

TVA UPHELD BY COURT

RUSSIA WILL CLOSE ALL CONSULATES IN MANCHUKO BUT ONE

Tokyo Thinks Action Not Result of Border Clashes and Not Move Toward Warfare

CENSORSHIP PUT ON NEWS BY JAPANESE

Only Official Government Communiques May Be Published by Newspapers About Border Clashes; Tokyo Rejects Neutral Voice in Settling Dispute

Tokyo, Feb. 17.—(AP)—A Japanese foreign office spokesman said tonight that information from Hsinking indicated Russia soon would withdraw all her consulates, except the consulate-general at Harbin, from Manchukuo.

Officials said they believed the withdrawal was not connected with the recent fighting along the Manchukuoan borders and could not be interpreted as preparations for war.

PARTIAL CENSORSHIP ON NEWS IMPOSED IN JAPAN

Tokyo, Feb. 17.—(AP)—Japanese officials applied a partial censorship today to Japanese press accounts of the dangerous situation arising from recent sanguinary military clashes on the ill-defined Manchukuo-Outer Mongolian frontier.

The officials ordered the press not to publish anything concerning the issue except Japanese and Manchukuoan government communiques.

The ban was attributed authoritatively to an official desire to avoid inflaming public opinion, while a series of communiques were being issued.

Cotton Harvests Greatly Reduced Over Five Years

Washington, Feb. 17 (AP)—A reduction of 23 percent in the harvested acreage of cotton in 1934 as compared with 1929, was reported today by the Census Bureau.

The figures are based on the 1935 Federal census, the first since 1930. The acreage decrease was accompanied by a production drop of 35 percent, but the bureau stressed that the drought of 1931 seriously affected all comparisons with the preceding period.

The governor, who left Mercer hospital Saturday after a week's recuperation from a nasal operation, was expected back at his office today.

He conferred yesterday at his South Ambly home with Samuel S. Leibowitz, New York criminal lawyer, and said later Leibowitz had submitted a bill to the legislature.

New Date Not Named For Bruno

Trenton, N. J., Feb. 17 (AP)—The State delayed fixing of a new death date for Bruno Richard Hauptmann today to give Governor Harold G. Hoffman time to make any possible moves he may be considering.

Assistant Attorney General Joseph Lammigan said he would not ask Supreme Court Justice Thomas W. Trenchard before tomorrow at the earliest to fix a new death date for the man convicted of the Lindbergh baby killing.

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Coughlin Coming In Face of Dare

Washington, Feb. 17.—(AP)—Representative Sweeney, Democrat, Ohio, told the House today that Father Charles E. Coughlin will arrive in Washington tomorrow to take up Representative O'Connor's, Democrat, New York, challenge to "kick the Detroit radio priest all the way from the Capitol to the White House."

STATE MIGHT TRY TO RECOVER SOME PROCESSING TAXES

Action by Extra or Regular Session Almost Certain If South Carolina Succeeds

WOULD LIFT FUNDS FOR OLD AGE HELP Trouble, However, Is Money Would Be Available For Only One Year, With Problem of Financing Arising After That; Palmetto State Being Watched

Daily Dispatch Bureau, In The Six Water Hotel, By J. C. BASKERVILLE. Raleigh, Feb. 17.—The next North Carolina General Assembly—or possibly a special session—may make an effort to recover enough processing taxes from textile and other manufacturers in North Carolina through the levying of an excess profits tax, to pay for old age benefits and other social security activities, if South Carolina is successful in a similar move, it was agreed here today.

More Cold Blows Down Out of The Northwest Areas

Chicago, Feb. 17 (AP)—Down from the national "northwestern refrigerating" plant swept new masses of frigid temperatures and additional snow today.

