argue Over Court Rule

Atlanta, Ga., Dec. 27 (AP)—Professors of political science clashed at a national conference here today over Federal court activities, which Prof. Charles Grove Haines described as restricting government functions through a "dog in the manger" policy. "This policy," contended Haines, "is creating a 'no man's land,' or 'sphere of anarchy' in which large corporations and monopolies can roam untrammelled."

He advocated calling a national convention for revision of the Constitution "to accord with the life of the people."

State Pays \$6,867,700 On Its Debt

Checks Written And Sent to New York to Retire Outstanding Obligations.

Daily Dispatch Bureau, in The Six Walter Hotel, 115 J. C. BASKERVILLE. Raleigh, Dec. 27.—The State of North Carolina has not only not had to borrow as much as a dime during the last three years, but has been paying off its debts—almost entirely highway bonds and interest at the rate of approximately \$1,000,000 a month. It was pointed out here today by State Treasurer Charles M. Johnson. He has already made out and mailed checks for \$6,867,700 which will pay the interest and principal due

Ten Percent Business Gain In 1936, Genuine Prosperity By 1937 Is Babson Forecast

Sees Rising Tide For Business



ROGER W. BABSON

Morgan To Testify At War Probe

Washington, Dec. 27.—(AP)—J. P. Morgan and Thomas W. Lamont, partners in Morgan & Company, will be the first witnesses called by the Senate Munitions Committee January 7 in its investigation of whether loans to the Allies helped lead America into the World War.

This was announced today as committee members laid plans for hearings on which they will base their drive for broader neutrality legislation. At the same time, committee investigators made public a memorandum by two members of the committee, Clark, Democrat, Mississippi, and Nye, Republican, North Dakota, reviewing the part played by war-time Secretary of State Robert Lansing, in advocating that the government permit the Allies to borrow money in this country for continued war purchases before the United States entered the conflict.

Repeatedly Nye and other members of the committee have said such loans helped swerve this country from its neutrality path. It is argued that, after the loans were made, the United States had a vested interest in the Allied cause. Morgan & Company, fiscal agents for England during the war, has emphatically denied it played any part in inducing the United States to enter the conflict.

Six Dead After Drinking Poison Liqueur in North

Altiqqepp, Pa., Dec. 27.—(AP)—Six persons are dead after supposedly drinking liquor from a 15-gallon container which police chemists studied today for traces of poison. Investigators said the liquor was drunk in Christmas toasts. The victims, two women and four men, lived within a four-block area.

SUSPECTED VICTIM OF CONVICT FOUND

Butte, Montana, Dec. 27.—(AP)—Butte police announced today the finding of the body of Floyd Woods, 41, ranch care-taker, who was believed to have been the fourth victim of William Henry Knight, ex-convict. Posses scouring a wide area in the hunt for Knight throughout southwestern Montana reported to police headquarters here this morning that the body of Woods was located on a sand bank on the Madison river near Ennis, about 80 miles southwest of here.

WEATHER FOR NORTH CAROLINA.

Fair tonight; Saturday increasing cloudiness; possibly snow or rain by night and in extreme west portion in afternoon.

Elections Will Not Halt Recovery; Year Will See Building Boom Begun; Best Sales in Five Years.

HIGHLIGHTS OF BABSON'S 1936 OUTLOOK

BUSINESS: Ten Per Cent Gain For Year
ELECTIONS: No Obstacle To Recovery
BUILDING: Beginning Of Boom
LABOR: More "Help Wanted" Signs
STOCKS: Bull Market Not Over
FARM PRICES: Spotty But Total Income Higher
REAL ESTATE: Active Year—Rents Higher
BUDGET: Two Billion Dollar Deficit
BONDS: High-Grades At Ceiling
RETAIL TRADE: Best Sales In Five Years
ADVERTISING: Most Profitable In Years
LIVING COSTS: Mild Rise—Food Bills Down
SUMMARY: Prosperity by 1937

NOTE—This article is copyrighted by Publishers Financial Bureau, Inc., of Babson Park, Mass., and any reproduction, in whole or in part, is expressly forbidden without permission from the copyright holders.

BY ROGER W. BABSON.

Babson Park, Fla., Dec. 27.—I am bullish on business for 1936. Not on any year-end since the late twenties have I felt surer than I do today that plans could be laid on the basis of better business during the coming twelve months. Regardless of the elections, the tide of business is running in and nothing can stop it. When we check up on this forecast next December, I am convinced that we shall find satisfactory gains in jobs, wages, sales and advertising, stocks, farm income, earnings and dividends.