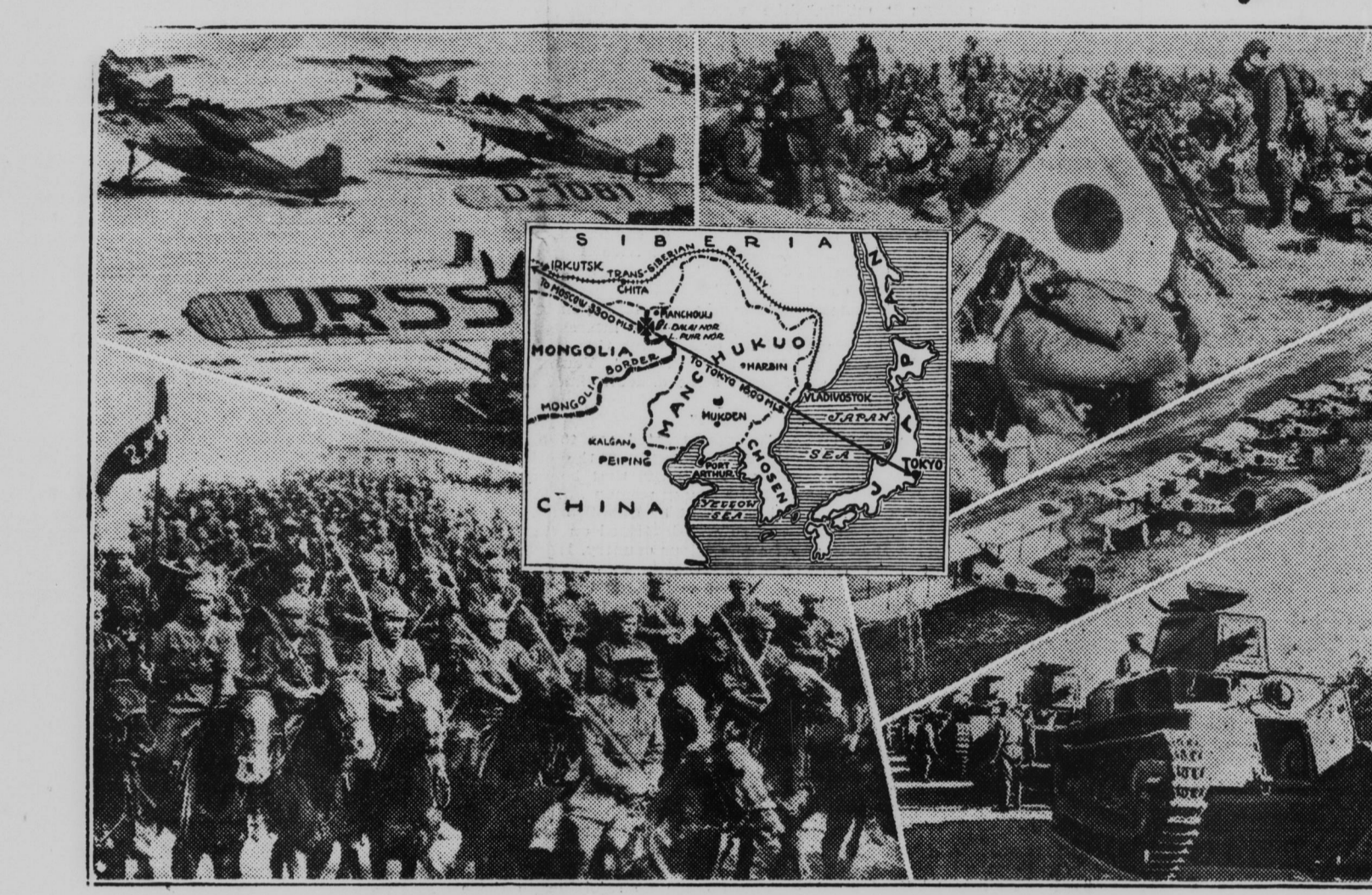
The forecast generally was continued cold, snow, rain, sleet and little hope for relief in the near future.

Early yesterday Dinkinson and Williston, N. D. registered an official minus 50, but it later warmed up to minus 32, then dropped again sharply.

Traffic accidents over the weekend, may indirectly charged to the weather, totalled at least 50. Michigan reported four deaths from the cold, and a four-year-old girl fell through a hole in ice ten inches thick on the Passaic river at Little Falls, N. J., and was drowned.

civil processes—was proclaimed in the face of rumors that a "state of war" might be instituted. Authorities feared that disorders might result from the large leftist gains in the elections. A cabinet session was called. The ministers authorized the state of alarm and indicated that a state of war could be decreed at once should be decreed at once should the necessity arise. President Zamora's family was transferred from the Zamora home to the presidential palace, where there were more facilities for defense.

Where Border Clashes Threaten Peace of Far East



Closing of the Russian Consulate General at Mukden is reported to have followed serious border clashes between Soviet and Japanese Manchukuoan troops in Outer Mongolia, along the all important trans-Siberian railroad. Top and bottom left shows types of Russian planes and troops which must be brought from Moscow (see map) if Japanese planes and troops (top to bottom right), which are reported ready for any emergency, cut off ingress to Outer Mongolia from Russian army base at Vladivostok.