Ten Per Cent Gain

This, of course, would be but a continuation of the current trend. Business has been moving steadily forward during most of this year—the pace quickening as the holidays approached. The immediate outlook is satisfactory and I forecast about an eight per cent gain for the first half of 1936 over the same period of 1935. The second half depends on progress in the automobile and building industries. Hence, the closing months

may register spectacular gains or they may be only moderately better than the tail-end of this year. For the entire twelve months, my forecast is an average increase of 10 per cent over 1935. So by next Christmas general business, as measured by the Babsonchart, should be hugging the "X" normal line and heading into another period of prosperity. My optimism is based largely on the beginning of a boom in the heavy industries next year. Up through mid-1935, our recovery was due principally to revival in the consumer goods and motor industries. These lines alone were able to push total business just so far and no farther. Additional gains waited on the slow-starting, but potent, durable goods industries as represented by building. It is here that the unemployment problem has been most severe. Beginning last summer obsolescence and depreciation, low interest rates, rising rents, stabilizing real estate values and returning confidence finally started the building ball rolling. It will gain momentum in the months to come and it will be the strongest force working toward prosperity in the New Year.

Election No Obstacle
Many people—even those who share my optimism concerning the heavy industries—are worried over the ef-

(Continued on Page Two.)

NORRIS TO OFFER NEW POWER PLAN

Would Create in Mississippi Valley New and Vaster TVA Set-Up.

Washington, Dec. 27.—(AP)—Senator Norris, Republican, Nebraska, father of the Tennessee Valley Authority act and other new departures in government, will soon offer Congress a proposal vaster than all the rest.

He said today he would introduce at the coming session a bill for a Mississippi Valley Authority—along the lines of the TVA. It would embrace considerably

Late Buying Rush Boosts Profits Of Retail Merchants

New York, Dec. 27 (AP)—An unexpected rush of late Christmas buying, aided by the cold wave, helped the majority of retailers to end the most satisfactory holiday season in five years. Dun and Bradstreet, Incorporated said today.

"From a week earlier volume expanded ten to 30 per cent, while the comparative 1934 total was exceeded by an estimated range of 12 to 25 per cent," the survey said. "The distribution of bonuses, double salary checks, unexpected bank pay-offs, and the heaviest holiday travel in years brought a freedom of Christmas spending that has been unmatched since 1930."

"Individual purchases were larger this season, charge accounts were used more generously and cash sales increased. "Although production for the current year was the largest since 1930, manufacturers of farm equipment plan to advance schedules fully 25 per cent for the opening quarter of 1936" the review said.

ANTHONY EDEN RIDES HIGH AT 38



Married and father of two sons, Eden received his start in diplomatic circles in 1926 when he became parliamentary private secretary to the then foreign secretary, Sir Austen Chamberlain.



Anthony Eden

Smart dresser and a student of Oriental languages, Eden dislikes to be called youthful. He is at home with any class of people. He is a dashing figure on the continent.

Great Britain's new foreign secretary, Anthony Eden, at 38, is regarded in diplomatic circles as one of the world's outstanding international negotiators. The youthful foreign secretary's career has been meteoric. He is the youngest British foreign secretary since the Earl of Granville held the position in 1841 at the age of 35.

Laval Ready To Oppose New Sanctions On Italy

French Premier Wants To Run no Risk of African War Spreading Into Europe.

STATESMAN FIGHTS FOR HIS MINISTRY

Backstopped by Herriot, Premier Hears Leftist Demand That He Follow Sir Samuel Hoare "Into Oblivion" for Writing Recent Peace Terms.

(By The Associated Press.) Premier Pierre Laval, pleading for the life of his French government, indicated today he would oppose new sanctions against Italy which "might run the risk of spreading" the Italo-Ethiopian war to Europe.

In the face of a stormy leftist demand that he follow Sir Samuel Hoare, the former foreign secretary of Great Britain, "into oblivion," because he helped Sir Samuel write the discarded Anglo-French peace proposals, Laval told his Chamber of Deputies he had been told Premier Mussolini would consider all sanctions "an act implying war."

Laval, backstopped by Minister of State Edouard Herriot, faced the French Chamber of Deputies to explain the part he played in writing the rejected proposals to end the Italo-Ethiopian war.