Vote Money To Pay Off Huge Bonus

Senate Passes Bill for That and Other Purposes for Total \$2,609,751,905

Washington, Feb. 17 (AP)—The Senate today passed an appropriations bill carrying \$2,609,751,905, including \$1,730,000,000 to pay the bonus, and \$879,751,905 to run the independent offices of the government in the next fiscal year.

The measure, which now goes back to the House for action on the bonus amendment, carried one of the largest of peace-time appropriations for a combined regular and emergency expenditures of government departments.

The \$300,000,000 original public works appropriation included in a deficiency bill three years ago was the record.

THOMAS D. WARREN PASSES SUDDENLY

Former State Democratic Chairman and Eastern Carolina Lawyer Dies at New Bern

New Bern, Feb. 17.—(AP)—Thomas D. Warren, 64, well-known Eastern Carolina lawyer, political leader and former chairman of the State Democratic Executive Committee, died suddenly at his home here at 12:30 a. m. today of a heart attack.

Funeral arrangements have not yet been announced.

Refunding N. C. Bonds Is Studied

Daily Dispatch Bureau, In The Six Water Hotel, By J. C. BASKERVILLE. Raleigh, Feb. 17.—Governor J. C. B. Ehringhaus and State Treasurer Charles M. Johnson, are in New York today and will probably remain there until tomorrow, discussing possible bond refunding plans with bond attorneys and bankers there. They left here last night and were due to arrive in New York this morning.

Plan Not New. For more than two years now Governor Ehringhaus and State Treasurer Johnson, with the assistance of the State's bond attorney in New York, have been studying the possibility of refunding the State's bonds.

Big Victory In Ethiopia Is Claimed By Italians

Most Sweeping Advance of Troops in North Since Early Stages of War Announced; Ethiopia Also Lays Claim to Victory on the Southern Battlefield

(By the Associated Press.) Claims of a great Italian victory in northern Ethiopia were put forth in Rome today as the Italian government reported the most sweeping advance of troops in the north since the early days of the war with Ethiopia. The Italians said they had captured 300 square miles of new territory in a six-day battle, which brought death to 5,000 Ethiopians and wounds to 15,000 more. The total alleged Ethiopian casualties, 20,000, was exactly the same figure as was advanced by Ethiopian sources last week concerning the Italians.

The Italian casualties in the battle were said by the Italian government to have been 1,500, of which less than 500 were killed.

The Italians said that their front lines in the north now were within 20 miles of Amba Alaji, the famous ridge that their punitive expedition reached in 1896—before the Ethiopians cut the army to pieces in one of the most decisive battles of the war.

During that whole period the predominant price influence has been the hand and voice of the government, he said.

"The market has gone up and down not because of changing conditions of supply and demand, but in response to governmental moves in cotton.

PITTMAN'S SPEECH IS EMBARRASSING

Hull's Disclaimers Do Not Obviate High Position Senator Occupies

By CHARLES P. STEWART. Washington, Feb. 17.—It is no secret in Washington that Senator Key Pittman's persistent warnings that the United States must prepare for war with Japan or expect to take a licking when a conflict between the two nations does come are embarrassing to Secretary of State Cordell Hull if not to the entire Roosevelt administration.

From a militarist's standpoint it is true, of course, that a case can be made out of a clash of interests in the Pacific between Uncle Sam and Japan.

However, Secretary Hull is not violently militaristic. Obviously he is disinclined to have a war if one can be avoided—not necessarily to yield too much to Japan, but not to be provocative either.

Senator Pittman, on his part, is provocative. What makes his fulminations especially trying to the State Department is the fact he is chairman of the Senate Committee on Foreign Relations.

OUR WEATHER MAN

FOR NORTH CAROLINA. Mostly cloudy, with possibly occasional light rain in extreme west portion tonight and in west portion Tuesday; somewhat colder in extreme west portion Tuesday.

SAYS GOVERNMENT DEPRESSED COTTON

Federal Tinkering Blamed for Sharp Price Decline Last March 11

Head of Great Texas Cotton Merchandising Firm Testifies, Declaring Market for Cotton Disrupted

Washington, Feb. 17 (AP)—Opening testimony in the Senate Agriculture Committee's investigation of cotton futures exchanges, W. L. Clayton, of Houston, Texas, today blamed "government tinkering" for the two-cent price break on March 11, 1935.

Clayton, head of Anderson, Clayton & Company, one of the world's largest cotton merchandising firms, said for the past six years "there has been no cotton market in the traditional sense that prices are normally established by competitive buying and selling."

During that whole period the predominant price influence has been the hand and voice of the government, he said.

"The market has gone up and down not because of changing conditions of supply and demand, but in response to governmental moves in cotton.

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Rivers Are Subsiding In Lower Areas

Raleigh, Feb. 17.—(AP)—Muddy flood waters in Eastern North Carolina streams began to subside in the upper reaches today, but raged on in middle and lower stretches, doing minor damage and covering thousands of acres of lowlands.

The Cape Fear reached 45.7 feet at Fayetteville yesterday, and was down a foot today, Lee A. Denson, Weather Bureau head here, reported.

At Smithfield, the Neuse was on a stand at 19 feet, while the Roanoke at Weldon was 41 feet deep this morning, some ten feet above its banks.

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HIRAM PERCY MAXIM; INVENTOR, IS DEAD

Throat Infection Fatal in Colorado Hospital, Where He Went On Way to California

La Junta, Cal., Feb. 17.—(AP)—Hiram Percy Maxim, of Hartford, Conn., international known inventor and mechanical engineer, died in Men nonite hospital here today of a throat infection.

Maxim was en route by train to the west coast with his wife last week when he became ill. He had been in the hospital here since.

GOVERNMENT GAINS MAJOR VICTORY BY EIGHT-ONE RULING

Justices Decide Disposition of Power Is Question for Congress, Not the Courts

HOLD GOVERNMENT OWNS POWER SOLD

Nothing in Constitution To Prevent Its Selling of Surplus Generated in Developing Any Navigable River and Providing for the National Defense

Washington, Feb. 17 (AP)—In a decision which did not reach the constitutionality of the TVA as a whole, the Supreme Court today upheld the right of the government to dispose of surplus power from dams constructed for purposes of navigation control, or as a national defense measure.

In an eight-to-one decision, read by Chief Justice Hughes, and with McReynolds dissenting, the court held the construction of Wilson dam at Muscle Shoals was constitutional, and that the government purchase of transmission lines from the Alabama Power Company to distribute the energy was also valid.

A minority contended that the court should have dismissed the case. After ruling that the construction of the Wilson dam was an act of national defense, and for the improvement of navigation, was legal, the court held that there was no constitutional prohibition against the manner in which the Tennessee Valley Authority was disposing of the current generated there. "Surplus power" is power produced in excess of government needs.

In an opinion by Justice Brandies, joined by Cardozo, Roberts and Stone, it was contended that the suit should have been dismissed because of lack of jurisdiction.

Thereupon, Justice McReynolds (Continued on Page Two.)

PANTAGES, WEALTHY THEATRE MAN, DIES

Los Angeles, Cal., Feb. 17 (AP)—Alexander Pantages, wealthy theatre owner, horseman and veteran of the Klondike gold days, was found dead in bed at his home here today.

The cause of death apparently was heart failure. He was 64 years old.

Operating principally in the western part of the United States, Pantages sold his large theatre chain to RKO in 1929, but in 1933 he again headed an independent exhibiting organization.

Pantages was born on an island off the Greek mainland, and as a youth worked in Cairo, Egypt.

Inquiry Of Townsend's Plan Seen

Washington, Feb. 17 (AP)—A resolution for a congressional investigation of the Townsend and other old age pension movements was approved today by the House Rules Committee.

The committee reported favorably the resolution by Representative Bell, Democrat, Missouri, calling for appointment by Speaker Byrns of an eight-man investigating committee, composed of four Democrats and four Republicans.

Chairman O'Connor, Democrat, New York, said he would call the resolution up for consideration.

(Continued on Page Three.)

Beard Faces Six Capital Offenses

Raleigh, Feb. 17.—(AP)—Robert T. Hurl, criminal district attorney of Dallas county, Texas, said here today that Beard, North Carolina desperado, faces trial in Dallas on six charges, under each of which his life will be at stake.

Beard, a resident of Caldwell county before he was convicted of the murder of Augustus Bounous, at Valdeese, escaped from State's Prison last fall while serving a life sentence given him when Governor Ehringhaus commuted his sentence of electrocution.

Hurl said Beard was charged with murder in Dallas in the death of an inactive pensioned police officer, who was shot fatally as he tried to stop a hold-up of a garage.