While the politicians on both sides argued the potential merits of the

Sensation Breaks In Todd Case

Los Angeles, Cal., Dec. 27 (AP)—A sensational but unverified report that a man figuring in the Thelma Todd death inquiry beat the actress severely a few days before she was found dead of monoxide poisoning December 16 gave a startling turn to the grand jury investigation today.

Particular significance was placed on the report by Captain Jess Winn, of the district attorney's office, be-

CHINESE AGITATION IS STILL GROWING

Government Unable to Suppress Anti-Japanese Feeling in Shanghai.

Shanghai, Dec. 27.—(AP)—Two thousand Chinese students "halted" their advances on Nanking in a commandeered train when they were 80 miles from their goal today.

Shanghai, Dec. 27.—(AP)—Chinese student agitation against Japanese aggression and autonomous movements mounted today, overriding the quickened repressive activities of the central government.

One band of students, its number swollen to 2,000 by demonstrations along railway points, persisted in its efforts to enter the Nanking capital on a commandeered train, despite the government's dispatch of 500 troops to block the way, and request that the drive be halted.

Railway communications throughout Honan province were cast into confusion when another student body rushed railroad stations in Kaifeng.

Missionaries in China Accused of Backing Students

Tokyo, Dec. 27 (AP)—A government spokesman said today Japanese consular reports reaching the foreign office charged that missionary schools under American and British influence were taking a leading part in the present Chinese student agitation against Japan.

This was a noteworthy feature of the current wave of anti-Japanism in China, the spokesman asserted, because mission schools had remained passive in previous student agitation.

The spokesman declined to name the schools allegedly involved, but Japanese press dispatches from China charged that an unnamed American official of Yenching University, Peiping, was a prominent instigator. The spokesman also declined to discuss any possible Japanese government action over the charges.

RAIN AND SNOW IN WARMING WEATHER LIKELY TOMORROW

New Snow Carpet From Northwest Bringing Moderation for Frost-Bitten Nation.

ANOTHER DEATH IN STATE IS LEARNED

Negro Freezes From Exposure at Edenton; Weather Deaths Mount to 207 in Two Days in Country as Whole; Only Four States Escape Shivers.

(By The Associated Press) Weather forecasts today carried a promise of some relief for the Carolinas in the next 24 hours from the past week's cold wave. The Weather Bureau reported the outlook was for moderating temperatures tomorrow, but at the same time said there was the possibility of rain and snow for North Carolina. Low temperatures for tomorrow were expected to be about the same, however, as for this morning. Discovery of the frozen body of an aged Negro at Edenton brought the total of known exposed deaths in North Carolina to six. Nine other deaths were attributed indirectly to the cold, with four lives claimed by exploding stoves and heating systems, and five by automobile accidents.

NEW SNOW CARPET FROM NORTHWEST COMFORTING

Chicago, Dec. 27 (AP)—A new snow carpet rolled out of the Northwest today, carrying warm weather for a frost-bitten nation. It was due to whiten the same path in which zero chill dealt death directly or indirectly to at least 207 persons in the last two days.

All but four states—Washington, Oregon, California and Nevada—shivered under freezing temperatures

100 Passengers of Stranded Russian Ship Take to Ice

Vladivostok, Russia, Dec. 27 (AP)—One hundred passengers have abandoned the stranded Soviet steamer Lozovski and are trekking across eight miles of ice to the shore of the Okhotska Sea, it was learned today.

The Lozovski, a 2,000-ton freighter and passenger vessel, was caught in the ice while enroute to Vladivostok from Sakhalin Island, and reported that the ice pressure threatened to crush its hull.

Some members of the crew were detailed as guides for the passengers seeking to reach the shore and others set up tents on the ice beside the steamer to await help. Reports from shore points said several groups of passengers succeeded in reaching land after a long, arduous tramp, but that the majority were still on the ice.

Ethiopians Offer Plans To End War

Five-Point Program Most All in Favor of Ethiopian Interests; However.

Addis Ababa, Dec. 27.—(AP)—Reliable sources disclosed today the Ethiopian delegation to the League of Nations has been authorized to discuss peace.

The basis on which the delegation was authorized to talk of a settlement of the Italo-Ethiopian war, was said to be a program involving the following five points:

1. Withdrawal of Italian troops from Ethiopia.
2. Recognition of Ethiopia's sovereignty.
3. Payment of an indemnity by Italy.
4. Elimination of the boundaries be-

(Continued on Page Five.)